FY 2010 Explanatory Notes
Natural Resources Conservation Service

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NATURAL RESOURCES CONSERVATION SERVICE
Purpose Statement

Conservation Operations is authorized by the Soil Conservation and Domestic Allotment Act of 1935, P.L. 74-46 (16 U.S.C. 590a-590f) and the Soil and Water Resources Conservation Act of 1977, (16 U.S.C. 2001-2009). The purpose of Conservation Operations is to provide technical assistance supported by science-based technology and tools that help people conserve, maintain, and improve the Nation's natural resources. Conservation Operations contains four sub-accounts: 1) Conservation Technical Assistance (CTA); 2) Soil Surveys; 3) Snow Survey and Water Supply Forecasting (SS/WSF); and 4) Plant Materials Centers (PMC).

1. Conservation Technical Assistance Program: The CTA Program is the cornerstone of all USDA conservation programs. The program helps private landowners, conservation districts, Tribes, and other organizations through technical assistance to plan, design and implement conservation practices, and systems. The program delivers this assistance through a national network of locally-respected, technically skilled, professional conservationists. These conservationists deliver consistent, science-based, site-specific solutions to help private landowners conserve, maintain, and improve the Nation's natural resource base. The CTA Program works in partnership with other cooperative conservation programs to leverage the Federal investment in order to achieve national priorities without duplicating local and State efforts. The program is the conservation foundation for the Nation's private lands and Tribal lands conservation assistance infrastructure and brings to bear the technical expertise to get sound conservation solutions applied on the ground.

   The CTA Program provides proven and consistent conservation technology and a delivery infrastructure for achieving the benefits of a healthy and productive landscape, and has the following purposes:
   - Reduce soil loss from erosion.
   - Solve soil, water quality, water conservation, air quality, and agricultural waste management problems.
   - Reduce potential damage caused by excess water and sedimentation or drought.
   - Enhance the quality of fish and wildlife habitat.
   - Improve the long term sustainability of all lands, including cropland, forestland, grazing lands, coastal lands, and developed and/or developing lands.
   - Assist others in facilitating changes in land use as needed for natural resource protection and sustainability.

   Specific objectives of CTA are to:
   - Provide conservation technical assistance to individuals or groups of decision makers, communities, conservation districts, units of State and local government, Tribes, and others to voluntarily conserve, maintain, and improve natural resources.
   - Provide collaborative community, watershed, and area-wide technical assistance with units of government, so they can develop and implement resource management plans that conserve, maintain and improve our natural resources.
   - Provide conservation technical assistance to agricultural producers to comply with the Highly Erodible Land (HEL) and Wetland (Swampbuster) Conservation Compliance Provisions of the 1985 Food Security Act, as amended by past and future Farm Bills.
   - Provide conservation technical assistance to decision-makers in order for them to comply with Federal, State, Tribal, and local environmental regulations and related requirements, and prepare them to become eligible to participate in other Federal, State, and local conservation programs.
   - Provide soils information and interpretation to individuals or groups of decision-makers, communities, States, and others to aid sound decision making in the wise use and management of soil resources.

- Collect, analyze, interpret, display, and disseminate information about the status, condition, and trend of soil, water, and related natural resources so people can make informed decisions for natural resource use and management.
- Assess the effects of conservation practices and systems on the condition of natural resources.
- Develop, adapt, and transfer effective science-based technologies and tools for assessment, management, and conservation of natural resources.

2. Soil Surveys. NRCS helps people understand and use soils within their capability. Soil surveys provide the public with information on the properties, capabilities and conservation treatment needs of their soil. Based on scientific analysis and classification of the soils, soil surveys include maps and interpretations with explanatory information for a county or designated area. Soil Surveys are completed for approximately 92 percent of the United States and its territories. Soil survey is the foundation of resource planning by land-users and for policy making for Federal, State, county, and local community programs. NRCS conducts soil surveys cooperatively with other Federal agencies, land grant universities, State agencies, and local units of government. The major objectives of the Soil Survey Program are to:
   - Inventory and map the soil resource on the non-Federal lands of the United States.
   - Keep soil survey relevant to meet emerging and ever-changing needs.
   - Interpret the data and make soil survey information available to meet public needs.
   - Promote and provide technical assistance in the use of soil survey information.
   - Lead the National Cooperative Soil Survey Program.

3. Snow Surveys and Water Supply Forecasts (SS/WSF). The SS/WSF Program collects high elevation snow data in the Western United States and provides managers and users with snowpack data and water supply forecasts. NRCS field staff collects and analyzes data on snow depth, snow water equivalent, and other climate parameters at more than 2,000 mountain sites. The program is transitioning to an automated system which provides real time data. Approximately 780 of the data collection sites are currently automated. The data are used to provide estimates of annual water availability, spring runoff, and summer stream flows. These water supply forecasts are used by individuals, Tribes, organizations, and units of government for decisions relating to agricultural production, fish and wildlife management, municipal and industrial water supply, urban development, flood control, recreation, power generation, and water quality management. The National Weather Service includes the forecasts in their river forecasting function. Reports on the snowpack characteristics are used by the ski industry, transportation departments and others to plan their seasonal work in mountain areas. The objectives of the program are to:
   - Provide reliable, accurate and timely forecasts of surface water supply to water managers and water users in the west.
   - Efficiently obtain, manage, and disseminate high quality data and information on snow, water, climate, and hydrologic conditions.
   - Provide climate data to support NRCS conservation planning tools.

4. Plant Material Centers. The Plant Materials Centers (PMCs) identify, test and evaluate the performance of plants and plant technologies to solve natural resource problems including biomass production, carbon sequestration, erosion reduction, wetland restoration, water quality improvement, wildlife habitat improvement (including pollinators), streambank and riparian area protection, coastal dune stabilization, air quality and other conservation treatment needs. The tested and proven plant materials released by PMCs are used to restore the environment to a healthy condition after natural disasters and human induced disturbances. PMCs also evaluate and develop improved technologies for the production, establishment, and management of plants used in conservation systems. PMCs release new plants to the private sector which helps to stimulate the national economy and provide the large-scale increase of seed and plants necessary for implementation of the conservation programs of the Farm Bill. Commercial sales of PMC releases plants generate over $100 million a year in revenue. In addition to new plants, PMCs prepare technical documents and conduct training. There are over 2500 documents available from the Web describing how to select and use plants for conserving or improving natural resources. The work at the 27 PMCs is carried out cooperatively with State and

Federal agencies, universities, Tribes, commercial businesses, and seed and nursery associations. PMC activities directly benefit private landowners as well as Federal and State land managing agencies.

Watershed and Flood Prevention Operations includes Watershed Operations authorized by P.L. 78-534, the Flood Control Act of 1944 (33 U.S.C. 701b-1), and Small Watersheds authorized by P.L. 83-566, as amended (16 U.S.C. 1001-1008).

Through these programs, NRCS cooperates with State and local agencies, Tribal governments, and other Federal agencies to prevent damages caused by erosion, floodwater, and sediment and to further the conservation, development, utilization, and disposal of water and the conservation and utilization of land. The P.L. 83-566 program is available nationwide to protect and improve watersheds up to 250,000 acres in size. Currently, there are approximately 300 active small watershed projects throughout the country. P.L. 78-534 is available only in areas authorized by Congress; these areas cover about 38 million acres in 11 States.

Objectives of the program are to provide technical and financial assistance for disaster cleanup and subsequent rebuilding; stream corridor, and floodplain restoration; and for urban planning and site location assistance to the Federal Emergency Management Agency when relocating communities out of floodplains.

Emergency Watershed Protection Program (EWP) is authorized by Section 216, P.L. 81-516, (33 U.S.C. 701b-1) and Sections 403-405, P.L. 95-334 (16 U.S.C. 2203-2205). The 1996 Farm Bill amended Section 403 of the Agricultural Credit Act of 1978 (P.L. 95-334) (16 U.S.C. 2203) by including the purchase of floodplain easements under the Emergency Watershed Protection Program.

The EWP program reduces hazards to life and property in watersheds damaged by severe natural events. An emergency is considered to exist when a watershed is suddenly impaired by flood, fire, drought, or other natural causes that results in life and property being endangered by flooding, erosion, sediment discharge or other associated hazards. The emergency area need not be declared a national disaster area to be eligible for assistance. Objectives of the program are to provide technical and financial assistance for disaster cleanup and subsequent rebuilding; stream corridor, wetland, and riparian area restoration; and for urban planning and site location assistance to Federal Emergency Management Agency when relocating communities out of floodplains. Local people are generally employed on a short-term basis to assist with disaster recovery. Activities include establishing quick vegetative cover on denuded land, sloping steep land, and eroding banks; opening dangerously restricted channels; repairing diversions and levees; purchasing flood plain easements; and other emergency work.

Watershed Rehabilitation Program is authorized under Section 14 of the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended by Section 313 of Public Law 106-472, November 9, 2000. This program assists communities in addressing public health and safety concerns and environmental impacts of aging dams. Technical and financial assistance is provided for the planning, design, and implementation of rehabilitation projects that may include upgrading or removing the dams. The program may provide 65 percent of the total cost of the rehabilitation projects; Federal funds cannot be used for operation and maintenance. The program also allows communities to gain new benefits by adding municipal and irrigation water supplies, recreation, and wetland and wildlife enhancements.

Watershed Surveys and Planning was authorized by the Watershed and Flood Prevention Act, P.L. 83-566, August 4, 1954 (16 U.S.C. 1001-1008). Before 1996, small watershed planning activities and the cooperative river basin surveys and investigations authorized by Section 6 of the Act were operated as separate programs. The Fiscal Year 1996 Agriculture Appropriations Act combined the activities into a single program entitled the Watershed Surveys and Planning Program. Activities under both programs are continuing under this authority.

This program assists Federal, State and local agencies, and Tribal governments to protect watersheds from damage caused by erosion, floodwater, and sediment and to conserve and develop water and land resources. Resource concerns addressed by the program include water quality, opportunities for water conservation, wetland and water storage capacity, agricultural drought problems, rural development, municipal and industrial water needs, upstream flood damages, and water needs for fish, wildlife, and forest-based industries. Types of surveys and plans include watershed plans, cooperative river basin studies, flood insurance studies, and floodplain management studies. The focus of these plans is to identify solutions that use land treatment, structural, and nonstructural measures to solve resource problems.

Resource Conservation and Development (RC&D) is authorized by Section 102 of the Food and Agriculture Act of 1962 (P.L. 87-703), (7 U.S.C. 1010-1011) and Sections 1528-1538 of the Agriculture and Food Act of 1981 (P.L. 97-98). Section 383 of the 1996 Farm Bill (P.L. 104-127) (16 U.S.C. 3461) extended the RC&D program authority. Section 2504 of the 2002 Farm Bill removed the sunset provisions previously placed on this program. RC&D improves the capability of State and local units of government and local nonprofit organizations in rural areas to plan, develop, and carry out programs for resource conservation and development. RC&D plans may address land conservation, water management, community development, or other elements including energy conservation, protection of agricultural land, or protection of fish and wildlife habitats.

RC&D is initiated and directed at the local level by volunteers. A typical RC&D area encompasses multiple communities, various units of government, Tribes, municipalities, and grassroots organizations. The program serves as a catalyst for these civic groups to share knowledge and resources in a collective attempt to solve common problems facing their region. RC&D councils obtain assistance from the private sector, Tribes, corporations, foundations, and all levels of government.

Healthy Forests Reserve Program (HFRP) is authorized by Title V of the Healthy Forests Restoration Act of 2003 (P.L. 108-148) as amended by the Food, Conservation and Energy Act of 2008 (P.L. 110-246), authorized to be carried out from 2009 through 2012. HFRP assists landowners in restoring, enhancing, and protecting forest ecosystems on private lands to promote the recovery of threatened and endangered species; improve biodiversity; and enhance carbon sequestration. The four HFRP enrollment options include a 10-year cost-share agreement, a 30-year easement, a 30-year contract (for Indian Tribes only), and a permanent easement. Land enrolled in the HFRP must have a restoration plan that includes practices necessary to restore and enhance habitat for species listed as threatened or endangered or species or candidates for the threatened or endangered species list. All the options include cost-share payments for implementation of the required practices.

Wetlands Reserve Program (WRP) is authorized under Section 1237 of the Food Security Act of 1985 (P.L. 99-198), as amended. Funding is provided through the Commodity Credit Corporation (CCC). The Food, Conservation and Energy Act of 2008 (P.L.110-246) reauthorized the WRP through fiscal year 2012 and provided for a total acreage enrollment cap of 3,041,200 acres.

WRP preserves, protects, and restores eligible wetlands. Wetland restoration and protection improves wildlife habitat and water quality, and provides flood water retention, ground water recharge, open space, and aesthetic values. NRCS enrolls lands in this program in permanent easements, 30-year easements, and restoration cost share agreements on private lands and acreage owned by Indian Tribes, giving priority to permanent easements. The 2008 Farm Bill Act also provided a new enrollment type of a 30-year contract for acreage owned by Indian Tribes. NRCS enters into easements and contracts with landowners of eligible wetlands and associated buffer areas, as well as riparian areas that link two protected wetlands. NRCS and the Fish and Wildlife Service provide technical assistance for WRP.

Environmental Quality Incentives Program (EQIP) was re-authorized by Section 2501 of the Food, Conservation, and Energy Act of 2008 (P.L. 110-246). EQIP provides a flexible, voluntary conservation program for farmers and ranchers and promotes agricultural production, forest management and environmental quality as compatible national goals to optimize environmental benefits. EQIP offers

financial and technical assistance to eligible participants to install or implement conservation practices including those related to organic production on eligible agricultural land.

EQIP offers contracts with a minimum term that ends one year after the implementation of the last scheduled practices and a maximum term of ten years. These contracts provide financial assistance payments to implement approved conservation practices. Persons who are engaged in livestock or agricultural production or landowners who have an interest in an agricultural operation on eligible land may participate in EQIP. EQIP activities are carried out according to a plan of operations developed in conjunction with the producer that identifies the appropriate conservation practice address the identified resource concern(s). These practices must meet NRCS technical standards adapted for local conditions. EQIP payment rates may be up to 75 percent of the costs of certain conservation practices. Payments for management practices may be provided for up to three years to encourage producers to carry out management practices they may not otherwise implement. However, socially disadvantaged, limited resource, or beginning farmers and ranchers may be eligible for payment rates up to 90 percent. Farmers and ranchers may elect to use a certified third-party provider for technical assistance.
An individual or entity may not receive, directly or indirectly, conservation payments that, in the aggregate, exceed $300,000 during the period of 2009 through 2014. Technical assistance payments do not count against this limitation. A waiver of the $300,000 limit may be requested for projects of special environmental significance that will result in significant environmental improvements as determined by NRCS policy. At least 60 percent of funding must be targeted to practices relating to livestock production. NRCS establishes policies, priorities, and guidelines for the program and provides technical leadership and financial assistance.

Ground and Surface Water Program Conservation (GSWC) This program was not reauthorized by the Food, Conservation, and Energy Act of 2008 (P.L. 110-246). Ongoing GSWC contacts will be carried out using EQIP technical assistance funds as GSWC was originally authorized as a part of EQIP.

Agricultural Water Enhancement Program (AWEP) is authorized by Section 2510 of the Food, Conservation, and Energy Act of 2008 (P.L. 110-246). AWEP is a voluntary conservation program that enables the use of resources of eligible partners and AWEP funds to provide financial and technical assistance to owners and operators of agricultural lands. Eligible producers who participate in a project area identified in an approved partner agreement and who meet Environmental Quality Incentives Program requirements may be approved for assistance. Under AWEP, NRCS enters into partnership agreements with eligible entities that want to promote ground and surface water conservation or improve water quality on agricultural lands. No Federal funding may be used to cover administrative expenses of partners. All Federal funds awarded will be paid to producers who enter into AWEP contracts for conservation practices approved by NRCS.

Wildlife Habitat Incentives Program (WHIP) was authorized by Section 1240N of the Food Security Act of 1985, as amended by Section 2502 of the Farm Security and Rural Investment Act (P.L. 107-171) of the 2002 Farm Bill. WHIP was reauthorized under Section 2602 of the Food, Conservation, and Energy Act of 2008 (P.L. 110-246). WHIP develops habitat for upland wildlife, wetlands wildlife, threatened and endangered species, fish, and other types of wildlife including habitat developed on center pivot corners and irregular areas. NRCS provides technical and financial assistance to landowners to improve wildlife habitat on their property. NRCS enters into cost-share agreements with landowners for a minimum duration of one year after the completion of conservation practices identified in the WHIP plan of operations, but not more than ten years, providing up to 75 percent of the funds needed to implement wildlife habitat development practices. The 2008 Farm Bill authorized NRCS to use up to 25 percent of total funds to provide additional cost-share assistance to landowners who enter into 15-year agreements for the purpose of protecting or restoring essential plant and animal habitat.

Farm and Ranch Lands Protection Program (FRPP). Section 2401 of the 2008 Farm Bill (P.L. 110-246) re-authorized the Farmland Protection Program originally authorized by the 1996 Farm Bill. The 2003 Final Rule renamed the program the Farm and Ranch Lands Protection Program (FRPP) to better

describe the lands protected by the program. FRPP protects the agricultural use and related conservation values of farmland by limiting nonagricultural uses. Eligible land includes farm or ranch land that has prime, unique, or other productive soil, contains historical or archaeological resources, or supports the policies of a State or local farm and ranch land protection program. NRCS partners with eligible State, local and Tribal governments and nongovernmental organizations that administer farmland protection programs. Eligible entities that have demonstrated proficiency in administering easements in FRPP qualify as 'certified' eligible entities. The certified eligible entity status entitles the entities to enter into cooperative agreements in which NRCS can obligate five years of funding. NRCS can obligate three years of funding in agreements with non-certified eligible entities. The parcels submitted by the entities must be ranked and compete for funding each year. The certified entity status does not guarantee that the entity will have funding obligated in each year of the agreement. NRCS may provide up to 50 percent of the fair market value of the conservation easement; the eligible entity and the landowner must contribute at least 50 percent of the fair market value of the conservation easement. The eligible entity must contribute a minimum of 25 percent of the purchase price of the easement (the appraised fair market value minus the landowner donation) in cash. There is no limit on the amount of the landowner donation. The conservation easements are held by the cooperating entity and NRCS holds a contingent right of enforcement in the easement. To be eligible, land must be subject to a pending offer from an eligible entity. A conservation plan must be developed for any highly erodible cropland associated with the conservation easement. Landowners must meet the adjusted gross income, highly erodible land, and wetland conservation requirements of the 2008 Farm Bill.

Conservation Security Program (CSP) was authorized by the 2002 Farm Bill. Title II, Subtitle a, Section 2001 amends the Food Security Act of 1985 by adding Chapter 2, Subchapter A, the Conservation Security Program. CSP is a voluntary program that provides financial and technical assistance for the conservation, protection, and improvement of natural resources on Tribal and private working lands. The program provides payments for producers who practice good stewardship on their agricultural lands and incentives for those who want to do more. Equitable access was provided to all producers in all 50 states, the Caribbean Area, and the Pacific Basin Area, regardless of size of operation, crops produced or geographic location. CSP is a resource concern driven program, not conservation practice driven. Section 1202(a) of the Deficit Reduction Act of 2005 extended CSP into 2011. The Food, Conservation, and Energy Act of 2008 Bill (P.L. 110-246) stipulated that a conservation security program contract may not be entered into or renewed after September 30, 2008. The Secretary shall make payments on contracts entered before September 30, 2008 using such sums as are necessary.

Conservation Stewardship Program (CSP) was authorized by the Food, Conservation, and Energy Act of 2008 (P.L. 110-246), which amended the Food Security Act of 1985 to authorize the program in fiscal years 2009 through 2012. The purpose of CSP is to encourage producers to address resource concerns in a comprehensive manner by: (1) undertaking additional conservation activities; and (2) improving, maintaining, and managing existing conservation activities. During the period beginning on October 1, 2008, and ending on September 30, 2017, the Secretary of Agriculture shall, to the maximum extent practicable - "(1) enroll in the program an additional 12,769,000 acres for each fiscal year"; and "(2) manage the program to achieve a national average rate of $18 per acre, which shall include the costs of all financial assistance, technical assistance, and any other expenses associated with enrollment or participation in the program".

Grassland Reserve Program (GRP) is authorized by the Food, Conservation, and Energy Act of 2008 (P.L. 110-246). GRP assists landowners in restoring and protecting grassland. The objective of this program is to enroll up to two million acres in permanent easements, 30-year easements, or for the maximum duration allowed under State or Tribal law. The program offers several enrollment options:

Permanent Easement. These conservation easements are perpetual, or the maximum length allowed by State law. Easement compensation will not exceed the fair market value, less the grassland value of the land encumbered by the easement. Easement compensation will be the lowest of an area wide market survey or appraisal, a geographic area rate cap, or the landowner offer.

USDA will provide all administrative costs associated with recording the easement, including survey costs, title insurance and recording fees. Easement payments may be provided, at the participant's request, in lump sum or annual payments (equal or unequal amounts) for up to ten years.

Rental Contract. Participants may choose a ten-year, 15-year, or 20-year contract. USDA will provide annual payments in an amount that is not more than 75 percent of the grazing value. Payments will not exceed $50,000 per year, per person or legal entity and will be disbursed annually.

Restoration Agreement. Certain grassland easements or rental contracts may be eligible for cost share assistance to re-establish grassland functions and values where the land has been degraded or converted to other uses. CCC may provide up to 50 percent of the restoration costs. Participants will be paid upon certification of the completion of the approved practice(s). Participants may contribute to the application of a cost-share practice through in-kind contributions. The combined total cost-share provided by all sources may not exceed 100 percent of the total actual cost of restoration.

The program participant may enroll in a restoration agreement to restore the functions and values of the grassland.

Farm Service Agency (FSA) responsibilities include accepting applications, issuing payments, assessing penalties and liquidated damages as applicable, modifying and terminating rental contracts, landowner eligibility determinations on easement and rental contracts, acreage determination on rental contracts, maintaining GRP records and reports and enforce violations on rental contracts.

NRCS responsibilities include accepting applications, providing technical assistance to the participant, evaluating and ranking applications for rental contracts and easements, ensuring conservation treatment is in accordance to program requirements, selecting applications for funding, provide payment documentation to FSA and establishing quality assurance and control procedures to monitor land enrolled in easements or rental contracts.

Agricultural Management Assistance Program (AMA) is authorized by Section 211 of the Agricultural Risk Protection Act of 2000 (P.L. 106-224). Subtitle I, Section 2801 (b) (2) (ii) of the Food, Conservation, and Energy Act of 2008 Bill (P.L. 110-246) provides $15 million annually for financial assistance in 16 States, as determined by the Secretary, in which participation in the Federal Crop Insurance Program is historically low. Financial assistance is provided through the Commodity Credit Corporation (CCC). The 16 States designated by the 2008 Farm Bill to participate in the program are Connecticut, Delaware, Hawaii, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming. NRCS provides AMA financial assistance to producers to construct or improve water management structures or irrigation structures; plant trees for windbreaks or improve water quality. The program also offers financial assistance to mitigate crop failure risks through production diversification or resource conservation practices, including soil erosion control, integrated pest management, and transition to organic farming.

The Risk Management Agency provides AMA financial assistance to producers purchasing crop insurance to reduce revenue risk. The Agricultural Marketing Service provides AMA financial assistance to program participants receiving certification or continuation of certification as being an organic producer.

Chesapeake Bay Watershed Program (CBWP) is authorized by Section 1240Q of the Food Security Act, as added by the Food, Conservation, and Energy Act of 2008 (P.L. 110–246). Section 1240Q established the CBWP and defined the Chesapeake Bay Watershed to mean all tributaries, backwaters, and side channels, including their watersheds, draining into the Chesapeake Bay. This area includes portions of the states of Delaware, Maryland, New York, Pennsylvania, Virginia, and West Virginia. The Initiative gives special, but not exclusive consideration to the following river basins: Susquehanna River, Shenandoah River, Potomac River (including North and South Potomac), and the Patuxent River. The CBWP helps

agricultural producers improve water quality and quantity, and restore, enhance, and preserve soil, air, and related resources in the Chesapeake Bay Watershed through the implementation of conservation practices. These conservation practices reduce soil erosion and nutrient levels in ground and surface water, improve, restore, and enhance wildlife habitat, and help address air quality and related natural resource concerns. To carry out the CBWP, NRCS may chose to use any of the following Farm Bill programs: Wetlands Reserve Program; Environmental Quality Incentives Program; Ground and Surface Water; Agricultural Water Enhancement Program; Wildlife Habitat Incentives Program; Farm and Ranch Lands Protection Program; Conservation Security Program; Conservation Stewardship Program; Grasslands Reserve Program; Agricultural Management Assistance; Small Watershed Rehabilitation Program; Healthy Forests Reserve Program; or Conservation Reserve Program as authorized under subtitle D, Title XII of the Food Security Act of 1985, 16 U.S.C. 3830–3839bb–5.

Klamath Basin program was not re-authorized by the Food, Conservation, and Energy Act of 2008 (P.L. 110-246). Ongoing Klamath Basin Program contracts will be carried out using EQIP technical assistance funds as the Klamath Basin Program was originally authorized as a part of EQIP.

Technical Service Provider Assistance was authorized under Section 1242 of the 1985 Food Security Act, as amended by the 2002 Farm Bill. Section 2701 of the 2002 Farm Bill amended Section 1242 of the Food Security Act to require the Secretary of Agriculture to provide technical assistance under the Food Security Act Title XII conservation programs to a producer eligible for that assistance "directly … or at the option of the producer, through a payment … to the producer for an approved third party, if available." Section 2706 of the 2008 Farm Bill further amended Section 1242 adding a third option to provide assistance to an eligible participant "through an agreement with a third party provider" and added the Agricultural Management Assistance Program to the list of eligible programs. Section 1242 requires that USDA establish a system for approving individuals and entities to provide technical assistance to carry out conservation programs, and establish the amounts and methods for payments for that assistance. Technical assistance includes conservation planning and conservation practice implementation.

The Secretary of Agriculture delegated authority to implement Section 1242 to NRCS. NRCS implementation objectives of the provision include: 1) policy, procedures, and processes that provide efficient, effective, and timely technical services; 2) a process where conservation program participants can take full advantage of the marketplace and obtain cost-effective delivery of quality technical services; and 3) technical services that are provided in a manner that optimizes conservation benefits. Assistance through technical service providers expands NRCS ability to provide products and services that enable people to be good stewards of the Nation's soil, water and related natural resources on non-federal land.

Workforce Status and Location. As of September 30, 2008, NRCS had 11,170 full-time employees with permanent appointments and 626 part-time or intermittent employees. Of this total, 399 employees are located in the Washington, D.C. Metropolitan Area and 11,397 employees located outside of the Washington, D.C., metropolitan area.

Organizational Structure. NRCS is a line and staff organization. The line authority begins with the Chief and extends through the Regional Assistant Chiefs, State conservationists, area conservationists, and is finally vested with district conservationists. Line officers are responsible for direct assistance to the public. Staff positions furnish specialized technical or administrative assistance to line officers. More than 98 percent of the approximately 3,800 NRCS offices are in the field. Staffs in these offices either provide direct customer service or critical technical and administrative support. The following is a brief description of the principal functions of NRCS offices.

Customer Service Offices. Eighty-four percent of NRCS offices either provide the Agency's broad spectrum of natural resource technical and financial assistance products and services to customers, or a more focused service such as rural community development.

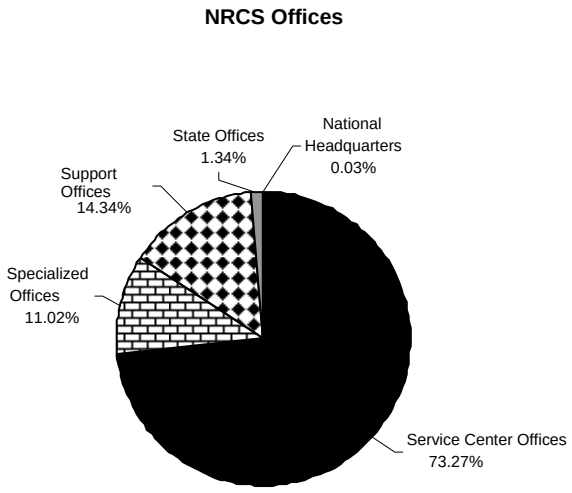
- Service Center Offices. Most employees provide front-line, personalized, one-on-one customer service from field offices that constitute 73 percent of NRCS offices. Employees in these offices provide customers with technical and financial assistance through the Agency's five business lines; as a result

of this help, customers prevent or solve natural resource problems on their land and in their communities. Service center office staff work side-by-side with employees of the local conservation districts and State conservation agencies. These offices function as a clearinghouse for natural resource information, helping people gain access to knowledge and assistance available from local, State, regional, and national sources. Service center offices are located in all States, Puerto Rico, U.S. Virgin Islands, American Samoa, Guam, the Northern Mariana Islands, Micronesia, Palau, and the Marshall Islands. Ninety percent of these 2,785 field offices are located in USDA Service Centers and co-located with offices of Rural Development and Farm Services Agency; the remainder are program delivery offices generally located with conservation districts.

- Specialized Offices. Another 11 percent of NRCS field offices (419) provide customer service that is more specialized such as the rural community development through Resource Conservation and Development offices or offices focused on delivering technical or financial assistance for water quality improvement.

Support Offices. Fourteen percent of NRCS' 3,800 offices in the field house employees who provide critical technical and administrative support to customer service offices. The other field-located offices include: 1) Area offices that provide administrative and technical support to a group of service center offices (these offices are generally used in larger states); 2) Project offices that are headquarters for watershed or river basin planning and construction activities; 3) Soil survey offices that inventory and map the soil resource on private lands resulting in current and consistent interpretations and data sets; and 4) Plant Material Centers that test, select and release plants for conservation purposes in selected plant growth regions throughout the United States.

State Offices. These 51 offices provide program planning and direction, consistency and accountability, and administration of a comprehensive soil, water, and related resource conservation program for each State, Pacific Islands Area and Caribbean Area. State offices also have the responsibility for the technical integrity of the NRCS activities; technology transfer and training; marketing of the agency programs and initiatives; and administrative operations and processing. State offices partner with other Federal and State agencies to provide solutions to State resource issues. A State Conservationist heads the NRCS organization in each State except Hawaii. In the Pacific Islands Area, which includes Hawaii, and the Caribbean Area, Directors serve a leadership role similar to State Conservationists.



National Headquarters (NHQ). NRCS assumes the departmental leadership for programs and other activities assigned by the Secretary of Agriculture, through the Under Secretary for Natural Resources and Environment. The Chief, with the assistance of the Associate Chief and Deputy Chiefs, carries out NHQ functions. Those functions include: 1) planning, formulation and direction of NRCS programs, budgets, and activities; 2) development of program policy, budgets, procedures, guidelines and standards; 3) leadership and coordination with other agencies, constituent groups and organizations; 4) workload assessment and operations management; 5) oversight and evaluation activities and coordination of corrective actions; and 6) strategic planning and strategic initiative development.

NHQ is responsible for the framework for national technology development and delivery within the Agency. Natural resource technology is developed and delivered through six national headquarters divisions, 11 national centers (cartography and geospatial; design, construction and soil mechanics; plant

data; soil survey; water management; and water and climate), and three National Technology Support Centers (NTSC). NTSCs acquire and/or develop new science and technology in order to provide cutting-edge technological support and direct assistance, and technology transfer to States, Pacific Islands Area and the Caribbean Area. These Centers also develop and maintain national technical standards and other technological procedures and references.

Accountability. NRCS accountability system includes:

- Program/operational and administrative controls, including the Accountability Information Management System (AIMS) which is both web-based and location-based. AIMS provides real time information on Agency budget, performance and results to anyone who clicks on the Accountability tab on the www.nrcs.usda.gov web-site.
- State quality assurance plans addressing State quality assurance processes, quality control issues, and producer compliance activities. Plans are updated, and findings and corrective actions are reported annually.
- Customer conformance reviews which assess performance of clients in meeting requirements of the conservation program. Customer conformance is determined using compliance and conservation program contract reviews.
- National internal management reviews on high risk areas of concern in programs, operations management, financial management, human resources, civil rights and functional areas. Over 40 on-site reviews are carried out annually. Deficiency findings result in management actions directed toward eliminating the deficiencies. Forty-two studies were carried out in FY 2008.

In FY 2008 and continuing into FY 2009, NRCS is upgrading the accountability software applications and hardware security to correctly safeguard all private and sensitive information and meet the requirements of the Federal Information Security Management Act.

The Soil Conservation Service, established in 1935, was renamed the Natural Resources Conservation Service (NRCS) pursuant to Public Law 103-354, the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962). The NRCS mission statement – "Helping people help the land" –reflects the Agency's long-standing role in providing conservation science and technology products and services to help people make sound natural resource decisions and implement measures to conserve, maintain, and enhance the lands and natural resources that they control or manage. Through this role, NRCS helps customers to achieve that balance of productive lands and a healthy environment.

NRCS' primary customers are the individuals and groups who make day-to-day decisions about natural resource use and management on non-Federal lands. They include farmers, ranchers, and other land managers; units of government; non-profit organizations; and others involved in agriculture or natural resource management. NRCS helps these customers take a comprehensive approach to the use and protection of their soil, water, and related natural resources. These cooperative conservation activities benefit directly or indirectly all of the people of the Nation.

NRCS assists customers in the accomplishment of their conservation objectives by providing products and services through five business lines:

1. Conservation Planning and Technical Consultations. NRCS provides data, information, and technical expertise to help customers collect and analyze information to identify natural resource problems and opportunities, clarify their objectives, and formulate and evaluate alternatives;
2. Conservation Implementation. NRCS helps customers install natural resource conservation practices and systems that meet established technical standards and specifications;
3. Natural Resources Inventory and Assessment. NRCS assesses, acquires, develops, interprets, and delivers natural resource data and information to enable knowledge-based planning and decision making at all landscape scales;
4. Natural Resource Technology Transfer. NRCS develops, documents, and distributes a wide array of technology pertaining to resources assessment, conservation planning and conservation system installation and evaluation; and

5. Financial Assistance. NRCS provides cost share and monetary incentives to encourage the adoption of conservation practices that have been proven to provide significant public benefits. Financial assistance is awarded to participants who voluntarily enter into contracts, easements and agreements to conserve natural resources.

NRCS assistance to individual landowners is provided cooperatively through conservation districts, which are units of local government created by State law. NRCS works in partnership with the State conservation agencies and other State and local agencies such as resource conservation and development councils, locally elected or appointed farmer committees, Federal agencies, Tribal governments, and private sector organizations. NRCS employees help people understand the natural processes that shape their environment, how conservation measures can improve the quality of that environment, and the benefits of partnerships with their neighbors in a common approach to build a landscape that supports a productive agriculture and natural resource quality.

NRCS helps people achieve these outcomes through the following authorized and funded programs of the Department of Agriculture:

Strategic Plan. In FY 2006, NRCS began implementing its new strategic plan that sets the Agency's priorities and direction for the next ten to 20 years. The plan establishes six mission goals and outcomes:

1. High Quality, Productive Soils
   - Soil Quality. The quality of intensively used soils is maintained or enhanced to enable sustained production of a safe, healthy and abundant food supply.
2. Clean And Abundant Water
   - Water Quality. The quality of surface waters and groundwater is restored and maintained to protect human health, support a healthy environment, and encourage a productive landscape.
   - Water Management. Water is conserved and protected to ensure an abundant and reliable supply for the Nation.
3. Healthy Plant And Animal Communities
   - Grassland, Rangeland, and Forest Ecosystems. Grassland, range, and forest ecosystems are productive, diverse, and resilient.
   - Fish and Wildlife Habitat. Working lands and waters provide habitat for diverse and healthy wildlife, aquatic species, and plant communities.
   - Wetlands. Wetlands protect water quality, reduce flood damages, and provide habitat for migratory birds and other wildlife.
4. Clean Air. Agriculture makes a positive contribution to local air quality and the Nation's efforts to sequester carbon.
5. An Adequate Energy Supply. Agricultural activities conserve energy and agricultural lands are a source of environmentally sustainable biofuels and renewable energy.
6. Working Farm and Ranch Lands. Connected landscapes sustain a viable agriculture and natural resource quality.

The strategic plan provides two Management Initiatives which describe operational priorities for the Agency:

1. Ensuring Civil Rights.
   - Equal Employment Opportunity. NRCS is committed to an equal opportunity standard for excellence through a highly skilled workforce that is diverse at all levels and ensures equal access to Agency products and services. NRCS employees value diversity and recognize a culturally diverse workforce as an essential element in providing quality products and services to a varied and changing customer base.
   - Fair and Equitable Service Delivery. NRCS employees are committed to providing equitable service to all customers, and providing the products and services in ways best suited to their varied needs.
2. Improving Internal Management. Good management of internal business processes and Agency resources is essential to efficient program operations, high-quality customer service, and effective use of the public investment. NRCS leaders and managers will emphasize strategic human capital

management, effective use of internet-based technology; efficient management of the Federal investment in conservation, and budget and performance integration to improve the efficiency of Agency operations.

NRCS leadership continues an aggressive effort to ensure effective implementation of the Agency strategic plan. That effort includes:

- Implementation of a communications strategy to reach across the Agency, USDA, and other Federal counterparts, as well as to partners, customers, and other entities.
- Definition and prioritization of critical implementation needs by Agency leadership.
- Integration of actions that support strategic priorities into FY 2009 business plans at National Headquarters and in States offices.
- Revision of Agency annual performance measures and personnel performance plan metrics to align clearly with strategic plan priorities and ensure a workable approach to report on progress.

Completed and On-going Audits.

FY 2008 General Accounting Office (GAO) and Office of Inspector General (OIG) completed audits:

- GAO 310791 USDA Farmers Benefits System (May 2007). Farm Service Agency had lead in this audit. Audit closed March 2008.
- GAO 360194 Conservation Compliance (April 2002). (GAO-03-418) final report posted by GAO April 2008. Audit closed.
- GAO 360388 USDA Should Improve Its Methods For Estimating Technical Assistance Cost (August 2003). (GAO-05-58) final report posted by GAO November 2007. Audit closed.
- GAO 360644 USDA Funding for EQIP – USDA Should Improve Its Process for Allocating Funds to States for EQIP. (GAO-06-969) final report posted by GAO September 2006. Audit closed.
- GAO 360649 Coordination of Habitat Programs - USDA Conservation Programs Stakeholders Views on Participation and Coordination to Benefit Threatened and Endangered Species and Their Habits (November 2007). (GAO-07-35) final report posted report posted by GAO November 2007. Audit closed.
- GAO 360662 South Florida Ecosystem Restoration Initiative (October 2006). (GAO-07-1250T) final report posted by GAO September 2007. Department of Interior had the lead for this audit. Audit closed.
- GAO 360710 USDA's Implementation of Highly Erodible Cropland and Wetlands Conservation Provisions (May 2006). No written report. GAO closed audit August 2007.
- GAO 360749 Coastal Wetlands Protection. (GAO-08-130) final report posted by GAO November 2007. Audit closed.
- GAO 360757 Review of Fish and Wildlife Services Management of Farm Service Agency (February 2007). Final report posted by GAO September 2007. Audit closed.
- GAO 360761 Support to Beginning Farmers Limited Resources Producers and Indian Tribes. (September 2006). GAO-07-1130 final report posted by GAO September 2007. Audit closed.
- GAO 360766 Ecosystem Management Policies and Procedures Adopted by Federal Agencies (October 2006). Forest Service (FS) had the lead for this audit. Audit name changed to Collaborative Resource Management. Statement of Action prepared by FS. No further action required from NRCS. Audit closed March 2008.
- GAO 360771 Impact of USDA Payments and Sodbuster on Grassland Conversions to Cropland (October 2006). (GAO-07-1054) final report posted by GAO September 2007. Audit closed September 2007.
- GAO 360818 U.S. Fish and Wildlife Service's (USFWS) Management of Prairie Potholes. (March 2007). (GAO-07-1093) final report posted by GAO September 2007. USFWS had lead for this audit. Audit closed.
- GAO 360980 Status of Endangered Species Act Issues (August 2008). (GAO-09-225R) final report issued December 19, 2008. Audit closed

- GAO 450450 Assessment of the National Strategy, Framework & Implementation Plan for Pandemic Influenza. (October 2006). (GAO-08-295R) final report posted by GAO October 2007. Audit closed.
- GAO 450517 Judgment Fund Reimbursement Requirements on the Operations of Federal Agencies (March, 2007). Final report posted March 2008. Audit closed.
- GAO 543177 Federal Leasing Trends and Challenges (September 2006). General Service Administration (GSA) had the lead for this audit. Audit closed March 2008.
- OIG GSA-060082 Delegations of Authority to Lease Space (September 2006). GSA-OIG government-wide audit. Audit closed January 2008.
- OIG 10099-1-TE Security over NRCS Information Technology Resources (April 2000). Audit closed March 2008.
- OIG 10099-3-SF Wetlands Reserve Program – Compensation for Easements (April 2003). Final report issued August 2005. Audit closed March 2007.
- OIG 10099-5-SF Farm and Ranchlands Protection Program (September 2005). Final report issued September 2006. Audit closed August 2007.
- OIG 10501-1-SF Water and Climate Information System Review of Application Controls (January 2004). Final report issued December 2004. Audit closed August 2007.
- OIG 10501-5-FM NRCS Application Controls. Program Contracts System (ProTracts) (January 2005). Final report issued July 2006. Audit closed September 2007.
- OIG 10601-3-CH Improper Payments – Monitoring the Progress of Corrective Actions for High Risk Programs in NRCS (February 2006). Final report issued June 2006. Audit warranted no formal reporting. Audit closed June 2006.
- OIG 50401-62-FM Department of Agriculture Consolidated Financial Statement Audit (May 2007). Audit closed.
- OIG 10601-5-CH Review of Controls Over Technical Service Providers (October 2007). Final report issued September 2008. Audit closed February 2009.
- OIG 10601-7-TE NRCS Controls Over Vehicle Maintenance Costs (January 2005). Report issued March 2006. Audit closed February 2008.
- OIG 50601-04-Hy Adequacy of Internal Controls Over Travel Card Expenditures Follow-up (November 2006). This is a follow-up audit to 50601-05-HQ, June 2003. Final report issued September 2008. OIG found that NRCS has strengthened its internal controls and no recommendations were made on audit. Audit closed December 2008.
- OIG 50601-12-KC Hurricane Relief Initiative (NRCS and FSA) (May 2005). Final report issued November 2007. Audit closed January 2009.
- OIG 50601-13-CH Implementation of Renewable Energy Programs in USDA (March 2007). Final report issued August 2008. Rural Development had the lead for this audit. Audit closed.
- OIG 50601-13-KC Effectiveness of the NRCS Status Review Process (April 2007). Audit closed June 2008.

<u>FY 2008 General Accounting Office (GAO) and Office of Inspector General (OIG) on-going audits:</u>

- GAO 360777 USDA Civil Rights Performance (GAO-08-755T) final report issued May 2008. NRCS has not completed nor been required to complete any evaluations that would impact the Department's Assistant Secretary for Civil Rights (ASCR) planned actions to address the audit's findings. As such, the response to the findings and recommendations/actions would be provided by the Department's ASCR.
- GAO 460579 Critical Infrastructure Protection Coordination Issues (December 2005). Department of Homeland Security had lead for this audit. (GAO-07-39) Final report issued October 2006. GAO is not making any recommendations at this time since prior recommendations are still being implemented. Continued monitoring will determine whether further recommendations are warranted.
- GAO 450241 Review of Administrative Remedies in the Federal Employee EEO Complaint Process (February 2007). In Progress.
- OIG 10001-1-HY Review Contract Administration at NRCS (January 2006). Final report issued March 2007. OIG concurred with management decision for all recommendations. Request for closure pending submission of supporting documentation third quarter FY 2009.

- OIG 10099-4-SF Wetlands Reserve Program Restoration Compliance (January 2006). NRCS requested closure on the seven remaining recommendations on February 12, 2009.
- OIG 10099-10-KC Homeland Security, NRCS Protection of Federal Assets (April 2002). Request for closure pending issuance of firearms policy.
- OIG 10601-1-At Rehabilitation of Flood Control Dams (December 2006). In progress. On-going field investigation.
- OIG 10601-04-KC NRCS Conservation Security Program (CSP) (November 2006). Field work completed. Exit conference held February 10, 2009. Awaiting Official Draft Report from OIG.
- OIG 50099-11-SF Crop Base Acres on Conservation Easement Lands (May 2005). OCFO accepted final action for Recommendation 1 and no further reporting is necessary for the NRCS Chief. Closure for the remaining recommendations is assigned to FSA.
- OIG 50099-52-TE AGI Limitations (August 2006). In progress.
- OIG 50601-10 -Hq Saving the Chesapeake Bay Watershed Requires Better Coordination of Environmental and Agricultural Resources (May 2005). Closure pending supporting documentation.
- OIG 50801-1-TE Urban Resources Partnership Program (June 1998). Request for closure denied. Agency is working with OCFO to provide clarification of final action documentation to reach closure.

FY 2008 GAO and OIG started or open audits:

- GAO 120696 Global Positioning System (May 2008). In progress. Exit conference held February 4, 2009.
- GAO 320572 Provincial Reconstruction Team (PRT) staffing in Iraq and Afghanistan (January 2008). In progress. FSA has the lead for this audit.
- GAO 360978 USDA Bio-fuel Efforts (September 2008). In progress. Exit conference held, March 11, 2009. Agriculture Research Service (ARS) has the lead for coordinating the Statement of Action. NRCS submitted written comments to ARS on March 18, 2009.
- OIG 50601-18-Te Pasture, Rangeland, and Forage Pilot Program (March 2008). Risk Management Agency (RMA) has the lead. No findings have been reported to NRCS. No additional information is needed at this time. RMA will provide NRCS the status of closeout.
- OIG 10401-2-FM FY 2008 NRCS Financial Statement (January 2008). Final report issued November 2008. OIG concurred in management decision for all nine recommendations on January 30, 2009.

NATURAL RESOURCES CONSERVATION SERVICE
Available Funds and Staff-Years
2008 Actual and Estimated 2009 and 2010

Item	Actual 2008		Estimated 2009		Estimated 2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Conservation Operations…….	$834,443,718	6,473	$853,400,000	6,323	$867,197,000	6,197
Healthy Forests Reserve Program……	1,986,000	2	0	0	0	-
Watershed Surveys & Planning……	449,831	5	0	0	0	-
Watershed & Flood Prevention Op……	520,254,000	280	24,289,000	385	0	244
Recovery Act, Watersheds……	0	-	290,000,000	235	0	140
Subtotal, Watersheds & Flood……	520,254,000	280	314,289,000	620	0	384
Watershed Rehabilitation Program……	19,860,000	65	40,000,000	275	40,161,000	257
Recovery Act, Rehabilitation……	0	-	50,000,000	47	0	14
Subtotal, Water Rehabilitation……	19,860,000	65	90,000,000	322	40,161,000	271
Resource Conservation & Develop……	50,730,384	440	50,730,000	451	0	-
Total, Appropriated Funds……	1,427,723,933	7,265	1,308,419,000	7,716	907,358,000	6,852
Carryover Funds (Available):						
Conservation Operations……	31,337,425	-	16,365,677	0	0	-
Healthy Forests Reserve Program….	0	-	0	0	0	-
Wetlands Reserve Program……	2,739,245	-	2,741,796	0	0	-
Watershed & Flood Prevention Op…	233,890,165	-	563,824,463	0	237,498,000	-
Recovery Act, Watersheds……	0	-	0	0	110,000,000	-
Watershed Rehabilitation Program……	5,990,768	-	4,907,025	0	0	-
Recovery Act, Rehabilitation……	0	-	0	0	12,000,000	-
Colorado River Salinity……	268,759	-	268,746	0	0	-
Water Bank Program……	745,181	-	745,181	0	0	-
Forestry Incentives Program……	6,033,437	-	6,016,890	0	0	-
Great Plains Conservation Prog……	547,594	-	547,594	0	0	-
Resource Conservation & Devel……	1,969,260	-	2,345,834	0	0	-
Transfer from CCC:						
Wildlife Habitat Incentives……	9,924,738	-	9,937,056	0	0	-
Total, Available Funds……..	1,721,170,505	7,265	1,916,119,262	7,716	1,266,856,000	6,852
Obligations under other USDA appropriations:						
Farm Security & Rural Investment Program ……	1,939,687,204	3,216	2,364,809,000	3,994	2,749,406,000	4,453
Reimbursements for technical services to:						
Emergency Conservation Program (FSA)……	797,091	11	875,943	11	875,943	11
Foreign Details & Assign. (OICD)……	56,854	-	0	0	0	-
Soil Survey (FS)……	168,901	2	163,276	2	163,276	2
Accelerate Soil Survey……	391,938	5	375,701	5	375,701	5
Other Planning & Application……	62,286,245	603	56,313,673	350	64,920,993	471
PMC Operations……	75,673	1	56,271	1	56,271	1
Reimbursements for other services:						
Facilities: Rent, phone, utilities, etc…	9,880,947	-	10,417,586	0	10,417,586	-
Miscellaneous……	1,941,642	5	2,021,074	4	2,021,074	4
Total, Other USDA Approp……	2,015,286,495	3,843	2,435,032,524	4,367	2,828,236,844	4,947
Total, Agriculture Appropriations……	3,736,457,000	11,108	4,351,151,786	12,083	4,095,092,844	11,799

NATURAL RESOURCES CONSERVATION SERVICE
Available Funds and Staff-Years
2008 Actual and Estimated 2009 and 2010
(Continued)

Item	Actual 2008		Estimated 2009		Estimated 2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Other Federal Funds:						
Reimbursement for technical services for:						
Soil surveys (Interior)……	$635,719	7	$614,544	7	$614,544	7
Accelerate Soil Survey……	3,907,053	40	3,740,853	40	3,740,853	40
Other: planning & application……	7,432,977	46	10,597,453	52	3,200,453	20
Snow Survey & Water Forecast…….	5,109	0	3,799	0	3,799	-
Plant Materials Center Operations….	1,115,017	11	829,142	10	829,142	10
Bureau of Land Management……	0	-	0	0	0	-
Reimbursement for other services:						
Facilities: Rent, phone, utilities, etc…	29,218	-	32,108	0	32,108	-
Cartographic job work……	0	-	0	0	0	-
Proceeds of sales……	0	-	0	0	0	-
Financial assistance……	8,058,853	-	29,118,389	0	7,343,589	-
Miscellaneous……	5,056,653	46	4,153,308	30	4,144,308	30
Total, Other Federal Funds……	26,240,599	150	49,089,596	139	19,908,796	107
Non-Federal Funds:						
Reimbursement for technical services for:						
Planning & application……	2,233,335	23	2,075,332	23	1,971,132	22
Accelerate Soil Surveys……	2,290,763	24	2,130,343	24	2,130,343	24
Snow Survey & Water Forecast…….	0	-	0	0	0	-
Plant Materials Center Operations….	440,687	1	325,658	1	325,658	1
Cartographic job work……	0	-	0	0	0	-
A&E Contracting……	340	-	374	0	374	-
Reimbursement for other non-Federal services:						
Facilities: Rent, phone, utilities, etc…	1,162,058	-	1,273,651	0	1,273,651	-
Proceeds of sales……	-6,500	-	0	0	0	-
Financial assistance……	3,044,500	-	935,000	0	0	-
Miscellaneous……	4,773,795	30	4,821,202	24	4,441,202	23
Trust funds……	450,492	1	450,492	1	450,492	1
Total, Non Federal Funds……	14,389,470	79	12,012,052	73	10,592,852	71
Total, NRCS……	3,777,087,069	11,337	4,412,253,434	12,295	4,125,594,492	11,977

NATURAL RESOURCES CONSERVATION SERVICE

Permanent Positions by Grade and Staff-Year Summary

2008 Actual and Estimated 2009 and 2010

GRADE	2008			2009			2010		
	HDQ	FIELD	TOTAL	HDQ	FIELD	TOTAL	HDQ	FIELD	TOTAL
Senior Executive Service..	25	3	28	25	3	28	24	3	27
GS-15	76	66	142	77	66	143	72	63	135
GS-14	126	179	305	127	180	307	120	170	290
GS-13	58	509	567	58	513	571	55	484	539
GS-12	25	3,126	3,151	25	3,148	3,173	24	2,974	2,998
GS-11	24	2,532	2,556	24	2,550	2,574	23	2,409	2,432
GS-10	1	28	29	1	28	29	1	27	28
GS-9	31	1,621	1,652	31	1,632	1,663	29	1,542	1,571
GS-8	10	479	489	10	482	492	10	456	466
GS-7	3	1,447	1,450	3	1,457	1,460	3	1,377	1,380
GS-6	6	427	433	6	430	436	6	406	412
GS-5	2	381	383	2	384	386	2	362	364
GS-4	5	303	308	5	305	310	5	288	293
GS-3	5	199	204	5	200	205	5	189	194
GS-2	2	64	66	2	64	66	2	61	63
GS-1	1	33	34	1	33	34	1	31	32
Other Graded Positions	0	0	0	0	0	0	0	0	0
Ungraded Positions	0	0	0	0	0	0	0	0	0
Total Permanent Positions	400	11,397	11,797	402	11,475	11,877	382	10,842	11,224
Unfilled Positions, end-of-year	1	697	698	0	0	0	0	-	0
Total, Permanent Employment, end-of-year	399	10,700	11,099	402	11,475	11,877	382	10,842	11,224
Staff-Year Estimate	384	10,953	11,337	417	11,878	12,295	406	11,571	11,977

NATURAL RESOURCES CONSERVATION SERVICE

Size, Composition and Cost of Motor Vehicle Fleet

Travel by most field NRCS employees requires a high degree of mobility with frequent stops at field offices, job sites (farms and ranches) and other areas where common carrier transportation is non-existent, uneconomical or inadequate. Employees require pickup trucks and sport utility vehicles (SUV) to drive on agricultural land to provide technical assistance to farmers and ranchers, and to transport large engineering and other field equipment. NRCS vehicles are distributed among field, area and State offices in the 50 States, Caribbean and Pacific Basin. NRCS has no vehicles in Washington, D.C. Passenger vehicles are assigned to an office location. Several employees use a single vehicle, maximizing its use and minimizing the number of vehicles at a location.

NRCS requires annual vehicle inspections and certification to ensure that vehicles are safe and reliable. NRCS policy for the replacement of motor vehicles is based on economy and safety. Industry standards and experience indicate that it is economical and safe to operate vehicles beyond the minimum standards set forth in FMR 102-34.280; GSA leased vehicles are replaced based on the FMR. NRCS maximizes purchases of Alternative Fuel Vehicles.

Changes to the motor vehicle fleet. At the end of FY 2008, NRCS had 1,068 passenger vehicles in a fleet of 8,791 sedans, station wagons, vans, SUVs and trucks. The fleet size is 2,201 vehicles less than FY 2007. NRCS has a GSA-leased fleet of 527 vehicles that includes 173 passenger vehicles. NRCS anticipates a decrease of 620 vehicles in the fleet in FY 2009.

Replacement of Agency-Owned Motor Vehicles. In FY 2009, NRCS will dispose of 1,414 passenger vehicles that meet replacement criteria and buy 794.

Impediments to managing the motor vehicle fleet. Alternative fuel is not available at many rural, remote NRCS field locations. NRCS continues to purchase alternative fuel vehicles and to use alternative fuel as it becomes available at field locations. High fuel costs continue to be an impediment for managing the motor vehicle fleet in the most cost effective manner.

Size, Composition, and Annual Cost
(in thousands of dollars)

Fiscal Year	Number of Vehicles by Type[1]							Total Vehicles	Annual Operating Costs
	Sedans & Station Wagons	Light Trucks, SUV, Vans		Medium Trucks	Heavy Trucks	Ambu-lances	Buses		
		4X2	4X4						
2007	1,366	4,832	4,556	215	23	0	0	10,992	$15,200
Change	+164	+36	+747	-583	-12	0	0	+352	+4,116
2008	1,068	4,509	2,992	210	12	0	0	8,791	$15,876
Change	-298	-323	+1,564	+5	-11	0	0	-2,201	+676
2009	1,070	3,861	3,031	197	12	0	0	8,171	$13,000
Change	+2	-648	+39	-13	0	0	0	-620	-2,876
2010	1,070	3,928	3,170	186	11	0	0	8,365	$13,309
Change	0	+67	+139	-11	-1	0	0	+194	+309

[1] Numbers include agency-owned and GSA-leased vehicles. NRCS does not have any commercial leased vehicles.

NATURAL RESOURCES CONSERVATION SERVICE
Conservation Operations

The estimates include appropriation language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Conservation Operations

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed $100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, [$853,400,000] $867,197,000, to remain available until [September 30, 2010, of which $31,650,000 shall be for the purposes, and in the amounts, specified in the table titled "Natural Resources Conservation Service, Conservation Operations Congressionally-designated Projects" in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act)] March 30, 2011: Provided, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed $250,000: Provided further, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a. (7 U.S.C. 2201-02; 16 U.S.C. 1101-5; 33 U.S.C. 7016-11; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2009.)

The change in language proposes deletion of "September 30, 2010, of which $31,650,000 shall be for the purposes, and in the amounts, specified in the table titled "Natural Resources Conservation Service, Conservation Operations Congressionally-designated Projects" in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act)" and insertion of "March 30, 2011".

NATURAL RESOURCES CONSERVATION SERVICE
Conservation Operations

Appropriation Act, 2009	$853,400,000
Budget Estimate, 2010	867,197,000
Increase in Appropriation	+13,797,000

Summary of Increases and Decreases
(On basis of appropriation)

Item of Change	2009			2010
Conservation Operations:	Estimated	Pay Costs	Other Changes	Estimated
1. Conservation Technical Assistance…….	$729,507,000	+$13,968,000	-$2,200,000	$741,275,000
2. Grazing Lands Conservation Initiative……	9,930,000	--	--	9,930,000
3. Soil Survey……...	92,229,000	+1,710,000	--	93,939,000
4. Snow Survey & Water Supply Forecasting.	10,806,000	+159,000	--	10,965,000
5. Plant Materials Centers……	10,928,000	+160,000	--	11,088,000
Total Available……	853,400,000	15,997,000	-2,200,000	867,197,000

NATURAL RESOURCES CONSERVATION SERVICE
Conservation Operations

Project Statement
(On basis of appropriation)

	2008 Actual		2009 Estimated		Increase	2010 Estimated	
	Amount:	Staff Years:	Amount:	Staff Years:	or Decrease	Amount	Staff Years
Conservation Operations:							
1. Technical Assistance	$712,477,689:	5,465:	$729,507,000:	5,300:	+$11,768,000(a):	$741,275,000:	5,203
2. Grazing Lands	9,930,000:	118:	9,930,000:	115:	-- :	9,930,000:	115
3. Soil Surveys	90,715,000:	719:	92,229,000:	734:	+1,710,000(a):	93,939,000:	714
4. Snow Surveys	10,685,000:	69:	10,806,000:	74:	+159,000(a):	10,965,000:	70
5. Plant Materials	10,782,000:	102:	10,928,000:	100:	+160,000(a):	11,088,000:	95
Total, Available	834,589,689:	6,473:	853,400,000:	6,323:	+13,797,000:	867,197,000:	6,197
Transfer from Congressional Relations	-145,971:	--:					
Rescission.	+5,882,282:	--:					
Total, Appropriation….	840,326,000:	6,473:					

Project Statement
(On basis of available funds)

	2008 Actual		2009 Estimated		Increase	2010 Estimated	
	Amount:	Staff Years:	Amount:	Staff Years:	or Decrease	Amount	Staff Years
Conservation Operations:	:	:	:	:	:	:	
1. Technical Assistance	$724,494,156:	5,465:	$742,682,604:	5,300:	-1,407,604:	$741,275,000:	5,203
2. Grazing Lands	9,930,000:	118:	9,930,000:	115:	--	9,930,000:	115
3. Soil Surveys	90,169,680:	719:	94,463,618:	734:	-524,618:	93,939,000:	714
4. Snow Surveys	10,550,590:	69:	11,319,544:	74:	-354,544:	10,965,000:	70
5. Plant Materials	11,334,618:	102:	11,369,911:	100:	-281,911:	11,088,000:	95
Total, Direct Obligations	846,479,044:	6,473:	869,765,677:	6,323:	-2,568,677 :	867,197,000:	6,197
Unobligated Bal. Brought Fwd.	(-27,478,479)	--:	(-44,169,102)	--:	(+16,365,677)	(-27,803,425)	--
Prior Year Recoveries	(-9,086,749)	--:	--:	--:	-- :	--:	--
Unobligated Expiring Balance…	(+5,227,802)	--:	--:	--:	-- :	--:	--
Offsetting Collections.	(-42,516,516)	--:	--:	--:	-- :	--:	--
Reimbursements.	(+41,811,501)	--:	--:	--:	-- :	--:	--
Change in Customer Payments.	(-24,016,016)	--:	--:	--:	-- :	--:	--
Not Available Carried Fwd.	--:	--:	(+27,803,425)	--:	-- :	(+27,803,425)	--
Unobligated. Bal. Carried Fwd.	(+44,169,102)	--:	--:	--:	-- :	--:	--
Adjusted Appropriation	(834,589,689)	:	(853,400,000)	--:	(+13,797,000)	(867,197,000)	--
Reimbursable Obligations:							
Conservation Tech. Assist	31,849,311:	108:	35,000,000:	106:	-- :	35,000,000:	106
Soil Surveys	7,241,194:	78:	7,000,000:	78:	-- :	7,000,000:	78
Snow Survey & Water Supply Forecasting	838,298:	2:	600,000:	2:	-- :	600,000:	2
Plant Materials Centers	1,882,698:	16:	1,400,000:	15:	-- :	1,400,000:	15
Total Reimbursable Oblig	41,811,501:	204:	44,000,000:	201:	-- :	44,000,000:	201
Obligational Authority	888,290,545:	6,677:	913,765,677:	6,524:	-2,568,677:	911,197,000:	6,398

Justification of Increases and Decreases

(1) A net increase of $13,797,000 for Conservation Operations ($853,400,000 available in 2009):

a) An increase of $15,997,000 to fund increased pay costs.

The increase for pay will enable NRCS to maintain current staffing levels which are critical to the Agency's objective of providing adequate levels of conservation technical assistance to farmers and protecting the natural resource base on private lands. The increased pay cost funds are needed to avoid any disruption or delays in the Conservation Operations program activities and will be used to pay the increased salaries and benefits costs for the 6,197 FTE's funded in the FY 2010 budget request.

b) An increase of $12,500,000 in Conservation Technical Assistance to provide adequate resources to NRCS to ensure conservation planning assistance to farmers and ranchers keeps abreast of increased farm bill funding for conservation programs.

The Conservation Technical Assistance planning assistance is necessary to ensure farmers are engaged in the right programs and identifying the right conservation systems to address their concerns. Working one-on-one with farmers and ranchers allows the Agency to tailor conservation recommendations to the individual's specific needs that address soil quality, water quantity and quality, air quality, grazing and forestland health, and the needs of wildlife and at-risk species. Additional funds are needed to ensure that program assistance keeps up with the demand created through farm bill programs.

c) An increase of $7,000,000 in Conservation Technical Assistance to facilitate rapid development of streamlining tools to make conservation more efficient for NRCS employees, customers, and partners.

NRCS has recognized the need to better integrate internal processes, engage technical service providers, and inform customers. This funding will ensure a more rapid deployment of those tools.

d) An increase of $5,000,000 in Conservation Technical Assistance to advance efforts to update geospatial products and initiatives.

NRCS will advance efforts to update geospatial products and initiatives to ensure data are digital and compatible with current technology. The funding will (1) allow for conversion of film-based products to digital, especially important as vendors stop supplying film-based products; (2) update elevation data, some of which is 30 – 35 years old, by participating in a multi-agency acquisition of LiDAR; (3) establish a soil quality monitoring network gathering a wide range of data, including carbon sequestration; and (4) invest in the necessary equipment, hardware, and software infrastructure.

e) An increase of $4,950,000 in Conservation Technical Assistance to convert manual snow sites to automated Snow Telemetry (SNOTEL) sites.

The demand for real-time, consistent snowpack data in western states will be increasingly critical for flood warning and management, water supply forecasting, irrigation reservoir operation, and protection of threatened and endangered species. Automated SNOTEL sites can provide the consistency that is needed for accurate forecasting. SNOTEL established in appropriate basins will provide data that can be used in flood prediction and warning. In addition to monitoring the depth and water content of the snow, the real-time data can help in predicting the rate of snowmelt, thus improving the quality of flood prediction.

f) A decrease of $31,650,000 in Conservation Technical Assistance program earmarks.

In FY 2009, Congress included over $31million of earmarks in the Conservation Operations programs. This decrease in funding will eliminate Congressional earmarks in the Conservation Technical Assistance account. The savings from elimination of earmarks will be redirected to high priority program areas described above (a-e).

NATURAL RESOURCES CONSERVATION SERVICE
Conservation Operations

Geographic Breakdown of Obligations and Staff Years
2008 Actual and Estimated 2009 and 2010

	2008		2009		2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Alabama	$11,226,000	104	$11,534,826	101	$11,500,760	99
Alaska	4,682,848	33	4,811,673	32	4,797,463	31
Arizona	7,983,045	66	8,202,658	64	8,178,433	63
Arkansas	13,143,230	127	13,504,800	123	13,464,916	121
California	20,172,254	171	20,727,193	166	20,665,979	163
Colorado	17,014,467	153	17,482,535	148	17,430,904	145
Connecticut	3,209,263	24	3,297,550	23	3,287,811	23
Delaware	2,605,695	20	2,677,378	20	2,669,471	20
Florida	10,757,303	91	11,053,236	88	11,020,593	87
Georgia	15,887,515	137	16,324,581	133	16,276,370	130
Hawaii	7,117,606	60	7,313,411	58	7,291,812	57
Idaho	10,664,814	107	10,958,203	104	10,925,840	102
Illinois	17,036,268	184	17,504,936	178	17,453,239	174
Indiana	13,174,923	133	13,537,365	129	13,497,385	127
Iowa	23,741,977	243	24,395,118	235	24,323,072	230
Kansas	20,575,206	216	21,141,230	209	21,078,794	205
Kentucky	14,407,735	137	14,804,092	132	14,760,371	130
Louisiana	10,658,212	105	10,951,418	102	10,919,075	100
Maine	5,251,142	51	5,395,601	50	5,379,666	49
Maryland*	6,317,434	-15	6,491,227	40	6,472,056	39
Massachusetts	3,584,286	29	3,682,889	28	3,672,012	28
Michigan	12,506,472	121	12,850,525	117	12,812,574	115
Minnesota	15,711,999	173	16,144,236	168	16,096,557	165
Mississippi	17,086,549	180	17,556,600	174	17,504,750	170
Missouri	20,874,921	226	21,449,190	219	21,385,844	215
Montana	18,106,443	190	18,604,551	184	18,549,606	181
Nebraska	16,900,505	177	17,365,438	171	17,314,153	167
Nevada	5,028,738	40	5,167,079	39	5,151,819	38
New Hampshire	2,531,306	20	2,600,942	20	2,593,261	20
New Jersey	4,453,074	41	4,575,578	40	4,562,065	39
New Mexico	9,648,596	92	9,914,029	89	9,884,750	88
New York	12,546,515	108	12,891,669	104	12,853,596	102
North Carolina	11,435,500	111	11,750,091	107	11,715,389	105
North Dakota	15,242,542	148	15,661,864	144	15,615,610	141

	2008		2009		2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Ohio	12,929,578	121	13,285,271	117	13,246,036	115
Oklahoma	16,159,957	197	16,604,517	190	16,555,479	186
Oregon	13,118,306	117	13,479,190	113	13,439,382	110
Pennsylvania	11,136,850	116	11,443,224	112	11,409,429	109
Puerto Rico	3,525,425	35	3,622,410	34	3,611,712	33
Rhode Island	1,592,502	12	1,636,311	12	1,631,478	11
South Carolina	7,505,958	82	7,712,447	79	7,689,670	77
South Dakota	12,931,304	142	13,287,045	138	13,247,804	135
Tennessee	12,871,820	124	13,225,924	120	13,186,864	118
Texas	43,657,682	456	44,858,704	441	44,726,223	432
Utah	12,165,814	73	12,500,496	70	12,463,578	68
Vermont	4,021,226	34	4,131,850	33	4,119,647	32
Virginia	10,132,141	95	10,410,876	92	10,380,130	90
Washington	11,598,742	98	11,917,824	95	11,882,627	93
West Virginia	10,143,175	102	10,422,214	99	10,391,434	97
Wisconsin	16,973,590	161	17,440,534	156	17,389,027	153
Wyoming	9,476,705	80	9,737,409	78	9,708,652	76
National Hdqtr	189,912,596	343	195,137,090	332	194,560,792	325
National Centers	33,576,750	212	34,500,447	205	34,398,557	201
Nat. Tech. Sup. Cent.	11,764,540	70	12,088,182	68	12,052,482	67
Total Obligations/Est*.	846,479,044	6,473	869,765,677	6,323	867,197,000	6,197

*Administrative error in recording year-end staff year accrual adjustment.

NATURAL RESOURCE CONSERVATION SERVICE
Conservation Operations

Classification by Objects
2008 Actual and Estimated 2009 and 2010

Personnel Compensation:		2008	2009	2010
Washington, D.C.		$61,316,123	$60,705,120	$60,974,620
Field		368,396,727	372,902,880	374,558,380
11	Total personnel compensation	429,712,850	433,608,000	435,533,000
12	Personnel benefits	130,962,957	132,169,000	132,758,000
13	Benefits for former personnel	15,963	16,000	16,000
	Total Pers. Comp. & Benefits	560,691,770	565,793,000	568,307,000
Other Objects:				
21	Travel	15,786,396	15,762,000	15,685,000
22	Transportation of things	3,702,373	3,687,000	3,672,000
23.1	Rent payments to GSA	--	--	--
23.2	Rental payments to others	25,535,013	25,379,000	25,293,000
23.3	Communications, utilities, and misc. charges	29,604,981	29,355,000	29,268,000
24	Printing and reproduction	1,373,711	1,376,000	1,367,000
25.1	Advisory and assistance services	--	--	--
25.2	Other services	172,528,789	171,293,677	166,714,000
25.2	Construction contracts	53,007	--	--
26	Supplies and materials	16,684,028	16,639,000	16,554,000
31	Equipment	19,209,213	39,177,000	39,043,000
32	Land and structures	658,308	651,000	645,000
41	Grants	--	--	--
42	Insurance and loans	515,732	514,000	511,000
43	Interest and dividends	135,974	139,000	138,000
44	Refunds	-251	--	--
	Total other objects	285,787,274	303,972,677	298,890,000
Total, direct obligations		846,479,044	869,765,677	867,197,000
Position Data:				
Average Salary, ES positions		$155,459	$161,522	$165,883
Average Salary, GS positions		$62,589	$65,030	$66,786
Average Grade, GS positions		10	10	10

NATURAL RESOURCES CONSERVATION SERVICE
CONSERVATION OPERATIONS ACCOUNT

STATUS OF PROGRAMS

Conservation Operations is authorized by the Soil Conservation and Domestic Allotment Act of 1935, P.L. 74-46 (16 U.S.C. 590a-590f) and the Soil and Water Resources Conservation Act of 1977, (16 U.S.C. 2001-2009). The purpose of Conservation Operations is to provide technical assistance supported by science-based technology and tools that help people conserve, maintain, and improve the Nation's natural resources.

The Conservation Technical Assistance Program is the major delivery program within the Conservation Operations account. In addition, the account includes three other programs: Soil Survey, Snow Survey and Water Supply Forecasting, and Plant Materials Center. Funding in this account provides for the development and delivery of a major portion of the products and services associated with four of the Agency's five business lines: 1) Conservation Planning and Technical Consultation, 2) Conservation Implementation, 3) Natural Resource Inventory and Assessment, and 4) Natural Resource Technology Transfer. The fifth business line (Financial Assistance) is funded primarily through other programs.

Agency Strategic Plan. The strategic plan emphasizes overarching strategies for meeting natural resource goals and objectives. These strategies are cooperative conservation, watershed-based assistance, and the market-based approach. Conservation Operations provides the foundation for each of these strategies. In FY 2006, NRCS completed a new strategic plan that established long-term goals and objectives to be achieved by 2010. In cooperation with customers and partners, the strategies described in the plan will guide NRCS toward effective accomplishment of the goals. The strategic planning process assessed long-term trends and developed guidance for the Agency that will contribute to sustaining natural resources in the coming decades. In 2008, NRCS conducted a review of the plan to evaluate progress and establish objectives through 2014. The updated plan will be issued in early 2009.

The Agency's strategic plan includes six Mission Goals developed with input and advice from partners and stakeholders. The Mission Goals articulate in broad terms the benefits the Nation expects to derive from NRCS activities and programs. They are:

1. High Quality, Productive Soils
2. Clean and Abundant Water
3. Healthy Plant and Animal Communities
4. Clean Air
5. An Adequate Energy Supply
6. Working Farm and Ranch Lands

The first three goals are "Foundation Goals." They address the land uses and resource concerns that have been the primary focus of the Agency throughout its existence, and continue to be the foundation of a healthy landscape. For each of these goals, a specific, measurable objective was established for 2010. Performance measures that can be used to monitor progress toward the long-term objectives are identified for each program, including the components of Conservation Operations. Annual targets are set for each performance measure and used in the establishment of budget requests.

The last three goals are "Venture Goals" that address resource issues that are growing in importance as a result of current economic and demographic trends. In updating the strategic plan, the Agency is evaluating its role in addressing these issues, and developing measureable objectives for air quality and energy conservation. In the revised plan, Working Farm and Ranch Lands will also be addressed through an expanded discussion of the Agency's mission and vision.

CONSERVATION TECHNICAL ASSISTANCE

Current Activities

Purpose. The broad purpose of the Conservation Technical Assistance (CTA) Program is to provide technical assistance to private landowners, conservation districts, Tribes, local units of government, and other organizations through a national network of locally respected, technically skilled, professional conservationists. These conservationists deliver consistent, science-based, site-specific solutions to help private landowners conserve, maintain, and improve the Nation's natural resource base. The CTA Program provides the essential building blocks necessary for NRCS to assist farmers, ranchers, other landowners, local groups, Tribes, and local units of governments to plan and implement natural resource conservation systems.

Agriculture and the quality of America's soil and water resources are vital to the Nation's welfare. Approximately 1.5 billion acres (79 percent of the total acres within the contiguous United States) are non-Federal land. Approximately 90 percent of these acres are cropland, rangeland, pastureland, and private non-industrial forestland. The care and health of these lands are in the hands of private individuals. NRCS and its partners cooperate in collective efforts with individuals, groups, and other agencies to put conservation on the ground, help conserve the land, increase agricultural productivity, improve the environment, and strengthen the quality of life.

National CTA Program Priorities. The following were FY 2008 National CTA Program priorities:

- Reduction in soil erosion and sedimentation on agricultural land;
- Comprehensive Nutrient Management Plans (CNMP) to assist the owners and operators of animal feeding operations in addressing their conservation needs, with an emphasis on helping those owners and operators who need to comply with the Environmental Protection Agency's (EPA) Concentrated Animal Feeding Operation (CAFO) rule;
- Reduction of non-point source pollution from nutrients, sediment, pesticides, or excess salinity in impaired watersheds consistent with Total Maximum Daily Loads (TMDL),as well as the reduction of groundwater contamination and point source contamination from confined animal feeding operations;
- Conservation of ground and surface water resources;
- Reduction of emissions of particulate matter, nitrogen oxides (NO_x), volatile organic compounds, and ozone precursors and depleters that impair air quality in violation of National Ambient Air Quality Standards;
- Promotion of at-risk species habitat conservation and the enhancement of fish and wildlife habitat; and
- Improve the long term sustainability of all lands, including cropland, forestland, grazing lands, coastal lands, and developed and/or developing lands.

Demand for CTA Program-delivered Products and Services. The demand for the CTA Program has increased substantially over the years as a result of:

- New technologies and conservation practices that address emerging challenges, such as nutrient management of animal feeding operations to improve water quality;
- Design of natural resource conservation systems to reduce the risk of climatic events such as drought, fire, flood and mitigate their effects;
- Increased awareness and concern for natural resources resulting in a broader customer base as NRCS addresses growing niche enterprises (aquaculture, sustainable and organic farming, etc);
- New customers such as Tribal governments, local communities, technical service providers, and non-governmental organizations who request NRCS expertise and assistance;
- Improvement and establishment of wetlands and wildlife habitat to address declining populations of fish and wildlife; and
- Increased requests for financial assistance programs and the need for pre-program conservation planning support for the Emergency Watershed Protection Program and the Commodity Credit Corporation-funded Farm Bill programs such as: Environmental Quality Incentives Program, Ground

and Surface Water Conservation, Conservation Security Program, Wildlife Habitat Improvement Program, Agricultural Management Assistance Program, and the Conservation Reserve Program.

To meet this demand and address program priorities, the CTA Program supports the development and delivery of products and services to address NRCS customers associated with the following four major Agency business lines:

- Conservation Planning and Technical Consultations: NRCS provides data, information, and technical expertise that help customers collect and analyze information to identify natural resource programs and opportunities, clarify their objectives, and formulate and evaluate alternatives.
- Conservation Implementation: NRCS helps customers install natural resource conservation practices and systems that meet established technical standards and specifications.
- Natural Resources Inventory and Assessment: NRCS assesses, acquires, develops, interprets, and delivers natural resource data and information to enable knowledge-based planning and decision making at all landscape scales.
- Natural Resource Technology Transfer: NRCS develops, documents, and distributes a wide array of technology pertaining to resource assessment, conservation planning and conservation system implementation and evaluation.

Conservation on the Ground. In FY 2008, the CTA Program was the major source of technical assistance to customers for planning and applying conservation practices and systems to protect and enhance natural resources on non-Federal land. These conservation actions provide public benefits in the form of better soil quality, reduced delivery of sediment and nutrients to surface and ground waters, increased conservation of water supplies, healthier grazing and forest land ecosystems, diverse and healthier wildlife habitat, and improved wetlands condition and function. In FY 2008, the CTA Program helped meet the three NRCS Foundation Goals in the following ways:

High Quality, Productive Soils. Helping people ensure the quality of intensively worked soils is maintained or enhanced to enable sustained production of a safe, healthy and abundant food supply.

- Conservation plans for cropland written, acres: 11.7 million
- Cropland with conservation applied to improve soil quality, acres: 8.3 million
- Soil Survey Geographic Data Base (SSURGO) made available: 48 digital soil surveys covering 38.9 million acres
- Total SSURGO certified digital soil surveys made available to-date, number: 3,016

Clean and Abundant Water. Helping people ensure that the quality of surface waters and groundwater is improved and maintained to protect human health, support a healthy environment, and encourage a productive landscape; and that water is conserved and protected to ensure an abundant and reliable supply for the Nation.

- CNMP written, number: 2,095
- CNMP applied, number: 1,745
- Watershed or area-wide conservation plans developed, number: 152
- Land with conservation applied to improve irrigation efficiency, acres: 844,818

Healthy Plant and Animal Communities. Helping people ensure that grassland, rangeland, and forest ecosystems are productive, diverse, and resilient; that working lands and waters provide habitat for diverse and healthy wildlife, aquatic species, and plant communities; that wetlands provide quality habitat for migratory birds and other wildlife, protect water quality, and reduce flood damages.

- Conservation plans for grazing land written, acres: 25.0 million
- Grazing lands with conservation applied to protect the resource base, acres: 15.3 million
- Non-Federal land with conservation applied to improve fish and wildlife habitat quality, acres: 10.3 million
- Wetlands created, restored, or enhanced, acres: 72,806

Grazing Lands Conservation. Private grazing lands include 405 million acres of rangeland and 117 million acres of pastureland, as well as 53 million acres of forested land. Some cropland acres are also used for grazing. Well managed grazing contributes substantially to the environmental well-being and to the agricultural economy of the United States. Healthy grazing lands benefit landowners, local community resident, and society. Healthy grazing lands yield clean water for urban and rural use, aid in flood protection, and reduce greenhouse gases through the exchange of carbon. Properly managed grazing lands reduce the impact of drought and provide aesthetic values, open space, and wildlife habitat.

Technical Assistance on Grazing Lands. In FY 2008, technical assistance provided to landowners and managers resulted in over 25 million acres of planned conservation systems and 15 million acres of applied conservation systems on grazing lands that produced an overall improvement in grazing lands health. The conservation practice "prescribed grazing" (managing the controlled harvest of vegetation with grazing animals) was applied to more than 12 million acres.

Grazing Lands Conservation Initiative. NRCS collaborates with the Grazing Lands Conservation Initiative (GLCI), a coalition of producer groups and environmental organizations dedicated to the protection and improvement of private grazing lands. This initiative supported technical assistance, training, and demonstrations targeted to improve the health of grazing lands.

Clean Water Activities. NRCS is addressing key water quality issues such as the potential environmental risks posed by animal feeding operations and impairment of water resources from nutrients, sediments, and pesticides. The Agency is providing leadership to enhance coordination with the Environmental Protection Agency in areas of mutual interest related to water quality, such as the Concentrated Animal Feeding Operation (CAFO) Rule revision, and water quality credit trading.

Comprehensive Nutrient Management Plans (CNMP). In FY 2008, NRCS, conservation partners, and technical service providers assisted 2,095 livestock and poultry producers in the development of CNMPs for their operations. A total of 1,745 CNMPs planned in previous years were applied. A total of 37,974 CNMPs have been developed since FY 2002, with 28,417 of those implemented.

Pathogens and Dead Animals. In FY 2008, NRCS addressed the issue of conservation and pathogens in food safety and disease control by revising its waterborne pathogen publication to reflect current science. The contract that was issued at the end of FY 2007 by California NRCS to the University of California (UC), Davis to update the NRCS publication on waterborne pathogens, was completed to the first draft stage. The publication was reviewed by NRCS technical personnel, personnel from other agencies, and experts from outside the Federal government. The publication will be completed during FY 2009. As a furtherance of this project, UC Davis will take the information from the pathogen publication and use it to develop a web-based training course for NRCS employees and technical service providers on USDA's AgLearn on-line training facility.

Hypoxia. NRCS provided technical assistance to the Mississippi River/Gulf of Mexico Watershed Nutrient Task Force on its reassessment of hypoxia in the Gulf of Mexico. The Task Force completed revising its Action Plan for reducing the size of the hypoxic zone in the Gulf, restoring and protecting the waters within the Mississippi/Atchafalaya River Basin, and improving community and economic conditions across the Basin. The Task Force is currently implementing the Action Plan through its FY 2008 and FY 2009 operating plans.

Water Quality Leadership. During FY 2008, NRCS led in the development, advancement, and demonstration of new and innovative approaches to improving water quality. The following tools and activities highlight some of these advances:

- The Nitrogen Trading Tool (NTT) is a web-based model that estimates the changes in nitrogen losses based on improved management practices and calculates nitrogen credits for water quality credit trading projects. In FY 2008, NRCS partnered with Texas Institute of Applied Environmental Research to develop a phosphorus plug-in module that utilizes common databases already developed

for NTT, and in 2009 will be validating the enhanced model on Maryland's Conservation Innovation Grant water quality credit trading project.

- NRCS has partnered with Iowa State University to develop a Natural Resource Credit Trading Handbook for agency and partner use in establishing environmental credit trading projects. The Handbook is in final review with an expected publication date at the end of this calendar year.
- NRCS provided Departmental support to implement a new Environmental Services Markets provision of the 2008 Farm Bill. This new provision triggered the creation of an Interdepartmental Environmental Services Board to develop guidelines, registries and verification protocols for water quality credit trading and other environmental markets.

Natural Resources Inventory and Assessment. Products and services developed with CTA Program funds allow NRCS to acquire, analyze, interpret, and deliver natural resources data and information. Through this business line, knowledge-based natural resource planning and decision-making are enabled at many landscape levels.

Mission Critical Analyses and Assessments. These mission critical analyses and assessments supported Agency, Departmental, and legislative initiatives in FY 2008. NRCS natural resources data and information, conservation program data, and data from other Federal and non-Federal sources were essential components of these analyses and assessments, including:

- Priority Watersheds. NRCS developed national and State-level assessment protocols to identify priority watersheds with a resource-based approach for implementing financial assistance programs.
- Comprehensive Set of Environmental Indicators. NRCS is a key contributor to the Council on Environmental Quality's Interagency Working Group on Environment and Natural Resource Indicators. The goal of the Working Group is to develop a comprehensive set of indicators to guide the Federal government in reporting regularly on natural resources and environmental issues.

National Resources Inventory (NRI). The NRI is a scientifically based, longitudinal panel survey of natural resource conditions and trends on non-Federal lands in the United States. Non-Federal lands, which account for more than 79 percent of the Nation's total land area, include privately-owned land, Tribal and trust lands, and lands controlled by State and local governments. NRI data and analyses supply information that can be used to devise appropriate and effective conservation programs, draft sound agricultural policy, construct ambitious strategic and performance plans, and inform national farm policy discussion through the Farm Bill process. The NRI is authorized by several pieces of legislation, beginning with the Rural Development Act of 1972, and is performed in cooperation with Iowa State University's Center for Survey Statistics and Methodology. Between 1977 and 1997, the NRI was conducted every five years; NRCS currently collects NRI data annually.

- Annual NRI. Information is delivered by the Annual NRI on a timely basis to support agricultural and conservation policy development and to help evaluate the impacts of policy execution and conservation program implementation. The Annual NRI is designed to supply long-term trend analyses, yet has the flexibility to gather scientific information on emerging natural resource issues. Every year, data are collected for a scientifically selected subset of the suite of 800,000 NRI sample sites. Each NRI is named for the calendar year growing season for which the data are gathered, e.g., 2008 Annual NRI. Estimates from the NRI undergo rigorous quality assurance procedures; data are not released until these procedures are completed. Additionally, NRI data must meet statistical standards, and adhere to NRCS policy and Office of Management and Budget and USDA Quality of Information Guidelines.
    - 2003 Annual NRI: National, regional, and State level results on total surface area by land cover/use, cultivated and non-cultivated cropland, grazing land, water and wind erosion on cropland, and highly erodible and non-highly erodible cropland are posted on the NRCS NRI Web-site http://www.nrcs.usda.gov/technical/NRI/. Additional results dealing with prime farmland, land capability, and urban development will be posted in early 2009. These results were used in the development of the 2008 Farm Bill and as input into NRCS allocation formulas.
    - 2005 Annual NRI: Data collected for the 2005 Annual NRI were the first data processed at the Remote Sensing Labs (RSLs) using new data collection protocols and tools incorporating updated

technology. The data are under internal review and will be incorporated into the 2007 Annual NRI database. The 2005 NRI includes data collected for both 2004 and 2005 growing seasons.

- 2006 and 2007 Annual NRIs: NRCS has placed a priority on developing a 2007 NRI database by the end of CY 2009. RSL staff processed and analyzed imagery for the 2006 Annual NRI segments during FY 2008. Data collection for the 2007 Annual NRI segments will be completed by January 2009. The 2006 and 2007 data will undergo additional Quality Assurance processes, statistical processing and estimation, and internal review before final results are released.
- 2008 Annual NRI: Imagery acquisition for the 2008 Annual NRI segments occurred during the second half of FY 2008. The imagery will be processed and analyzed during the second half of FY 2009.

- NRI Rangeland On-site Survey. Data were collected in 19 States for the 2008 NRI Rangeland On-site Survey. Field staff used hand-held pocket PC-based data collection tools for this survey. Data editing and quality assurance activities are being conducted. A statistical database has been prepared using rangeland data collected on-site during the interval from 2003 to 2006; an analysis, report, and technical paper are being prepared. Information generated from these studies is used to assess non-Federal rangeland conditions, and to address rangeland conservation programs and policies.
- Alaska NRI. A new sampling design and a comprehensive work plan have been developed to integrate Alaska into the 2007 Annual NRI. The original statistical design and plan are undergoing modification, as acquisition of imagery for many of areas of Alaska has been very difficult.
- Inter-agency Collaboration. NRCS is collaborating with the U.S. Forest Service and Bureau of Land Management to develop a consistent methodology for assessing and monitoring all U.S. rangelands. A pilot study is being conducted in a 13-county area of Oregon to show that NRI and Forest Inventory and Analysis (FIA) sampling frames and data collection procedures can be merged to provide a common reporting methodology for both Federal and non-Federal rangelands. Groups such as the Sustainable Rangelands Roundtable and the Society for Range Management have consulted with the Federal agencies on this project.
- Conservation Effects Assessment Project (CEAP). CEAP is a multi-agency effort to quantify the environmental benefits associated with conservation practices implemented under the 2002 Farm Bill and other related programs. The two principal components of CEAP are: 1) National Assessment and 2) Watershed Assessment studies. The National Assessment includes four sub-components (cropland, wetlands, wildlife, and grazing lands), designed to provide national summary estimates of conservation practice benefits and to assess the potential for USDA conservation programs in meeting the Nation's environmental and conservation goals. The Watershed Assessment studies are the research portion of CEAP; they provide more detailed, in-depth assessments than are possible with the National Assessment components. Current CEAP activities include:
  - Cropland Component: The CEAP Cropland report for the Upper Mississippi River Basin will be released for peer review in March 2009, followed by the eight remaining regional assessments in 2009.
  - Wetlands Component: Preliminary results from the Prairie Pothole and Mississippi Alluvial Valley regional assessments released in 2007 are providing the initial baseline data to develop algorithms for an Integrated Landscape Model. This model will provide simulation and forecasting capability regarding conservation practice and program effects, climate change effects, and land use effects on ecosystem services for specific regional wetland classes. A working draft of the CEAP-Wetlands work plan was completed in October 2008 and is available on the CEAP-Wetlands Web page http://www.nrcs.usda.gov/technical/nri/ceap/. A two-session symposium on CEAP-Wetlands regional studies, preliminary literature synthesis findings, and other activities was presented at the 2008 Annual Society of Wetland Scientists meeting in Washington, DC.
  - Wildlife Component: CEAP Conservation Insight reports that present findings of regional studies have been released. These findings include the wildlife habitat benefits of the Wetlands Reserve Program (WRP) in Missouri, value of mixed-grass prairie grassland bird habitat of the Conservation Reserve Program in the central Great Plains, and the advantages of WRP to migrating waterfowl in the Rainwater Basin of Nebraska. In 2008, the National Agricultural Library released a bibliography on the effects of agricultural conservation practices on fish and wildlife.

- Grazing Lands Component: The grazing lands component is evaluating environmental models to provide estimates of conservation benefits on national and regional scales. The rangeland sub-component will utilize NRI on-site data to supply watershed level inputs to the selected models. The pastureland and grazed forest sub-component are currently testing protocols to collect field data for an analogous effort.
- Watershed Assessment Studies: The watershed component provides detailed assessments of conservation practices including observed and modeled environmental effects in selected watersheds. Forty individual watershed case studies, representing a wide array of resource issues and modeling techniques, were active in 2008. These case studies provide in-depth assessments of water quality and other benefits at a finer scale than are possible for the National Assessment. Additionally, the watershed studies are making progress on developing new model components and geospatial analyses at the watershed scale to improve the accuracy of model simulations and enhance predictions of practice impacts, for example, addressing variable source area hydrology. Three new jointly funded Cooperative State Research Education and Extension Service (CSREES) watershed studies were added to the CEAP watershed effort in 2008. These studies will focus on the environmental benefits and effects of conservation activities on grazing lands at a small watershed scale. Draft reports for the first ten NRCS Special Emphasis Watershed studies are being delivered in early FY 2009. These reports, which are currently in review, provide findings on the benefits and effectiveness of conservation programs and practices in addressing specific environmental concerns. In May 2008, a local partnership agreement to cooperatively manage natural resources in the Jobos Bay Watershed, Puerto Rico, was signed by the local producer, NRCS Caribbean Area, five Federal agencies including National Oceanic Atmospheric Administration, three Puerto Rican government agencies, and the University of Puerto Rico. The work that began in 2007 to conduct a major synthesis of the findings to date on the CSREES watershed studies continued in 2008. This critical effort is gleaning lessons learned from across these 13 watersheds in order to begin applying knowledge gained from CEAP. Symposia were held at conferences in February and July 2008 to discuss findings and progress of the watershed studies. Another Agricultural Research Service (ARS) Watershed Workshop in September 2008 presented updated findings and provided an opportunity for coordination of modeling activities. Planning is underway for two workshops and an all-day symposium at the next CSREES National Water Conference, where modeling progress will be reviewed and challenges to quantifying benefits of conservation at large scales will be addressed. Lastly, CEAP workers coordinated with a similar Canadian project called Watershed Evaluation of Beneficial Management Practices (WEBs). At the Canadian annual investigator meeting, the CEAP Watershed Coordinator and partner agency leads delivered the keynote presentation.

Internal Accountability and Management Improvements. NRCS has developed a comprehensive system that ensures program accountability and helps the Agency meet the budget and performance integration initiative in the President's Management Agenda. This system measures progress toward the Agency's strategic, performance, and business plans. The data from the NRCS performance management and financial management systems are organized and displayed in the Agency's Performance Results System (PRS), Conservation Information System (CIS) and in the Executive Dashboard. Managers at all levels of the organization can monitor program progress, costs, and obligations by program. The Agency's accountability system received the American Society for Public Administration's Organizational Leadership Award and has been featured at performance management forums. NRCS' Accountability Information Management System (AIMS) answers basic performance and budget accountability questions including: What needs to be done and where? What is being done? How long did it take to accomplish? What is the cost? What environmental benefits were achieved? AIMS enhancements in FY 2008 included:

NRCS continued to refine its web-based performance measurement system and have finalized the transition from a system that relies on data entry to one that primarily mines or extracts data from other applications. This approach reduces the time employees spend on reporting and provides more information about the environmental impacts of applied conservation practices or groups of practices. The new system links performance items planned and applied from Customer Service Toolkit (CST) and ProTracts to the

physical effects from the Field Office Technical Guide. All applications in the system are tied to the common customer database in the Service Center Information Management System (SCIMS) allowing managers to monitor progress assisting minority, small farmers and other historically underserved groups.

NRCS upgraded the accountability software applications and hardware security to make sure the accountability applications correctly safeguard all private and sensitive information, including Personally Identifiable Information (PII). Enhancement to all the accountability applications resulted in conformation to the requirements of the Federal Information Security Management Act (FISMA) of 2002. This Act requires the Chief Information Officer of each Federal department to assess and report on the status of their information security program. Hence, it was mandated that all USDA agencies and staff offices will formally certify and accredit (C&A) all Federal Information Systems in accordance with this policy and the USDA Certification and Accreditation Guide.

The Agency also reengineered its goal setting software to allow users the option of using most performance measures, with only a few key Budget Performance Integration Measures being required, thus further reducing the workload in the field. The goals application was further improved by allowing the States to determine their areas and team management organization in each State, thus integrating each State's management structure with all other systems. The system provides a highly improved user-friendly interface that minimizes the workload on the field by providing reference data and management utility within the application for each State's management structure of areas and teams for their Service Center Offices. The goal setting software is a key application that allows the agency to measure the current year's progress against the goals and objectives in the Agency's Strategic Plan.

The Agency is continuing the refinement of Cost of Programs models to meet new Government Accountability Office (GAO) standard of best practices.

The Agency continued development of the Integrated Data for Enterprise Analysis (IDEA), formerly known as the Enterprise Data Access and Analysis Reporting Strategy (EDAAR). The IDEA project will provide a website, reporting and analysis framework, information products, reports and Geographic Information System analysis process so that NRCS can efficiently and effectively meet the growing demands, internally and externally, for timely, accurate, credible, and repeatable information. The Agency has developed an enterprise-wide reporting web site that will centralize all data into an organized, easily accessible web-based application that provides reports that allow the field to quickly locate and organize their ongoing workload. Full implementation of this strategy will take two years. Data from the Agency's CIS and the Executive Dashboard will be included in this web site. Work is underway to integrate appropriate IDEA reports into the Field Office Customer Relations Management software so the field has a seamless one-stop location to perform all their customer related work.

Critical IT efforts in FY 2008 by the following core Agency Business Lines.

Conservation Planning and Technical Consultations result in either the transfer of data, information, or a conservation plan that helps customers protect and conserve natural resources (soil, water, air, plant, and animal) within their social and economic interests.

- Customer Service Toolkit is the primary tool in this business area. Toolkit is a Geographic Information System (GIS) enabled enterprise application that supports conservation planning and technical assistance to landowners. Using Toolkit, NRCS field office planners "check out" customer specific data from a centralized national database along with customer folders from local file servers. The data and folders contain conservation planning information in excel spreadsheets, word documents, image files, and GIS shapefiles. NRCS planners use Toolkit to perform a resource inventory, analyze current land use in relation to geophysical limitations, develop alternative solutions, and prepare a final conservation plan, plan of operations, and high quality client specific maps. Toolkit is installed on over 15,000 NRCS and conservation partner computers and has been implemented in every State with 5,000 to 6,000 unique users accessing the site per week.

- The National Conservation Planning (NCP) database, integrated with the Toolkit, contains over 1.78 million plans, 32.2 million practices and 4,678,000 contracts. Conservation plans increased by 14 percent. These plans cover 18.5 million land units with digital spatial data on over 13.5 million of those land units. Spatial land units have increased by 21.6 percent in FY 2008 reflecting streamlining and integration efforts by NRCS business applications. A total of over 526 million acres are covered by conservation plans.
- Completed field testing of new Conservation Plug-In. Plug-In will enable technical service providers, private consultants, and other non-NRCS partners to directly access NRCS conservation planning information to record planning and application progress, while ensuring the integrity of PII.
- Engineering Field Tools (EFT) application was deployed to 5,760 NRCS field and district personnel. EFT is an integrated client application to facilitate capturing and displaying field surveys, and designing conservation practices. In FY 2008, EFT survey and waterway modules were developed and deployed.

Natural Resources Inventory and Assessment includes the acquisition, development, interpretation, and delivery of natural resource data and information for natural resource planning, decision making, and program and policy development at multiple scales. The following improvements occurred in FY 2008:

- National Soil Information System integration with geospatial tools used at the field level.
- Soil Scientist Toolkit for improving soil scientist productivity and data quality.
- Remote Sensing Toolkit including tools for management, decision support, and communication.
- The PLANTS web application provides self-service technology to access and retrieve plant information. In 2008, PLANTS averaged 21,252 unique user visits per day.
- The Soil Data Mart facilitates downloading soil surveys in electronic format. It currently provides 3,113 individual soil surveys for 59 States and territories covering a total of 13,250,000 acres.
- The Geospatial Data Gateway has been integrated with the National Agriculture Imagery Program (NAIP) and Common Land Units (CLU) datasets in the Geospatial Data Warehouse. These elements are the authoritative datasets; they are "on demand" in the standard format and naming conventions. NAIP includes current natural color orthoimagery at one meter resolution. The CLU dataset includes farm and field boundaries for USDA service center customers. The total amount of data delivered from the Gateway has increased annually to nearly 100 terabytes in FY 2008.
- Web Soil Survey provides self-service technology to access and retrieve soils information, and includes an integrated Resource Data Viewer. It currently averages about 3,783 unique users per work day, saving staff time at local service center offices.

The Water and Climate Information System (WCIS) supports the collection, storage, quality control, analysis, and dissemination of high elevation snow pack and climate data for the West, generation of water supply forecasts, and the collection and dissemination of soil climate data. In FY 2008, WCIS improvements included:

- The VIPER (Visual Interactive Prediction and Estimation Routines) program has been reviewed and certified for use by the Snow Survey/Water Supply Forecasting Program and will be implemented for the FY 2009 water season. VIPER provides improved data visualization and the flexibility to use different station combinations and data records to users of water supply forecast information.
- The Agricultural Applied Climate Information System (AgACIS) has been expanded to include growing season and frost evaluations.
- The National Water and Climate Center (NWCC) participated in the development of a systematic process to evaluate probable maximum precipitation for design of engineering structures in the west.
- The NWCC completed development of spatially distributed precipitation and temperature GIS layers for 1960 to 2001. Each value in the dataset represents an area that is four square kilometers (2.5 square miles).
- The Snowpack Telemetry (SNOTEL) precipitation data Quality Control (QC) efforts completed in early FY 2008 revealed that most QC'd data was accurately flagged with minor exceptions. This methodology (QC prototype) is flexible to user's needs, allowing for customized specification on risk

tolerance (degree of confidence). It will eventually assist water supply forecasters by providing highly accurate, updated hydrographic model input and quickly alert field personnel of sensor failures.

The NWCC produces a weekly Drought and Snowpack update for water and natural resource managers. The report provides a "grab and go" summary that can be easily used for drought and water resource briefings. For more information, please visit the following website: http://www.wcc.nrcs.usda.gov/climate/.

Natural Resource Technology Tool Development and E-Government. Engineers, agronomists, biologists, foresters, soil scientists, economists, and other technical specialists assist the local NRCS staff and enhance the expertise that is provided to all NRCS clients. These specialists develop and transfer new technologies and a wide array of technical standards and specifications, models, and maps pertaining to conservation systems. The topics include ecological site and forage suitability, phosphorus indexes, snow fences, stream restoration, and buffer technology. Information Technology (IT) professionals translate scientific technology and standards into more accessible electronic formats. These scientists and technical specialists ensure the application of sound scientific principles in CTA Program activities.

Natural Resource Technology Transfer includes the process that evaluates, acquires, develops, and transfers conservation tools, techniques, and standards based on research and new technologies. The technology is used primarily in resource assessment, conservation planning, and conservation system installation. New or revised technology tools released in FY 2008 included:

- Continued testing on software titled Windows Dam Analysis Modules (WinDAM – A). When fully deployed, this software will be used for analyzing earthen embankments, including the potential to overtop during extreme rainfall events.
- The newest version of Grazing Lands Spatial Analysis Tool (GLSAT) was released and is available on over 8,000 Field staff computers. GLSAT is a tool for modeling the supply and demand of forage and roughage for gazing animals.
- All Conservation Practices Standards were reviewed at the National level to meet the intent of the Food, Conservation, and Energy Act of FY 2008. The review ensured the completeness and relevance of the standards to local agricultural, forestry, and natural resource needs, including specialty crops, organic farming, precision agriculture, native and managed pollinators, bioenergy crop production, forestry, and such other needs as determined by the Secretary. The review also ensured that the standards provide for the optimal balance between meeting site-specific conservation needs and minimizing risks of design failure and associated costs of construction and installation.
- There were four technical notes released with the latest information on Nutrient Management, Engineering Hydrology, and Biomass Energy issues. There were five User Guides released for technology tools related to Engineering and Soil Survey.
- Released the revised Chapter 13, Engineering Field Handbook, Wetland Restoration, enhancement or creation.
- Information sheets on Grassland birds were made available for use by conservationists, engineers, and technicians as they work with farmers, ranchers, and others on these practices.
- Collaborated with the USDA, Agriculture Research Service to develop and field test a Drought Decision Calculator Tool for use by producers in drought stressed areas.
- Updated about 12 percent of 165 practice standards including creation of one new practice standard for Agrichemical Handling Facility. These new and updated standards reflect evidence-based science, and help producers address critical issues.

Financial Assistance includes cost share and monetary incentives through program contracts, easements, or other means to qualified program participants in authorized NRCS conservation programs. ProTracts is a web-based application that helps NRCS efficiently manage program applications, contracts, obligations, payments, and performance reporting. This is the primary electronic tool used by NRCS and partners to develop and manage contracts associated with NRCS' financial assistance programs.

- Through ProTracts, NRCS employees obligated over $1.05 billion in 54,359 contracts in FY 2008 in four financial assistance programs: EQIP, CSP, WHIP, and AMA. The total value of the contracts

managed using the ProTracts tool is $6.24 billion. In FY 2008, using ProTracts, field users processed over $4.2 billion in payments.

- ProTracts ranking tool was nationally deployed to provide a uniform method of evaluating and ranking contract applications. This tool provides a uniform business rationale that ensures and documents that the most environmentally deserving lands across the Nation receive conservation contracts in a cost-effective manner.
- Continued use and enhancements to Fund Manager speeds both the obligation and payment processes while enforcing internal controls associated with recording financial transactions. Fund Manager links ProTracts and the NRCS accounting system Financial Foundation Information System. With this web application, NRCS continues to pioneer new approaches to utilize web applications to interface transactions electronically to the National Finance Center.

Compliance Status Reviews for Highly Erodible Land and Wetlands. Compliance status reviews are conducted on farm and ranch tracts designated as having received USDA benefits subject to the Highly Erodible Land (HEL) or Wetlands Conservation (WC) provisions, or both. A compliance status review is an inspection of a tract to determine the USDA participant's compliance with the HELC/WC Provisions of the Food Security Act of 1985, as amended, as a condition for receipt of certain USDA benefits. The NRCS compliance status review process requires employees to make an on-site determination when a violation of the HELC/WC provisions is found, and ensures that only qualified NRCS employees report violations. Analysis of FY 2008 compliance reviews will be available after February 2009. In FY 2007, approximately 1.4 percent, 276 of the 20,134 tracts reviewed, were found to be in non-compliance. Of these, 177 tracts had Highly Erodible Land Conservation violations and 99 tracts had Wetland Conservation violations. Penalties for non-compliance range from a Good Faith exemption from the Farm Service Agency (FSA) that allows the producer one year to correct the violation, to FSA determining the producer is ineligible for any government payment and must pay back any current year money.

Highly Erodible Cropland Conservation Compliance. Participants in USDA programs are required to protect their fields from excessive soil erosion, (sheet and rill, wind, and ephemeral gully), by complying with HEL regulations found in the provisions of 16 U.S.C. §§ 3801; 3811-3814. USDA participants accomplish this by implementing a conservation system that provides for either a substantial reduction in soil erosion, or when sodbusting native vegetation, a system that results in no substantial increase in soil erosion on Highly Erodible Cropland. NRCS classifies about 101.1 million acres of cropland as HEL, 27 percent of the Nation's 370 million acres of cropland.

Reviews were conducted on 20,134 tracts (over 2.75 million acres). Of the total HEL tracts in compliance, 746 (3.7 percent) tracts were issued variances or exemptions as provided by statute. All tracts with a variance or exemption were re-evaluated during the 2008 crop year to ensure that an appropriate conservation system is being used. Of the total variances, 347 (46.5 percent) tracts were issued due to a minimal effect determination on the total conservation system effectiveness. The Farm Service Agency (FSA) county committees granted good faith exemptions where a violation was reported for 88 (12 percent) tracts.

Wetlands Conservation Compliance. Title XII of the Food Security Act of 1985, 16 U.S.C. §§ 3801; 3821-2824 defines NRCS' responsibilities in wetlands conservation which includes determinations, appeals processing and resolution, mitigation and restoration plans, minimal effect exemptions, and scope and effect evaluations for installation of new drainage systems and maintenance of existing systems.

During 2007, wetlands were present on approximately 50 percent (9,989 of 20,134) of the randomly selected tracts on which compliance reviews were conducted. Ninety-nine wetland tracts were not in compliance.

CTA Program Funds Customer Assistance. Through CTA, NRCS provided technical assistance to 102,057 customers in FY 2008 helping them to plan and apply conservation measures on the land. This is about 65 percent of the Agency's customer contacts for conservation planning or implementation.

NRCS serves, either directly or indirectly, all of the people of the Nation. However, the people who make decisions about natural resource use and management on non-Federal lands are the primary customers. They include individuals, groups, Tribes, and units of government. NRCS provides the technical assistance and science-based information customers need to make good decisions about their natural resources. To achieve its mission, NRCS provides services to four main customer groups:

- Farmers and ranchers, people who own, operate or live on farms and ranches;
- Other members of the private sector who support production agriculture and conservation;
- Government and units of government including Tribes with responsibility for natural resource use and management; and
- Non-profit organizations whose mission aligns with aspects of natural resource management.

These major customer types need different products and services, delivered in different ways. Within each major customer category, there are customer segments that have differing needs.

CTA Program Leverages Technical Assistance. NRCS field staff work in partnership with over 8,100 State Agency and conservation district personnel to assist customers with their conservation planning and implementation needs. Non-Federal partners contributed an estimated $515 million in funds and services to support these joint conservation efforts in FY 2008. This leveraging is made possible through mutual agreements that establish a conservation partnership with State Governments, local soil and water conservation districts, Tribes, and other conservation organizations to formulate and implement an integrated conservation program. By working with partners, NRCS ensures that the conservation goals of the landowner, local government, State agencies, and national interests are achieved.

Technical Service Providers and Agriculture Conservation Experienced Services. NRCS has expanded its technical assistance capability with Technical Service Providers and Agriculture Conservation Experienced Services workers in FY 2008.

- Technical Service Providers (TSP) are individuals and organizations that are qualified and certified to provide specific technical services for conservation planning and application. These TSPs have expanded and accelerated NRCS' ability to plan and apply conservation practices to enhance, restore or conserve the Nation's soil, water and related natural resources on non-Federal land. In FY 2008, NRCS:
  - Signed agreements with 147 newly certified individual TSPs, and re-certified 210 individual TSPs to bring the total available to the public to more than 1,190 individual TSPs and 98 businesses.
  - The most common plans and practices implemented with the technical assistance of TSPs included nutrient management plans, conservation crop rotations, pest management plans, upland wildlife habitat management, prescribed grazing, residue and tillage management, Comprehensive Nutrient Management Plans, and livestock waste storage facilities.
  - 47 percent of the obligations under this program were made to private sector TSPs. Programs accounting for most of the FY 2008 obligations were the Environmental Quality Incentives Program at 50.1 percent, the Wetlands Reserve Program at 11 percent, the Wildlife
  - Habitat Incentives Program at 10 percent, the Conservation Technical Assistance Program at 7 percent, and the Conservation Reserve Program at 6.6 percent. Remaining programs each accounted for 3 percent or less of the obligation. Since passage of the 2002 Farm Bill, NRCS has obligated over $270 million to acquire technical services.
- The Agriculture Conservation Experienced Services (ACES) workers are enrollees of non-profit older worker organizations who recruit and place qualified people on work assignments that are requested by participating Federal Agencies. In FY 2005, NRCS initiated a pilot program and established about 300 ACES positions to complete identified work projects throughout the country. The pilot program ended on September 30, 2008, when Congress authorized a new ACES program in the Food, Conservation and Energy Act of 2008. In September 2008, NRCS began transitioning the pilot program to the permanently authorized program. Approximately 169 positions were filled with ACES enrollees under the new program at the end of FY 2008. The new program is carried out similarly to the pilot program through agreements with private non-profit older worker organizations that provide experienced workers to support Farm Bill programs. The total investment in ACES including both the pilot

program initiated in FY 2005 and the new program initiated in September 2008 is approximately $11.1 million.

Overall in FY 2008, NRCS obligated over $38.2 million to acquire Technical Service Provider services including $3.6 million through the ACES experienced workers program. The obligation for TSPs exceeded the FY 2008 target of $20 million by $18.2 million.

International Assistance. During FY 2008, NRCS employees participated in 60 assignments with 21 foreign countries that improved the management and conservation of natural resources globally. NRCS is recognized worldwide as the premier enabler of natural resource conservation. International activities involve both short and long-term technical assistance and leadership for the development of natural resource conservation programs and projects. Additionally, NRCS facilitates the exchange of conservation technology with countries that face soil and water conservation issues similar to those in the United States. NRCS participates in international meetings and professional societies to share NRCS conservation technology and to broaden the knowledge and professional capability of NRCS staff.

Reimbursed Technical Assistance: NRCS provides reimbursable short-term technical assistance to foreign countries where the primary benefit is to the receiving country. In FY 2008, the U.S. Agency for International Development reimbursed NRCS approximately $1.1 million for assistance to Afghanistan and $1.8 million for Iraq. The reimbursement paid for nine NRCS employees who served twelve-month details as agricultural advisors and one two-month detail in Afghanistan, and 11 employees served on 12-month assignments in Iraq on U.S. military/civilian Provincial Reconstruction Teams. The Department's Overseas Deployment Office directly pays these employees' salaries and benefits while on assignment. Through Operation Enduring Freedom and Operation Iraqi Freedom, USDA improves the natural resources in the rural provinces which results in a more secure and stable environment. NRCS provided training in planning, designing, and implementing erosion control, streambank stabilization, forestland and rangeland management, and soil and water conservation programs that puts thousands of local civilians to work restoring and rehabilitating their respective country's environment.

Other FY 2008 International Assistance:

- Pacific Basin. Two conservationists in the Pacific Basin provided technical services and leadership in initiating, developing, and coordinating natural resource programs in the Federated States of Micronesia and the Republic of Palau. NRCS spent nearly $825,000 on these long-term assignments.
- Border Issues. NRCS collaborated on border issues with agricultural producers and Resource Management Agencies in Canada and Mexico. NRCS collaborated on issues including water quality, range management, biological diversity, aquatic resource management, hydraulic modeling, plant materials, snow survey forecasting, stream restoration, and waste and nutrient management.
- Hosted Foreign Visitors. NRCS employees hosted approximately 111 foreign students, technicians, scientists, administrators, and farmers from nine countries and enabled them to transfer applicable methods to their home countries.

NRCS Scholarship Programs. NRCS participates in the USDA/1890 National Scholars Program (1890), USDA Public Service Scholars (PSS), NRCS Asian Pacific Islander Scholars (API) and the NRCS Tribal Scholars to support the Agency's Human Capital Initiative. These scholarship opportunities strengthen the conservation partnership with State Colleges and Land Grant Institutions and help attract outstanding students from under-represented groups to pursue careers in agriculture and natural resource sciences. NRCS supported seven 1890 scholars, four PSS scholars, five Asian Pacific Islander scholars. In FY 2008, eight scholars graduated from various programs and were non-competitively converted into the NRCS workforce.

NRCS Outreach Partnerships. NRCS partners with the 1890 Land Grant community and participates in the USDA 1890 Task Force Initiatives. NRCS collaborates with selected 1890 Land Grant Colleges and Universities to broaden the transfer of technologies through the 1890 Centers of Excellence to the communities they serve and through the Biological and Agricultural Systems Engineering programs, and

the 1890 National Scholars Program. The Centers of Excellence supported by NRCS focus on Air and Water Quality (Florida A&M University), Grasslands (Langston University), Geographic Information System and Remote Sensing (Lincoln University), Savannah River Environmental Sciences (South Carolina State University), and Plants and Water Quality (Virginia State University). NRCS continues to achieve results as the initiatives meet unique conservation needs and challenges while implementing new site-specific technology and developing comprehensive resource plans.

NRCS Outreach has partnered with Minorities in Agriculture, Natural Resources and Related Sciences American Indian Science and Engineering Society, and the Thurgood Marshall Scholarship Fund to recruit highly motivated and qualified students for positions throughout the country, and to participate in summer and career internship programs.

NRCS has partnered with community based organizations through contribution agreements to assist new immigrant and specialty crop farmers with record keeping needs and applied technology to help increase the adoption of conservation measures and systems on their operations. This work was done with Hispanic and Asian farmers in several States, including Florida, California, Arkansas, and Washington.

Small, Limited Resource, and Beginning Farmers and Ranchers. With technical and financial assistance geared to their unique needs, NRCS helps small, limited resource, and beginning farmers and ranchers maintain the economic viability of their farm operations while conserving the natural resources. The Agency works to ensure that there are no barriers or obstacles to prevent small, limited resource, and beginning farmers and ranchers from fully participating in NRCS programs or receiving technical assistance.

- In FY 2008, $131 million was approved in contract dollars to reach over 5,055 historically underserved farmers and ranchers, beginning farmers and ranchers, and small farmers to implement sound conservation practices on 1,129,567 acres of working land. Cost-share rates from Farm Bill conservation programs are authorized at up to 90 percent under this initiative.
- In fiscal year 2008, NRCS approved 3,823 beginning farmers and the ranchers for EQIP contracts totaling $107.3 million. NRCS also approved more than 1,232 limited resource farmers and ranchers for EQIP contracts totaling $23.9 million. NRCS approved 58 percent of the applications received from potential limited resource producers and beginning farmers and ranchers, as compared to 44 percent for the general applicant pool.
- NRCS was recognized by the USDA small farms, beginning farmers and ranchers coordinators group as making very tangible contributions to small and beginning farmers through streamlined delivery of technical and financial assistance.

Assistance to American Indians and Alaska Natives (AIAN). A Memorandum of Understanding was signed between the National Agricultural Statistics Service (NASS) and NRCS establishing a frame work to foster and enhance the interchange of data and information about Tribal farms. This exchange of information between USDA Agencies will enhance strategies for reaching and servicing underserved agricultural Tribal communities. The Food, Agriculture, Conservation, and Trade Act (FACTA) of 1990, Section 2501 (g), directed NRCS and other USDA field agencies to establish sub-offices at Tribal headquarters when requested by Tribes.

- Offices Serving Tribes. As of October 2007, NRCS has 45 full-time offices on Tribal lands and approximately 180 Tribal liaisons assisting 562 Federally-recognized Tribes.
- Technical Assistance to Tribal Conservation Districts. The Secretary of Agriculture has signed mutual agreements with 30 conservation districts formed under Tribal law. The most recent being the Hoopa Valley Tribe/Klamath Trinity Resource Conservation District of California making the Hoopa Valley the 30th Tribal conservation district recognized by the Secretary of Agriculture. Under the terms of these agreements, NRCS provides technical assistance through conservation districts to assist American Indian Nations and Alaska Native organizations and citizens to plan, apply, and maintain conservation systems.

- In Fiscal year 2008, NRCS awarded 485 EQIP contracts to Tribes and Tribal members in the amount of $19.5 million. The American Indian and Alaska Natives received 2.21 percent of the total contracts funds approved for EQIP.
- NRCS is partnering with other Federal agencies to improve the assistance to American Indians and Alaska Natives and increase their participation in USDA conservation programs.

Internal Accountability and Management Improvements. NRCS took a number of steps to improve its accountability and management in FY 2008. They included:

- Focusing on 12 key risks in operation management reviews, resulting in follow-up oversight on the highest key risk areas.
- Developing a nationwide scorecard of Agency key risks and areas to target for improvement through a remote survey.
- Initiating new remote oversight approaches to more rapidly identify and correct problems.
- Conducting eight program assessments, five oversight studies, four leadership reviews, five administrative reviews, 11 financial management reviews and nine civil rights reviews resulting in corrective action plans.
- Conducting Highly Erodible Cropland Conservation and Wetlands Conservation Compliance on 20,134 tracts.
- Undergoing the first stand-alone Agency financial audit with corrective actions being taken during and subsequent to the audit process.
    - The audit indicated that NRCS must improve its accounting and financial practices and procedures.
    - NRCS is conducting a thorough review of all current obligations, existing policies, and procedures. NRCS is also strengthening the organizational structure of the Financial Management area.
    - Since completion of the initial audit, NRCS has completed a review of 100 percent of all open obligations, trained employees on policies and procedures, and conducted twenty state reviews to ensure compliance with open obligation policies.
    - Future planned actions include the development of policies, training, and quality assurance activities related to undelivered orders, unfilled customer orders, proper accrual and disbursement procedures, real property management, accounting procedures, and agreements with non-federal partners.
    - For NRCS partners, the financial procedures instituted as a result of the audit will potentially cause some changes, particularly in the handling of leases for office space and the frequency of submitting invoices and progress reports for agreement payments.
- Developing a standard State quality assurance plan to ensure rigorous nationwide internal controls.
- Developing an integrated process to analyze weaknesses identified in all audits.
- Continuing to refine Cost of Programs models to meet new Government Accountability Office (GAO) Best Practices standards.
- Improving efficiencies through activity based costing analyses. For example, one State used it to develop a service center closing plan, resulting in a $500,000 savings per year.
- Upgrading Agency accountability software applications and hardware security to correctly safeguard all private and sensitive information, including Personally Identifiable Information (PII), in compliance with the Federal Information Security Management Act.
- Conducting customer service surveys resulting in improvements including: a streamlined Environmental Quality Incentives Program application form and payment system, and revised Conservation Security Program policy to streamline customer application procedures and reduce both servicing and approval time.
- Developing an integrated conservation planning, financial management and geographic information system database Integrated Data Enterprise Analysis that reduces workload and performance analyses time by 96 percent, saving 97 staff years and $11.6 million per annum.

PART Assessment.
During 2006, an assessment was conducted on the Conservation Operations (CO) Account which includes multiple programs (CTA, Soil Survey, Plant Materials, Snow Survey and Water Forecasting, and the Natural Resources Inventory). CO was determined to be "Moderately Effective." The assessment found that CO operates efficiently and effectively. In an effort to continuously improve CO performance, NRCS has:

- Completed a nationwide Activity Based Costing survey and revised its cost of programs models;
- Analyzed and identified NRCS Cost Centers where improvement would optimize efficiency; and
- Analyzed and revised its allocation formulas.

SOIL SURVEY

Current Activities

Purpose. Understanding and managing soil as a strategic natural resource helps sustain the health and economy of the Nation. Soil survey is an essential tool for regional and local conservation planning that allows people to manage natural resources. The NRCS Soil Survey Program is mandated to:

- Inventory and map the soil resource on non-Federal lands of the United States.
- Keep soil surveys relevant to meet emerging and ever-changing needs.
- Interpret the data and make soil survey information available to meet public needs.
- Lead the National Cooperative Soil Survey Program.

Soil surveys provide important data and information for decisions made by planners, environmentalists, engineers, zoning commissions, tax commissioners, homeowners, developers, as well as agricultural producers. Soil surveys provide the basic information needed for conservation planning. Land managers use soil surveys to predict the soil's potential erosion hazard, its potential for groundwater contamination, and its suitability and productivity for cultivated crops, trees, and grasses. Soil surveys also provide a basis to help predict the effect of global climate change and "greenhouse" gases on worldwide agricultural production and other land-dependent processes.

National Cooperative Soil Survey. NRCS is the lead Federal agency for the National Cooperative Soil Survey (NCSS), a partnership of Federal land management agencies, State agricultural experiment stations, private consultants, and State and local units of government. NCSS promotes the use of soil information, and develops policies and procedures for conducting soil surveys and producing soil information. NRCS provides the scientific expertise to enable the NCSS to develop and maintain a uniform system for mapping and assessing soil resources which allows soil information from different locations to be shared regardless of which agency collects it. NRCS provides most of the training in soil survey to Federal agencies, and assists with their soil inventories on a reimbursable basis.

Standards and Mechanisms for Soil Information. NRCS is responsible for developing the standards and mechanisms for soil information on national tabular and spatial data infrastructure required by Executive Order 12906. In the last few years, NRCS has been perfecting a National Soil Survey Information System (NASIS), and producing publications that are accessible to the public through the internet http://soils.usda.gov. In FY 2003, NRCS developed the Soil Data Warehouse to archive soil survey data and the Soil Data Mart to distribute data to the public. In FY 2005, NRCS established the Web Soil Survey internet site. This became the primary way of distributing published soil surveys, making it easier to keep soil information current with continual public access.

Key Elements of the Program. The primary focus of the Soil Survey Program is to provide current and consistent map interpretations and data sets of the soil resources of the United States. NRCS is conducting a multi-year reinvention process to shift the focus of the Soil Survey Program from publishing hard copy reports to an electronic report that provides a current, readily available, and more useful soil resource inventory, while still completing the initial soil survey mapping. This includes providing useful

information to the public in a variety of formats (i.e., electronic and web- based). The program will continue to focus on maintaining quality soil information and helping people understand and use the soil resource in a sustainable manner. Key program elements include:

- Mapping. Mapping procedures are managed based on physiographic, rather than administrative boundaries. Soil surveys, based on natural landscape boundaries rather than political boundaries, are more efficient to produce, and provide consistent, quality data for assessing and planning the use and protection of landscape units (watersheds or ecosystems). Physiographic surveys provide consistent data that can be used easily by landowners with holdings in multiple jurisdictions, or by community, State, or regional planners. A primary challenge is to complete the initial soil survey for the entire country. This challenge also includes completing surveys on American Indian land holdings as well as public lands controlled by the Forest Service, U.S. Military, U.S. Fish and Wildlife Refuges, Bureau of Land Management and National Park Service. Public lands are important to include with private lands when planning land use and conservation for watersheds, landscapes, or ecological sites. NRCS is working cooperatively within the NCSS to accomplish these goals.
- Information management. NASIS, a part of the NCSS information system, is where soil scientists develop, manage, and deliver soil information to the public. Digital soil surveys enable customers to use electronic soil data in geographic information systems for generating maps tailored to their needs and performing complex resource analyses. NRCS delivers these data via the internet.
- Web Soil Survey. Several features were developed in FY 2008 to enhance the functionality of the Web Soil Survey, and make it more user-friendly. Version 2.1was released in November 2008 and includes a search function, improved navigational data layers, a linear map measurement tool, a glossary of soil terms, and several other features. Web Soil Survey has a 'shopping cart' feature that allows the user to add various maps and reports to the shopping cart, then to print or download the accumulated content as a single document for the user's Area of Interest (AOI). The capacity of the system was increased to improve performance and accommodate more simultaneous users.
- Digital Soil Surveys. The NCSS develops and maintains two scales of soil surveys:
  - Soil Survey Geographic Data Base (SSURGO) is used primarily by landowners, townships, counties or parishes, and watershed hydrologic units for planning and resource management. It is the most detailed level of soil information.
  - United States General Soil Map (STATSGO) is used primarily for multi-county, State, river basin planning and resource management and monitoring.
- Technical Soil Services. The soil technical assistance function focuses primarily on providing diversified products and assistance in using soil information through USDA service centers.

Selected Examples of Recent Progress

- Acres Mapped. Soil surveys have been prepared on over 2.1 billion acres. During FY 2008, NRCS soil scientists mapped or updated 34.2 million acres, and another 900,000 acres were mapped or updated by other Federal, State, and local agencies in cooperation with NRCS. Of these acres, about 2.7 million acres were on American Indian and Alaskan Native lands. State, local, and other Federal agencies involved in the NCSS provided about nine percent of the funds and seven percent of the personnel services used to produce soil maps and interpretative data. Soil mapping priorities are directed toward completion of all previously unmapped private lands and updating mapping and interpretations to meet current user needs and requirements.
- Soil Survey accomplishments on American Indian and Alaska Native lands. NRCS invested $1.4 million in FY 2008 to accelerate soil survey mapping on American Indian and Alaska Native lands, resulting in 2.7 million acres mapped or updated. In addition, five survey areas were published and two surveys digitized with significant American Indian lands (>500 acres/survey area).
- Digitized Soil Surveys. During FY 2008, NRCS and NCSS partners digitized 48 soil surveys to national digitizing standards. A total of 3,016 digitized surveys are now available. This is part of an initiative to digitize all modern soil surveys. National digitizing standards for soil surveys have been developed that are consistent with Federal Geographic Data Committee standards.

- Soil Surveys Released. Soil surveys for 66 counties or survey areas were released in FY 2008, representing 44 million acres. In addition to hard copy, most of these surveys were published on the Web Soil Survey internet application for public access.
- Soil Surveys Used Interactively Online**.** In FY 2008, the Web Soil Survey website logged over 1.3 million user visits and over 523 million hits. In FY 2008, the users per day averaged nearly 3,700.
- Technical Analysis and Tool Development. The Soil Survey Laboratory (SSL) of the National Soil Survey Center provides analytical support which includes research and methods development and testing, as well as analyses to support on-going soil surveys around the Nation. In FY 2008, SSL performed over 200,000 analyses and continued its efforts to provide timely data delivery. The recently revised Soil Survey Laboratory Methods Manual is now used in 58 foreign countries and universities, private offices and State and Federal offices. The NSSC and the National Geospatial Development Center (NGDC) collaborated on protocols used to review and award proposals from NCSS cooperators, and to track progress and results from those research efforts.
- Research in Soil Geography. National Soil Survey Center and National Geospatial Development Center have collaborated since 2005 to support research and development into the science of hydropedology and digital soil mapping as defined by the International Union of Soil Science. This research is generally conducted collaboratively with NCSS University partners and related institutions.

National Cooperative Soil Survey Progress

Dynamic Soil Property Study Underway in Louisiana. The field work portion of a collaborative study between the Louisiana Army National Guard and USDA-NRCS as part of Integrated Training Area Management (ITAM) was completed in 2008. ITAM is a Department of Defense (DOD) management tool used to minimize the detrimental effects and maximize the benefits of training activities on natural resources and the environment. The goal of this study is to develop a Soil and Vegetation Resilience Index (SVRI), an index for environmental management. SVRI will be used to prevent degradation of military lands and preserve vast areas of natural ecosystems for plants and animals, some of which are classified as threatened and endangered. A soil trafficability threshold for soil and vegetation resilience will be established. A new model based on these thresholds will allow the Army to determine when a facility may be used by military tanks without exceeding the thresholds. To achieve these goals, the site was instrumented with soil moisture, temperature, redox and pH probes. These instruments, along with air temperature sensors, were polled by data loggers equipped with remote download capabilities. When pre-determined soil moisture thresholds were reached, M1-A1 Tanks traversed selected test plots with different numbers of passes. Soil compaction was measured before and after each tank run.

Soil Survey Laboratory Enhancements. In 2008, the capacity and capability of the NRCS Soil Survey Laboratory (SSL) to meet the environmental needs of clients was greatly enhanced by the acquisition of three cutting edge instruments. An Inductively Coupled Plasma-Mass Spectrometer (ICP-MS) allows simultaneous determination of trace metals in the landscape, down to the lowest ppb levels, and replaces three less sensitive instruments for increased quality and efficiency. A new Thermogravimetric Analyzer (TGA) allows quantitative identification of important clay minerals, and complements the more qualitative data provided by an x-ray diffractometer. A new Ion Chromatograph (IC) expands upon existing chromatographic capabilities, to answer increased requests for analysis regarding salt affected and gypsiferous/gypseous soils. These multi-sample tools enhance and streamline the production and research efforts of your NRCS Soil Survey Laboratory.

Development of a Remote Sensing Training Curriculum to Support Resource Conservation and Inventory Activities. The National Geospatial Development Center, in conjunction with the National Employee Development Center, NRCS subject matter experts, and university subject matter experts has redesigned the NRCS Remote Sensing and Image Interpretation training curriculum. Image interpretation facilitates the preliminary identification of landscape patterns and features from a remote setting, which increases the efficiency of subsequent field investigations. NRCS has revised and augmented its image interpretation and remote sensing curriculum to include digital data, hands-on software training, and advanced discipline-specific capstone classes. Several of these classes will be delivered in a self-paced, on-line format.

Initial Soil Survey of the Red Lake Indian Reservation in Minnesota. The Red Lake Band of Chippewa have 570,000 acres of land spread over three Major Land Resource Areas and six northern Minnesota counties. Soil mapping was started on this area during the 1970's but was not completed or correlated. As part of the nationwide priority to complete the initial soil survey by 2012, fieldwork was restarted on the reservation during the summer of 2007. Soil mapping is proceeding as scheduled with the assistance of the GIS staff, when actually employed staff, detailed soil scientists and the Red Lake Tribe. The final product will be entirely web based and plans are to provide this information in stages as it is correlated. The first area to be put on the web will be the western reservation and this will be available late in 2009.

Soil Survey Information Delivered to Hawaii Volcanoes National Park. Published soil survey information was delivered to Hawaii Volcanoes National Park in September 2008. The situation was unique because the National Park acquired large parcels of adjacent private lands after signing a Memorandum of Understanding for a soil survey. Fortunately the adjacent lands had recently been surveyed by NRCS while in private ownership. The NRCS soil survey staff in Hawaii were able to combine the areas surveyed in the park with the areas newly acquired, and deliver to the National Park service a seamless soil survey that covered all areas currently managed by the park service. The park was 70 percent larger after the acquisitions but the entire area was delivered as a single soil survey with complete coverage.

Soil Survey update helps prevent contamination of groundwater during Iowa floods. Soil scientists in the Fairfield, Iowa MLRA office completed a special project to help resolve differences in interpretations for disposal of large animals between two adjacent counties that border the Mississippi River. A thorough investigation in the field showed that only the soils north of Donnelly Creek in Muscatine County had the sandy subsoil that limit the disposal of large animals. In 2008, Eastern Iowa was devastated by unusually high precipitation, causing levees to break which flooded many hog operations on the Iowa River. With this MLRA project the NRCS, Iowa Department of Natural Resources, and landowners in Muscatine and Louisa Counties were better prepared to dispose of animals that perished, without risking contamination to ground water. Landowners used this data to successfully bury hogs that were killed by the flood waters. The soil interpretations were an asset to everybody that had been subjected to this natural disaster.

PART Assessment.
During 2006, an assessment was conducted on the Conservation Operations (CO) Account which includes multiple programs (Conservation Technical Assistance, Soil Survey, Plant Materials, Snow Survey and Water Forecasting, and the Natural Resources Inventory). CO was determined to be "Moderately Effective." The assessment found that CO operates efficiently and effectively. In an effort to continuously improve CO, particularly the Soil Survey Program, NRCS has:

- Initiated a detailed communications plan;
- Redesigned the National Soil Information System platform to integrate: the ecological site information database, US Forest Service's soil survey data (TERRA), and NRCS's plants database; and
- Begun to restructure Field Soil Survey offices.

SNOW SURVEY AND WATER SUPPLY FORECASTING

Current Activities
Purpose: The Snow Survey and Water Supply Forecasting (SS/WSF) Program provides water and climate information, and technology support for natural resource management. The SS/WSF Program is conducted in the 13 western States (Alaska, Arizona, California, Colorado, Idaho, Montana, New Mexico, Nevada, Oregon, South Dakota, Washington, Utah, and Wyoming). The National Water and Climate Center located in Portland, Oregon provides leadership and technology support to the States, and directly provides water supply forecasts.

Water and Climate Monitoring. Snowmelt provides approximately 50-80 percent of the streamflow in the West. The NRCS conducts snow surveys and provides information that helps Federal, State, and local agencies, power companies, irrigation districts, and the Provincial Governments of British Columbia, Alberta and the Yukon Territory make sound water management decisions. Natural resource data from

1,100 manual snow courses, 755 automated Snowpack Telemetry (SNOTEL) sites, 756 stream gauges, 328 reservoirs and 1,532 climatological observing stations are integrated to create basin and watershed analyses and water supply forecasts for 748 water supply forecast points using an automated database and forecasting system.

SNOTEL. The SNOTEL network increased by eight sites in FY 2008 to 755. SNOTEL collects the vast majority of the critical, high-elevation snowpack and climate data used to estimate water yields in the mountainous west. SNOTEL plays a key role in forecasting flooding and other life-threatening snow related events by providing hourly precipitation, temperature, and snowpack depletion information. Snowpack information enables emergency management agencies to effectively anticipate and mitigate flood damage months in advance of the spring snowmelt. Similarly, the data are useful in the anticipation and mitigation of the effects of drought.

SNOTEL Data Quality. The National Water Climate Center (NWCC), in partnership with Oregon State University, has completed a program-wide review of SNOTEL temperature data collected by the network since 1982. Temperature information from this unique high-elevation network is critical for monitoring climate variability and snowpack in the mountainous West. A certified dataset will be available to the public and the research community by the end of FY 2008.

Water and Climate Services. The Water and Climate Services Branch provides water supply forecasts for the Western United States and climate services for the entire Nation.

Water Supply Forecasts. Water supply forecasts are produced from January through June in partnership with the National Weather Service. During the FY 2008 forecast season, the SS/WSF Program issued 13,167 seasonal water supply forecast information products. Major cooperators include the Bureau of Reclamation, Corps of Engineers, Bonneville Power Administration, State and local agencies, power utilities, irrigation districts, Tribal Nations, Canada, and Mexico. Water Supply Forecasts: (1) help irrigators make effective use of limited water supplies for agricultural production needs, (2) assist the Federal government in administering international water treaties with Canada and Mexico, (3) assist State governments in managing intrastate streams and interstate water compacts, (4) assist municipalities in managing anticipated water supplies and drought mitigation, (5) are used in the operation of reservoirs to satisfy multiple use demands, (6) are used to mitigate flood damages in levied areas and downstream from reservoirs, and (7) support fish and wildlife management activities associated with species protection legislation.

Western Water Supply - Water Year FY 2008 in Review.

- Precipitation: Persistent dryness in California and the Great Basin of Nevada, abundant winter precipitation in the Oregon-Washington Cascades and an active summer monsoon occurred during water year (October-September) 2008. The water year began with heavy precipitation throughout the western U.S. except for California and southern New Mexico where precipitation was less than 50 percent of normal. In early December, intense rainfall led to flooding in southwest and central western Washington. Many United States Geological Service streamgage sites reached new record river flows (some places ten feet above flood stage). The Chehalis River experienced widespread flooding, forcing 20 miles of the major interstate to be closed for four days. In January, heavy producing storms barreled through the southwest striking California and Arizona. In February, the center of action moved to the Upper Colorado River Basin, including Wyoming, western Colorado and Utah, drying out Oregon and Washington. The momentum of the season almost completely stopped in March and April when large parts of the western United States experienced little to no precipitation. During this period, the Columbia River basin draining Idaho, Oregon and Washington experienced relatively near-normal accumulations. Late spring came on strong in the Missouri basin of eastern Montana and Wyoming with some basins receiving over 200 percent of normal precipitation in May, which is normally one of the wettest months of the year in that region. The summer monsoon (June-September) in Arizona was especially active; Organ Pipe National monument received over twice normal rainfall. With the exception of the dryness in California and Nevada, the seasonal precipitation totals across the western

United States ended relatively near-normal, hiding the wild swings of extreme within-season variability.

- Snowpack: The FY 2008 water year was a relatively cold year and therefore, while precipitation was near normal, snowpack in the mountains was much above normal. During the peak of Arizona's accumulation season on February 1, many basins had snowpack above 130 percent of normal. Dry spring conditions in Arizona however rapidly diminished the total snowmelt prospects. By April 1, the California basins around Lake Tahoe had 86 percent of normal snowpack but practically every other basin outside of Arizona and Southern New Mexico was above normal. Western Oregon and Washington, in particular had near record snowpack, some basins exceeding 210 percent of normal. The coldest spring since 1992 caused the Pacific Northwest low elevation snow pack to reach near record depths helping to delay melt runoff by two to four weeks. Central Colorado also experienced heavy snow beginning in December, peaking at near record levels in April. In total, the differences between snowpack and precipitation this year were due to the extremely cold temperatures throughout the winter, leading to a relatively high production of snow. In addition, while March and April were dry months in 2008, they were also very cold and allowed the high elevation snow to remain in place while releasing snow at the lower elevations. This stands in stark contrast to the recent string of hot and dry "spring meltdown" events (e.g. 2002, 2004) that dashed water managers' hopes for abundant runoff.
- Streamflow: Snowpack and precipitation information are the primary drivers of the water supply outlooks. Therefore the forecasts tracked the ups and downs of the season. In most regions the outlook was near normal throughout most of the season. In Arizona, the Pacific Northwest, Central Colorado, and the Rio Grande, the forecasts were much above normal. Interestingly, the dry and cold spring allowed for a "slow leak" of the water out of the basin, eventually producing significant volumes of runoff, but without the widespread flooding that was feared. In late springtime, Oregon and Washington observed record runoff levels under clear skies due to snowmelt alone. The Colorado River above Lake Powell recorded streamflow of 112 percent of average whereas the Columbia River at the Dalles streamflow was closer to 100 percent of average. Alaska streamflows were forecast to be near normal in most basins with the exception of western Alaska, which were forecast to be much above normal. Additional water supply forecast information can be found at http://www.wcc.nrcs.usda.gov.

Water Supply Forecasting Technology Development. The Visual Interactive Prediction and Estimation Routines (VIPER) program has been reviewed and certified for use by the SS/WSF Program and will be implemented for the FY 2009 water season. VIPER provides improved data visualization, and the flexibility to use different station combinations and data records by users of water supply forecast information.

Climate Services Technology Development.

- The Agricultural Applied Climate Information System (AgACIS) has been expanded to include growing season and frost evaluations.
- NWCC participated in the development of a systematic process to evaluate probable maximum precipitation for design of engineering structures in the west.
- NWCC completed development of spatially distributed precipitation and temperature GIS layers for 1960 to 2001. Each value in the dataset represents an area that is four square kilometers (2.5 square miles).
- The SNOTEL precipitation data Quality Control (QC) effort completed in early FY 2008 revealed that most quality controlled data was accurately flagged with minor exceptions. This methodology (QC prototype) is flexible to user's needs, allowing for customized specification on risk tolerance (degree of confidence). It will eventually assist water supply forecasters by providing highly accurate updated hydrographic model input and quickly alert field personnel of sensor failures.
- The NWCC is producing a weekly Drought and Snowpack update for water and natural resource managers. The report provides a "grab and go" summary that can be easily used for drought and water

resource briefings. For more information, please visit the following website - http://www.wcc.nrcs.usda.gov/climate/.

Soil Climate Analysis Network (SCAN). Although SCAN is funded by other programs, it is managed by the NWCC. SCAN provides users with near real-time climate, soil moisture, and soil temperature information via the internet. During FY 2008, the 39-state network was expanded to 150 sites with six new SCAN sites installed in Nevada. This cooperative program is funded through Federal and non-Federal partnerships. SCAN information also supports drought monitoring and mitigation as part of the Western Governors' National Integrated Drought Information System, flood risk assessments, crop productivity, disease and insect infestation modeling and a wide variety of NRCS Global Change research activities. SCAN also provides data required for soils research, water balance models, watershed planning and weather forecast models. The data from these sites provide real-time information to support soil-climate monitoring, and provide information for better land and water resource management.

Information Systems. The database and forecast system maintained by the NWCC Information Systems supports a wide variety of software for water supply forecasting, water and climate data analyses, and other products used by a wide variety of NRCS disciplines. These products support water resource management and related natural resource conservation activities at NRCS National, State, and field offices. Over three million visits to the NWCC websites containing snow survey, water supply forecasts, soil moisture data, and other products were recorded in FY 2008. Over 18 million files were downloaded from these sites. These numbers do not reflect the use of State NRCS sites that provide similar information and other sites such as National Weather Service that utilize the snow survey data. The NWCC has developed and is implementing a failover plan for all data collection and product production activities.

PART Assessment.
During 2006, an assessment was conducted on the Conservation Operations (CO) Account which includes multiple programs (Conservation Technical Assistance, Soil Survey, Plant Materials, and Snow Survey and Water Supply Forecasting, and the Natural Resources Inventory). CO was determined to be "Moderately Effective." The assessment found that CO operates efficiently and effectively. To improve the performance of CO, specifically SS/WSF, NRCS continues to automate snow-water data collection to make the program more efficient; track non-field level activities, including those of contractors and partnering organizations; and link its performance to budget allocations.

PLANT MATERIALS CENTERS

Current Activities
As part of the NRCS Plant Materials Program, the Agency operates and provides technical assistance to 27 Plant Materials Centers (PMCs) throughout the United States to provide effective vegetative solutions to conservation problems. The PMCs (1) develop technology for the effective establishment, use, and maintenance of plants, (2) assemble, test, select, and release stock to provide for the commercial production of plants to protect and conserve our natural resources, and (3) provide appropriate training and education to NRCS staff, partners, and the public.

NRCS operates 25 of the PMCs; State or local governments operate 2 with NRCS funding and/or technical assistance. NRCS owns the land where 12 PMCs operate while Conservation districts, State agencies, nonprofit institutes, or other entities own the land where the other 15 PMCs operate. Each PMC has a service area defined by ecological boundaries, and addresses high-priority conservation concerns within each of their service areas.

Development and use of plant technology is one of NRCS' foundation products and services. PMCs are placing special emphasis on the following activities that are aligned with the USDA and NRCS Strategic Plans, and specific conservation concerns within each PMC service area:

1. Protection and revegetation of land greatly affected or completely devastated by hurricanes, floods, wildfires, and other natural disasters;

2. Plant materials technology support for wildlife species of concern, such as sage grouse, quail, and pollinators;
3. Continued development of plants useful for biofuels, such as switchgrass;
4. Protection of grazing and other natural resources (range, pasture, and forestland) by developing productive, longer-lived drought tolerant native varieties, and managing desirable native plants to control the spread of noxious weeds;
5. Control of introduced weeds, and restoration of areas where weeds have invaded;
6. Reduction of erosion from cropland by selection of cover crops, and development of systems for their use to provide winter cover on fields with low residue crops;
7. Improvement and protection of the quality of surface and groundwater by development of filter strips between cropland and streams, plants and technology for bio-terraces, and artificial wetlands for removing pollutants from waste water;
8. Creation, restoration, or management of wetlands;
9. Development of plants and plant technology for mitigation of air quality concerns in the vicinity of poultry, swine, and beef operations; and
10. Acceleration of commercial production of previously released conservation plants in high demand for use in conservation programs.

PMC plant materials, plant technology, and management practices are key products and services used by customers in the successful implementation of other USDA conservation programs such as the Conservation Reserve Program, Environmental Quality Incentive Program, Grazing Lands Conservation Initiative, and the Wildlife Habitat Incentive Program. With plants and plant technology, PMCs improve grazing lands, wetland and wildlife conservation habitat, buffers and riparian areas, and areas susceptible to soil erosion. PMC plants and technology slow the spread of invasive species and improve critical habitats for threatened and endangered species.

Examples of Recent Progress

Comparative Plant Testing. During FY 2008, over 11,500 plant collections were comparatively evaluated in more than 72,000 plots by the PMCs. The final evaluation of new plants and cultural methods is made on farms and ranches under actual use conditions; these field tests are now underway at over 2,200 sites. Plants were evaluated for protecting range, pasture, and forest resources; cropland cover crops; wetlands; plants useful for biofuels; stabilizing critical areas such as sand dunes, streambanks, and shorelines, road cuts and fills, utility corridors and surface mined lands; introducing grass hedges, buffer strips, replacement of annual forage plants with perennials, wind breaks to protect cropland; and mitigation of air quality concerns. Current emphasis is placed on the collection and evaluation of native plant materials for these uses.

Plant Releases for Commercial Production. NRCS released 20 new plants to commercial growers during FY 2008. These 20 join approximately 580 other PMC conservation plant releases used in conservation programs. PMCs select and then distribute plants for conservation uses to the commercial sector for sale to the public. PMCs do not sell or give plants directly to the public. Production by commercial seed growers and nurseries of about 450 of these plant releases has a market value of more than $100 million per year. A recent analysis of the commercial and ecological benefits of NRCS conservation plants showed that the Plant Materials Program returns $3.65 for every $1 invested.

Plant Releases and Technology Products. Written technical notes, Field Office Technical Guide and web-postings, and oral presentations transfer new information to end-users. Fiscal Year 2008 accomplishments include:

Major Item Measured	Sub-item Measured	# Units
Plant Releases	Cultivar releases	5
	Selected releases	10
	Source Identified releases	5
	Total Releases	**20**

Major Item Measured	Sub-item Measured	# Units
Written Technology Transfer	Technical Notes & Articles	144
	Brochures & Flyers	38
	Plant Guides & Fact Sheets	51
	Popular Articles & Progress Reports	187
	Refereed publications	13
	Published symposia & posters	16
	Other types of documents	39
	Total Written Technology Transfer	**488**
Oral Technology Transfer	Training Sessions	202
	Tours presented	100
	Field Days conducted	17
	Local/State presentations	167
	Regional presentations	94
	National/International presentations	19
	Total Oral Technology Transfer	**599**

Plants for Solving Conservation Problems. The Plant Materials Program places emphasis on using plants to solve conservation problems. A few representative examples will illustrate this effort.

- Plants for carbon sequestration and biofuels. To meet energy and global climatic concerns, PMCs are investigating native plants with a greater above- and below-ground biomass with potential for sequestering more carbon and reducing the amount of atmospheric carbon dioxide. At the same time, plants with more biomass show promise for use as an alternative fuel. PMCs in Michigan, New York, Kansas, Texas, Mississippi, Washington, Idaho, Arizona, California, Montana, and Colorado are involved in this work.
- Wildlife. Resource conservation and land management practices place emphasis on creating favorable habitat for wildlife species while providing suitable forage for their use. During the past year, centers in Colorado, Georgia, Michigan, Missouri, New York, and Hawaii have been active in this area.
- Pollinators. The need for increased habitat for native pollinator species is becoming critical. PMCs have installed demonstration plantings, hosted workshops and developed publications to promote increased habitat. PMCs have also released plants having value for pollinators. Idaho, Maryland, Oregon, Montana PMCs are leading in this work.
- Weeds. Exotic, noxious weeds pose a serious threat to the integrity and health of natural ecosystems throughout the country. PMCs conducted a series of nationwide studies that strive to either control or suppress weeds, or to find suitable replacements for invasive species once control is achieved. Centers in Washington, Montana, Florida, and New Mexico have worked with problem species such as yellow starthistle, cheatgrass, knapweed, Canada thistle, and cogon grass.
- Wetland Restoration. Wetlands continue to be an important environmental concern, with a critical need for plant materials suited to their restoration and maintenance. PMCs in Louisiana, Michigan, New Jersey, and Idaho have worked on this problem.
- Rehabilitation after Wildfires. The Plant Materials Program provides materials and technology to help protect property from the risks of wildfires, as well as methods and materials to enable improved rehabilitation of both private and public lands after fires occur. Assistance is actively provided by PMCs or specialists in Idaho, Washington, Arizona, New Mexico, Colorado, California, Nevada, and Montana.

Cooperation with Other Agencies and Partners. PMCs cooperation with other Federal and State agencies, agriculture experiment stations, State departments of natural resources, conservation, wildlife, and seed and nursery associations improves the quality and efficiency of plant identification, testing and evaluation, and encourages commercialization of NRCS plants and technology. Employees of other government agencies and conservation districts collect thousands of plants annually to find valuable species for solving conservation problems. The cooperation also extends to the testing and promotion of new

materials and technology. PMCs are working extensively with the Agricultural Research Service (ARS), Forest Service, and Bureau of Land Management on the restoration of degraded rangeland and the revegetation of lands scarred by wildfires. PMCs in the eastern United States are working with the ARS to test the nutrition and regrowth of native grasses for use as forage in pastures. Additionally, PMCs and the National Park Service continue an excellent cooperative effort to revegetate disturbed sites in parks with local native plant materials. This effort has been used as a prototype for developing comparable projects with other cooperators. These partnerships and other similar ones expand the efforts by PMCs to accomplish work which would not be possible by PMCs acting alone.

PART Assessment.
During 2006, an assessment was conducted on the Conservation Operations (CO) Account which includes multiple programs (Conservation Technical Assistance, Soil Survey, Plant Materials, and Snow Survey and Water Forecasting, and the Natural Resources Inventory). CO was determined to be "Moderately Effective." To improve the performance of CO, specifically Plant Materials, NRCS annually evaluates the performance and efficiency of individual Plant Centers. NRCS also collects performance data and links it to its budget allocations.

Watershed and Flood Prevention Operations

The estimates include appropriation language for this item as follows (new language underscored; deleted matter enclosed in brackets):

[Watershed and Flood Prevention Operations]

> [For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001-1005 and 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, $24,289,000, to remain available until expended, of which $23,643,000 shall be for the purposes, and in the amounts, specified in the table titled "Natural Resources Conservation Service, Watershed and Flood Prevention Operations Congressionally-designed Projects" in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act): *Provided*, That not to exceed $15,000,000 of this appropriation shall be available for technical assistance.]

The change in language reflects the budget proposal to provide no funding for this account, which is entirely earmarked. Technical assistance for prior year projects will be provided through the Conservation Operations account.

NATURAL RESOURCES CONSERVATION SERVICE

Watershed and Flood Prevention Operations

	Watersheds Authorized by PL-534	Small Watersheds Authorized by PL-566	Total Watershed and Flood Prevention
Appropriations Act, 2009	$7,641,000	$16,648,000	$24,289,000
Budget Estimate, 2010	--	--	--
Decrease in Appropriations	-7,641,000	-16,648,000	-24,289,000

Summary of Increases and Decreases
(On basis of appropriation)

Item of Change	2009 Estimated	Pay Costs	Program Changes	2010 Estimated
Watershed & Flood Prevention – Regular Appropriation:				
1. Watershed oper. auth by PL-534	$7,641,000	--	-$7,641,000	--
2. Small watershed auth. by PL-566	16,648,000	--	-16,648,000	--
Total Available	24,289,000	--	-24,289,000	--

Project Statement
(On basis of appropriation)

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Watershed & Flood Prevention – Regular Appropriation:							
1. Watershed Operations							
Authorized by PL-534:							
(a) Technical assistance	$578,800	11	930,000	34	-930,000	--	--
(b) Financial assistance	4,368,200	--	6,711,000	--	-6,711,000	--	--
Subtotal, PL-534	4,947,000	11	7,641,000	34	-7,641,000	--	--
2. Small Watersheds							
Authorized by PL-566:							
(a) Technical assistance	8,272,900	79	5,703,800	44	-5,703,800	--	--
(b) Financial assistance	16,570,100	--	10,944,200	--	-10,944,200	--	--
Subtotal, PL-566	24,843,000	79	16,648,000	44	-16,648,000	--	--
Total available or Est	29,790,000	90	24,289,000	78	-24,289,000	--	--
Rescission	+210,000	--					
Total, Appropriation	30,000,000	--					

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Watershed & Flood Prevention – Supplemental Appropriations:							
1. Emergency Watershed Protection Operations:							
(a) Technical assistance...	98,092,800	190	---	307	---	---	244
(b) Financial assistance....	392,371,200	---	---	---	---	---	---
Total, Appropriation.....	490,464,000	190	---	307	---	---	244

Project Statement
(On basis of available funds)

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Watershed & Flood Prevention – Regular Appropriation:							
1. Watershed Operations Authorized by PL-534:							
(a) Technical assistance.	$1,703,630	11	$1,569,000	34	-$1,569,000	---	---
(b) Financial assistance..	2,757,701	---	2,560,000	---	-2,560,000	---	---
Subtotal, PL-534.....	4,461,331	11	4,129,000	34	-4,129,000	---	---
2. Small Watersheds Authorized by PL-566:							
(a) Technical assistance.	11,738,678	79	6,653,000	44	-6,653,000	---	---
(b) Financial assistance..	20,744,073	---	13,507,000	---	-13,507,000	---	---
Subtotal, PL-566.....	32,482,751	79	20,160,000	44	-20,160,000	---	---
Total Direct Obligations...	36,944,082	90	24,289,000	78	-24,289,000	---	---
Unobligated balance brought forward.....	(-12,046,797)	---	(-34,460,006)	---	(+7,733,000)	(-26,727,006)	---
Prior Year Recoveries.....	(-7,690,268)	---	---	---	---	---	---
Offsetting Collections.....	(-32,419,914)	---	---	---	---	---	---
Reimbursements	(+5,041,318)	---	---	---	---	---	---
Chg in Customer Payments	(+5,501,573)	---	---	---	---	---	---
Not Available Carried Fwd	---	---	(+26,727,006)	---	---	(+26,727,006)	---
Unobligated balance carried forward	(+34,460,006)	---	---	---	---	---	---
Adjusted Appropriation....	(29,790,000)	---	(16,556,000)	---	(-16,556,000)	---	---
Reimbursable obligations:							
1. Watershed Operations Authorized by PL-534:							
(a) Technical assistance.	24,841	---	---	---	---	---	---
(b) Financial assistance..	611,825	---	---	---	---	---	---
Subtotal, PL-534.....	636,666	---	---	---	---	---	---
2. Small Watersheds Authorized by PL-566:							
(a) Technical assistance.	2,117,443	25	2,948,000	33	-2,948,000	---	---
(b) Financial assistance..	2,287,209	---	27,052,000	---	-27,052,000	---	---
Subtotal, PL-566.....	4,404,652	25	30,000,000	33	-30,000,000	---	---
Total Reimb. Obligations .	5,041,318	25	30,000,000	33	-30,000,000	---	---
Obligational authority.....	41,985,400	115	54,289,000	111	-54,289,000	---	---

Note: FY2009 reflects an error in funding distribution.

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Watershed & Flood Prevention – Supplemental Appropriation:							
1. Emergency Watershed Protection Operations:							
(a) Technical assistance	$30,547,708	190	$47,516,000	307	-$7,742,000	39,774,000	244
(b) Financial assistance	144,460,950	--	242,484,000	--	-44,760,000	197,724,000	--
Subtotal, EWP	175,008,658	190	290,000,000	307	-52,502,000	237,498,000	244
Unobligated balance brought forward	(-169,414,499)	--	(-529,364,457)	--	(+290,000,000)	(-239,364,457)	--
Prior Year Recoveries	(-44,738,601)	--	--	--	(-1,000,000)	(-1,000,000)	--
Offsetting Collections	(-4,888,126)	--	--	--	--	--	--
Reimbursements	(+3,743,503)	--	--	--	--	--	--
Chg in Customer Payments	(+1,388,608)	--	--	--	--	--	--
Not Available Carried Fwd	--	--	(+1,866,457)	--	(+1,000,000)	(+2,866,457)	--
Unobligated balance carried forward	(+529,364,457)	--	(+237,498,000)	--	(-237,498,000)	--	--
Adjusted Appropriation	(490,464,000)	--	--	--	--	--	--
Reimbursable obligations:							
1. Emergency Watershed Protection Operations:							
(a) Technical assistance	48,316	--	--	--	--	--	--
(b) Financial assistance	3,695,187	--	--	--	--	--	--
Subtotal, EWP	3,743,503	--	--	--	--	--	--
Obligational authority	178,752,161	190	290,000,000	307	--	237,498,000	244

Justification of Increases and Decreases

(1) A net decrease of $24,289,000 for the Watershed and Flood Prevention Operation Program ($24,289,000 available in 2009):

a) A decrease of $7,641,000 for Watershed Operations Authorized by PL-534 ($7,641,000 available in 2009):

The fiscal year 2010 budget proposes to terminate funding for this program. Since most program benefits are highly localized, the Agency anticipates that those PL-534 projects not yet completed will continue to receive local support from project sponsors.

b) A decrease of $16,648,000 for Small Watersheds Authorized by PL-566 ($16,648,000 available in 2009):

The fiscal year 2010 budget proposes to terminate funding for this program. Since most program benefits are highly localized, the Agency anticipates that those PL-566 projects not yet completed will continue to receive local support from project sponsors.

Status of PL-534 watershed projects:

Status of Operational Projects	2008	2009	2010
Active sub-watersheds...	71	71	--
Projects continuing post-installation assistance	206	206	--
Total operational sub-watersheds	277	277	--
Inactive projects	91	91	--
De-authorized projects...	25	25	--
Total sub-watersheds	393	393	--

Status of PL-566 watershed projects:

Status of Operational Projects	2008	2009	2010
Land treatment projects	94	91	--
Structural projects	146	146	--
Land treatment and structural	60	60	--
Subtotal active projects	300	297	--
Projects in post-installation assistance	1,048	1,061	--
Inactive Projects	196	182	--
Project Life Completed	42	46	--
De-authorized projects	158	158	--
Total operational projects	1,744	1,744	--
New projects approved during year	--	--	--

Geographic Breakdown of Obligations and Staff Years
2008 Actual and Estimated 2009 and 2010

	2008		2009		2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Alabama	$7,762,633	18	$1,053,500	5	988,400	5
Alaska	10,688,750	3	5,400,900	4	5,372,900	3
Arizona	391,106	1	2,597,500	4	2,581,500	4
Arkansas	1,162,654	5	260,900	2	2,300	--
California	22,544,742	23	24,437,500	51	24,396,600	45
Colorado	287,014	1	484,400	1	443,200	--
Connecticut	213,981	--	64,200	--	64,200	--
Delaware	--	--	--	--	--	--
Florida	21,271,365	10	23,138,600	58	23,114,400	30
Georgia	323,976	3	2,213,200	1	2,059,300	--
Hawaii	2,679,957	5	11,275,200	14	10,979,500	9
Idaho	7,974	--	4,700	--	--	--
Illinois	1,873,707	2	1,070,100	1	59,300	--
Indiana	2,552,811	4	59,300	--	--	--
Iowa	6,165,836	11	1,564,952	14	--	--
Kansas	2,265,335	3	55,400	1	--	--
Kentucky	1,202,938	4	719,600	2	--	--
Louisiana	22,836,953	38	48,020,370	49	27,723,184	42

	2008		2009		2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Maine	222,636	--	527,300	--	510,500	--
Maryland	-2,769	--	10,500	--	12,100	--
Massachusetts	83,518	--	1,504,800	2	1,504,400	--
Michigan	707,014	--	28,900	--	25,900	--
Minnesota	1,026,849	1	114,900	1	--	--
Mississippi	17,420,190	35	93,072,200	42	60,807,977	44
Missouri	8,306,262	27	2,938,800	6	362,400	--
Montana	-11,624	--	2,500	--	9,800	--
Nebraska	3,262,226	2	1,539,000	--	6,700	--
Nevada	--	--	1,155,100	1	1,155,100	1
New Hampshire	1,524,129	1	9,652,300	8	9,652,300	8
New Jersey	149,794	--	930,000	1	930,000	1
New Mexico	5,495,481	5	928,900	1	929,900	1
New York	709,498	1	33,611,900	20	33,611,900	9
North Carolina	6,972,361	4	4,432,500	2	73,200	--
North Dakota	170,171	2	80,100	1	600	--
Ohio	229,730	2	134,400	1	--	--
Oklahoma	4,685,998	9	4,762,800	15	4,138,000	6
Oregon	1,438,354	1	459,800	--	225,700	--
Pennsylvania	7,087,325	8	10,028,700	11	7,308,200	8
Puerto Rico	--	--	91,000	1	91,000	1
Rhode Island	60,337	--	35,300	--	--	--
South Carolina	2,751,979	4	1,284,643	2	1,250,600	2
South Dakota	72,605	--	6,300	--	--	--
Tennessee	3,760,587	3	2,753,448	4	2,722,200	4
Texas	9,709,357	22	6,893,000	21	5,679,800	6
Utah	16,819,640	6	7,428,200	16	7,409,500	12
Vermont	207,921	1	276,600	1	206,400	--
Virginia	226,867	1	163,200	1	27,900	--
Washington	427,067	--	700	--	--	--
West Virginia	3,628,876	9	2,868,381	11	16,400	--
Wisconsin	889,647	1	--	--	--	--
Wyoming	2,727,953	1	1,877,572	1	--	--
National Hdqtr	6,962,539	3	2,275,734	7	1,044,739	3
National Centers	-1,438	--	-800	--	--	--
Nat. Tech. Sup. Cent.	-70	--	--	--	--	--
Total Obligations/Est.	211,952,741	280	314,289,000	385	237,498,000	244

NATURAL RESOURCES CONSERVATION SERVICE
Watershed and Flood Prevention Operations

Classification by Objects
2008 Actual and Estimated 2009 and 2010

Personnel Compensation:		2008	2009	2010
Washington, D.C.		$449,610	$799,000	549,000
Field		19,349,488	25,837,000	17,765,000
11	Total personnel compensation	19,799,098	26,636,000	18,314,000
12	Personnel benefits	5,008,927	6,773,000	4,670,000
13	Benefits for former personnel	--	--	--
	Total pers. comp. & benefits	24,808,025	33,409,000	22,984,000
Other Objects:				
21	Travel	1,760,666	2,738,000	2,116,000
22	Transportation of things	58,925	74,000	49,000
23.1	Rent payments to GSA	--	--	--
23.2	Rental payments to others	1,650,703	1,463,000	1,264,000
23.3	Communications, utilities, and misc. charges	4,589,211	4,600,000	4,456,000
24	Printing and reproduction	22,398	18,000	5,000
25.1	Advisory and assistance services	53,912,081	--	--
25.2	Other services	478,067	11,073,000	7,420,000
25.2	Construction contracts	39,271,012	141,239,000	114,176,000
26	Supplies and materials	844,745	1,190,000	842,000
31	Equipment	1,307,845	1,214,000	509,000
32	Land and structures	81,281	136,000	111,000
41	Grants	83,150,266	117,112,000	83,550,000
42	Insurance and loans	1,854	1,000	--
43	Interest and dividends	15,662	22,000	16,000
44	Refunds	--	--	--
	Total other objects	187,144,716	280,880,000	214,514,000
Total, direct obligations		211,952,741	314,289,000	237,498,000

SUMMARY OF RECOVERY ACT FUNDING

Item of Change	2009	2010	2011
Watershed and Flood Prevention Operations	$145,000,000	0	0
Watershed Floodplain Easements	145,000,000	0	0
Total Available	290,000,000	0	0

Program Implementation Activities:

Goals and Coordination Efforts:

This voluntary program provides assistance to sponsoring local organizations of authorized watershed projects, planned and approved under the authority of the Watershed Protection and Flood Prevention Act of 1954 (P.L. 83-566), and designated watersheds authorized by the Flood Control Act of 1944 (P.L. 78-534) (referred to as "Watershed and Flood Prevention Operations (WFPO).") NRCS provides technical and financial assistance to States, local governments and Tribes (as project sponsors) to implement authorized watershed project plans for the purpose of watershed protection; flood mitigation; water quality improvements; soil erosion reduction; rural, municipal and industrial water supply; irrigation water management; sediment control; fish and wildlife enhancement; and wetlands and wetland function creation and restoration. There are over 1,500 active or completed watershed projects.

Floodplain easements restore, protect, maintain, and enhance the functions of the floodplain; conserve natural values including fish and wildlife habitat, water quality, flood water retention, ground water recharge, and open space; reduce long-term federal disaster assistance; and safeguard lives and property from floods, drought, and the products of erosion. Landowners retain several rights to the property, including quiet enjoyment, the right to control public access, and the right to undeveloped recreational use such as hunting and fishing.

Objectives:

The objective for use of ARRA WFPO funds is to provide watershed project sponsors with financial and technical support that will allow completion of mitigation obligations or structural repairs, or that involve land treatment projects. ARRA funds will also be used for new construction projects that are already authorized for construction, are environmentally beneficial, and that are owned or operated by sponsors that are ready and able to begin work.

For floodplain easements, the objective is to enroll floodplain lands that will link or extend other floodplain or riparian conservation easements or protected areas, provide benefits to Federal or State listed threatened and endangered species, result in flood damage reduction, and are not likely to involve environmental or legal complications.

Delivery Schedule:

WFPO milestones:

1 USDA approval of funding recommendations: April 2009
2 Allocation of funds to NRCS State Offices: April 2009
3 Obligation of WFPO funds: September 2010

Floodplain easement milestones:

- Application period closes: May 2009
- Projects ranked: April 2009
- Offers to purchase easements made: July 2009
- Easements recorded and closed: February 2010
- Easement restoration funds obligated: September 2010
- Easement restoration completed: December 2010

Performance Measures:

	Target		
	2009	2010	2011
Watershed Operations			
PL-534			
Number of jobs created or saved	210	60	0
Flood prevention or mitigation measures installed, number	0	0	0
PL-566			
Number of jobs created or saved	1,800	570	0
Flood prevention or mitigation measures installed, number	10	80	0
EWP Floodplain Easements			
Number of jobs created or saved	2,374	0	0
Acres enrolled in floodplain easements	60,000	0	0

NATURAL RESOURCES CONSERVATION SERVICE
WATERSHED AND FLOOD PREVENTION OPERATIONS

STATUS OF PROGRAM

Current Activities

Flood Prevention Authorized by Public Law 534. The Flood Control Act of 1944 authorizes the Secretary of Agriculture to install watershed improvement measures to reduce flood, sedimentation, and erosion damages; further the conservation, development, utilization, and disposal of water; and further the conservation and proper utilization of land. Flood prevention work is authorized in the 11 watersheds designated in the Flood Control Act of December 22, 1944.

Detailed sub-watershed work plans are prepared for P.L.-534 flood prevention projects in cooperation with soil conservation districts and other local sponsoring organizations. These plans outline soil and water management problems in sub-watersheds, proposals to alleviate these problems, the estimated benefits and costs, cost sharing, and operation and maintenance arrangements.

Watershed Operations Authorized by Public Law 566. The Watershed Protection and Flood Prevention Act of 1954 provides for cooperation between the Federal government and the States and their political subdivisions in a program to prevent erosion, floodwater, and sediment damages; to further the conservation, development, utilization, and disposal of water; and to further the conservation and proper utilization of land in authorized watersheds. NRCS has the responsibility for administration of the Watershed Protection and Flood Prevention Act and the work authorized under the Flood Control Act. This includes responsibility for administering the installation of land treatment measures and works of improvement in authorized watersheds on Federal and non-Federal land by arrangement with the administering agency.

Program Similarities. The P.L.-534 and P.L.-566 program authorities have similar objectives. The planning criteria, economic justifications, local sponsorship requirements, cost-sharing criteria, structural limitations, and other policies and procedures of the two programs generally parallel each other.

Program Technical and Financial Assistance. Watershed improvement measures are installed through:
1. Land treatment measures. NRCS assures that a program of proper land use and treatment will be carried out as a basic requirement for assistance in the development of flood prevention sub-watersheds or watershed projects. NRCS provides landowners and operators with technical assistance to accelerate the planning and application of land treatment measures that help achieve project objectives. This accelerated assistance is in addition to that received under other conservation programs.

Installation costs may be shared with Federal funds when land treatment measures are installed primarily to achieve environmental and public benefits, such as surface and ground water quality improvement, water conservation, and flood mitigation. The cost-share rate of this financial assistance may not exceed the rate of assistance for similar practices under other conservation programs of USDA. This work is accomplished through project agreements with local sponsoring organizations or through long-term contracts between the landowner and NRCS. In the first case, the local sponsors arrange for and accomplish the work by contract or force account. NRCS makes payments to the local sponsoring organizations as the land treatment measures are installed. In the long-term contract situation, landowners contract directly with NRCS.

2. Easements and construction activities. In addition to land treatment, these projects may involve a wide variety of other works of improvement: floodwater retarding dams, flood-proofing of buildings located in a floodplain, floodplain easements; water supply and water conservation; stream channel restoration; grade stabilization and sediment control; fish and wildlife habitat; water-based recreation, and other similar measures. Detailed construction plans, designs, and specifications are prepared for these measures by NRCS or by the private sector, and by the local sponsoring organization.

NRCS provides all construction funds for flood mitigation and an equitable share of the cost of installing works of improvement for agricultural water management, fish and wildlife, water quality, or recreational development. The latter includes the cost of basic facilities for public health and safety, access to recreational areas, and use of the recreational development. Local organizations must pay all costs of works of improvement for other purposes. In addition, local organizations must acquire water right permits and furnish land, easements, and rights-of-way for all structural measures. However, up to one-half the cost of land, easements, and rights-of-way allocated to public fish and wildlife and recreational developments may be paid with P.L.-534 or P.L.-566 funds. Financial assistance may also be provided for the purchase of conservation easements at a Federal cost share rate of 50 percent to 99 percent.

3. Technical assistance. Technical assistance is provided for flood mitigation, agricultural water management, water quality, and for water resource development or improvement for public fish and wildlife and recreational purposes, either directly by NRCS, or by the local organizations with advances or reimbursement from the Federal government. NRCS may also supply up to one-half the cost of engineering assistance required for the installation of basic facilities for public fish and wildlife and recreational development. Conservation measures can be installed using a variety of contracting methods. Contracts may be administered by NRCS using formal contracting procedures or by the sponsoring local organizations. Local sponsoring organizations must operate and maintain the completed works of improvement on non-Federal lands for the length of time that the project is economically evaluated. This period of time is usually between 25 and 100 years.

Program Benefits. Flood prevention and other annual benefits to the environment and communities from P.L.-566 and P.L.-534 that occurred in FY 2008 are shown below.

Monetary Benefits

- Agricultural Benefits (not related to flood control): $358 million. Benefits associated with erosion control, animal waste management, water conservation, water quality improvement, irrigation efficiency, change in land use, etc.
- Non-Agricultural Benefits (not related to flood control): $560 million. Benefits associated with recreation, fish and wildlife, rural water supply, water quality, municipal and industrial water supply, and incidental recreation uses, etc.
- Agricultural Flood Protection Benefits: $292 million. This value includes all crop and pasture damage reduction benefits as well as all other agricultural damage reduction benefits.
- Non-Agricultural Flood Protection Benefits: $399 million. Non-agricultural flood damage prevented to roads, bridges, homes, and other structures that exist in the floodplain.

Benefits to Natural Resources

- Acres of nutrient management: 671,333
- Tons of animal waste properly disposed: 4,617,391
- Tons of soil saved from erosion: 90,196,657
- Miles of streams and corridors enhanced, or protected: 47,380
- Acres of lakes and reservoirs enhanced, or protected: 2,511,450
- Acre-feet of water conserved: 1,841,586
- Acres of wetlands created, enhanced, or restored: 279,306
- Acres of upland wildlife habitat created, enhanced, or restored: 9,154,258

Social and Community Benefits

- Number of people: 48,225,770
- Number of farms and ranches: 181,008
- Number of bridges: 61,639
- Number of public facilities: 3,650
- Number of businesses: 46,661
- Number of homes: 608,448
- Number of domestic water supplies: 27,831

Status of Flood Prevention Projects Authorized by P.L.-534. Because the authorized flood prevention projects include relatively large areas, work plans were developed on a sub-watershed basis. As of September 30, 2008, the total planning job was about 94 percent completed, with 397 work plans completed that include 30 million acres. The following table summarizes the status of sub-watershed planning by authorized project:

Flood Prevention Projects	Total authorized area	Sub-watersheds and other areas with planning potential			Work plans developed through 9/30/08	
	Acres	No.	Acres		No.	Acres
Buffalo Creek, NY a/	279,680	3	279,680		3	279,680
Colorado (Middle),TX	4,613,120	17	3,703,520		17	3,703,520
Coosa, GA,TN a/	1,339,400	16	1,174,650		16	1,174,650
Little Sioux, IA	1,740,800	124	1,050,093		121	1,033,578
Little Tallahatchie, MS	963,977	18	625,274	b/	18	625,274
Los Angeles, CA a/	536,960	10	127,627	c/	10	127,627
Potomac, MD,PA,VA,WV	4,205,400	31	4,205,400		30	3,094,543
Santa Ynez, CA	576,000	5	50,743	d/	5	50,743
Trinity, TX	10,769,266	36	10,769,266		36	10,769,266
Washita, OK, TX	5,184,362	57	5,184,362		57	5,184,362
Yazoo, MS	7,661,278	104	3,955,124		84	3,955,124
TOTAL	37,870,243	421	31,125,739		397	29,998,367

a/ The Buffalo Creek Watershed was completed and closed in 1964 and reopened in 1992 for repairs.
The Coosa Watershed was completed and closed in 1981.
The Los Angeles Watershed is completed.

b/ Excludes 96,501 acres of Sardis Reservoir area, and 304,000 acres in minor watersheds needing only land treatment measures.

c/ Includes National forest and other lands, for which the Forest Service has been assigned program responsibility.

d/ Excludes 195,818 acres of reservoir area.

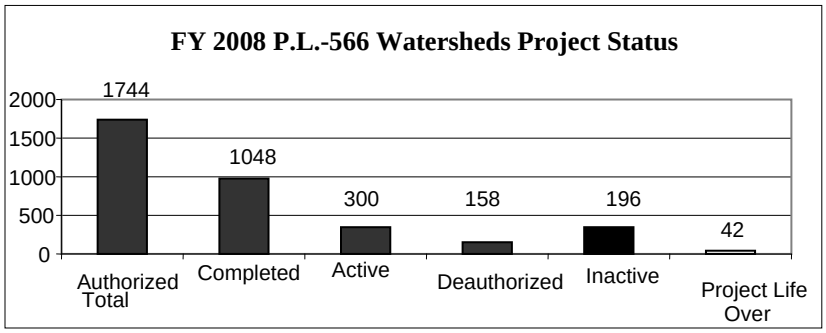
The estimated Federal cost for each watershed and total Federal obligations through FY 2008:

Flood Prevention Project	Estimated Total Federal Cost	Obligations (cumulative $)
Buffalo Creek Watershed, NY (Complete)	$7,827,746	$6,287,347
Middle Colorado River Watershed, TX	71,111,062	63,062,555
Coosa River Watershed, GA and TN (Complete)	18,999,247	18,264,485
Little Sioux River Watershed, IA	98,581,921	92,339,419
Little Tallahatchie River Watershed, MS	69,501,448	76,322,835
Los Angeles River Watershed, CA	60,597,017	60,297,017
Potomac River Watershed, MD, PA, VA, and WV	150,217,206	138,739,300
Santa Ynez River Watershed, CA	41,386,536	40,786,536
Trinity River Watershed, TX	331,241,632	211,145,950
Washita River Watershed, OK and TX	202,491,055	192,470,603
Yazoo River Watershed, MS	252,957,352	251,468,563
TOTAL	$1,304,912,222	$1,151,184,610

Status of Watershed Projects Authorized by P.L.-566. Watershed Project Plans are prepared by local sponsoring organizations with assistance from NRCS. The plans are submitted to NRCS with requests for Federal funding authorization. Watershed projects involving an estimated Federal contribution in excess of $5 million for construction, or construction of any single structure having a capacity in excess of 2,500 acre-feet of water storage, require authorization by Congressional committee. Watershed projects are limited to 250,000 acres and cannot include any single structure which provides more than 12,500 acre-feet

of floodwater detention capacity, or more than 25,000 acre-feet of total capacity. The Chief of NRCS authorizes the use of Watershed Operations funds for all other projects.

After authorization, technical and financial assistance may be provided to local sponsoring organizations for installation of works of improvement specified in the plans.



New P.L.-566 Watershed Projects Authorized For Funding. No new P.L.-566 Watershed Projects were authorized for funding in FY 2008.

Unfunded Federal Commitments (Total Backlog of Projects). The backlog is the unfunded Federal commitment or funding needed to install the remaining measures in the existing 300 active watershed projects. The current backlog is $1.27 billion. When installed, these floodwater dams, reservoirs, and other conservation practices will reduce flood damages in 327 communities, provide agricultural water supply in 82 communities, improve water quality in 136 stream segments, install water conservation measures in 26 projects, and enhance, restore or create wildlife habitat in 47 projects. In addition to the sponsors' request for FY 2009 funds, the following summary indicates the Federal funds necessary to complete all remaining measures:

Unfunded Federal Commitment to Authorized Watershed Projects

State	P.L. 566 ($)	P.L. 534 ($)	Total ($)
Alabama	$11,274,000		$11,274,000
Alaska	9,351,600		9,351,600
Arizona	9,426,421		9,426,421
Arkansas	92,623,497		92,623,497
California	43,785,000		43,785,000
Colorado	3,860,000		3,860,000
Connecticut	4,526,200		4,526,200
Delaware	0		0
Florida	1,238,720		1,238,720
Georgia	5,209,772		5,209,772
Hawaii	33,852,700		33,852,700
Idaho	12,586,255		12,586,255
Illinois	0		0
Indiana	5,979,000		5,979,000
Iowa	39,447,000	2,850,000	42,297,000
Kansas	59,915,000		59,915,000
Kentucky	5,078,986		5,078,986
Louisiana	5,775,000		5,775,000
Maine	50,000		50,000

Unfunded Federal Commitment to Authorized Watershed Projects

State	P.L. 566 ($)	P.L. 534 ($)	Total ($)
Maryland	450,000		450,000
Massachusetts	0		0
Michigan	505,375		505,375
Minnesota	1,347,400		1,347,400
Mississippi	14,585,500	45,664,100	60,249,600
Missouri	99,205,000		99,205,000
Montana	6,025,500		6,025,500
Nebraska	5,472,300		5,472,300
Nevada	0		0
New Hampshire	0		0
New Jersey	0		0
New Mexico	57,597,000		57,597,000
New York	12,587,557		12,587,557
North Carolina	22,303,280		22,303,280
North Dakota	14,430,300		14,430,300
Ohio	15,790,000		15,790,000
Oklahoma	251,600,800	19,678,800	271,279,600
Oregon	4,399,796		4,399,796
Pennsylvania	18,505,000		18,505,000
Rhode Island	0		0
South Carolina	13,000		13,000
South Dakota	50,000		50,000
Tennessee	29,480,477		29,480,477
Texas	109,931,000	139,200,000	249,131,000
Utah	390,860		390,860
Vermont	0		0
Virginia	7,701,646		7,701,646
Washington	0		0
West Virginia	12,779,000	26,089,563	38,868,563
Wisconsin	0		0
Wyoming	5,527,942		5,527,942
Pacific Basin	6,300,000		6,300,000
Puerto Rico	0		0
Total	**$1,040,957,884**	**$233,482,463**	**$1,274,440,347**

Loan Programs Under P.L.-534 and P.L.-566. Both programs provide for loans and loan services to finance the local share of the costs of installing, repairing, or enhancing works of improvement and water storage facilities, purchasing sites or rights-of-way, and for related costs in approved watershed and flood prevention projects. Repayment with interest is required within 50 years after the principal benefits of improvements first become available. The interest rate is not to exceed the current market yield for outstanding municipal obligations with remaining periods to maturity on obligations of similar maturity. For a single plan for works of improvement, the amount of the loan may not exceed $10 million. Loans are financed through the Rural Utilities Service (RUS).

There are currently 68 borrowers who are holding loans with an unpaid principal amount of $15.9 million. Over the life of the program, 495 loans have been made at a value of almost $176 million. Congress did not appropriate funds in FY 2008 to provide new loans under this program.

Selected Examples of Recent Progress

Kentucky: Highland Creek Land Treatment Watershed. The Highland Creek Watershed covers 104,400 acres in Henderson, Webster, and Union Counties. Authorized in 1987, the project was initiated to reduce erosion and sedimentation plus improve soil productivity on over 21,000 acres of eroding cropland. Local sponsors of the project are Henderson, Webster, and Union County Conservation Districts and the Highland Creek Watershed Conservancy District. The project has successfully implemented conservation treatments on nearly 19,000 acres. NRCS estimates that this project has reduced erosion throughout the watershed by 1,067,000 tons of soil/year.

The project has 120 participating land owners and 124 land treatment contracts. The final year of contract implementation for the Highland Creek Project was 2008, and local sponsors, NRCS staff and participating land owners are proud of the conservation accomplishments made through this project. As of 2008, non-flood damage reduction benefits of the project have exceeded $973,000 annually.

Oregon: McKenzie Canyon Pipeline Project. Water in the arid west can be a very contentious issue. Competing interests for limited water supplies requires solutions that mutually benefit all groups involved. The McKenzie Canyon Pipeline Project is an example of this cooperation.

The majority of fresh water used in Oregon is applied to irrigated crops. Open canal conveyance systems are inefficient, and often lose up to 50 percent of the diverted water before reaching on farm irrigation systems. The McKenzie Canyon project will replace about 10.5 miles of open canal with high density polyethylene pipe. The project is 60 percent complete as of October 2008, with full project completion anticipated in 2010.

The benefits of the project include conserving 10.5 cubic feet per second (cfs) of water, providing pressurized water to farmers (no pumps needed), more dependable agricultural water deliveries, six cfs of conserved water returned as in-stream flow for fish habitat enhancement, and revitalization of the local agricultural economy.

The outlook of farmers on the McKenzie Pipeline is much brighter. Land owners are now planning on new farm irrigation systems, investing in farm infrastructure improvements, and increasing planted acreages. Anadramous fish are expected to return to the local stream from which the McKenzie Canyon Pipeline Project receives water. The local Sisters Oregon paper states “The McKenzie Canyon project has created a wide coalition to bring meaningful conservation to the Sisters Oregon area.” The NRCS Watershed Protection Program and the Environmental Quality Incentives Program (EQIP) are proving to be valuable environmental restoration and water conservation tools with significant socio-economic benefits.

Texas: Caney Creek Watershed. Caney Creek Watershed has a drainage area of 73.1 square miles. It is located within the Red River Basin in north central Texas, Grayson and Fannin Counties, just south of the Texas-Oklahoma border. Historically the watershed has experienced frequent flooding causing severe erosion and sediment damage, as well as floodwater damage to rural properties and infrastructure.

Locally led “grass roots” organizations began preliminary work on developing a flood control program in 1957, and in August of 1959 the Caney Creek Watershed Work Plan for watershed protection and flood prevention was authorized under the authority of PL 83-566. During the first 15 years, 11 of the flood retarding structures were constructed and local citizens began realizing the benefits of the watershed program.

In 2007, a ceremony celebrating the groundbreaking for the construction of Caney Creek Flood Retarding Structure, (FRS) No. 3A was held. U.S. Congressman Ralph Hall was in attendance. “I’m proud to come down here where people work together. I’m honored to be a part of this project,” Congressman Hall told those attending the ceremony.

C.W. Jones, Chairman of the Fannin County Soil and Water Conservation District (SWCD), recalled what damage a three-inch rain once caused along the Caney Creek watershed before the first series of floodwater retarding structures began curtailing erosion and damage to roads and bridges.

In July of 2008, Caney Creek FRS No. 3A received the "thumbs up" as NRCS and representatives from sponsoring local organizations conducted a final inspection, concluding the construction phase. Fannin County Judge Derrell Hall summed up the teamwork that allowed Caney Creek No. FRS 3A to become reality, "This is a celebration of your involvement," Judge Hall remarked. "It required dedication on behalf of our congressman. It required dedication on behalf of our commissioners, and it required dedication on behalf of these landowners."

PART Assessment.
During 2004, a single Program Assessment Rating Tool (PART) assessment was conducted on three NRCS watershed programs (Watershed Surveys Planning, Watershed Protection and Flood Prevention Program and Watershed Rehabilitation Program). NRCS watershed programs were given an "Adequate" rating. In response to the findings, the Agency has continued to improve the program by: creating a national database that tracks the program's performance, revising the program's funding methodologies to reflect national priorities, and updating program policies and procedures to reflect the project sponsors and beneficiaries' changing resource needs.

NATURAL RESOURCES CONSERVATION SERVICE
EMERGENCY WATERSHED PROTECTION PROGRAM

STATUS OF PROGRAM

Current Activities

Background. Congress established the Emergency Watershed Protection (EWP) Program to respond to emergencies created by natural disasters. The EWP Program, an emergency recovery program, relieves imminent hazards to life and property caused by floods, fires, windstorms, and other natural occurrences. All projects undertaken, with the exception of the purchase of floodplain easements, must be sponsored by a legal subdivision of the State. This includes any city, county, general improvement district, conservation district, or Native American Tribe or Tribal organization as defined in section 4 of the Indian Self-Determination and Education Assistance Act. NRCS is responsible for administering the program.

EWP Program funds have restrictions. The EWP Program cannot solve problems that existed before the disaster or improve the level of protection beyond what existed prior to the disaster. It cannot fund operation and maintenance work, or repair private or public transportation facilities or utilities. The work cannot adversely affect downstream water rights, and funds cannot be used to install measures not essential to the reduction of hazards. Funds cannot be used to perform work on measures installed by another Federal agency.

Program Administration. All EWP Program work must reduce threats to life and property, and must be economically, environmentally, and socially defensible, and technically sound. NRCS may bear up to 75 percent (90 percent within limited resource areas as identified by the U.S. Census data) of the construction cost of emergency measures. The remaining 25 percent (10 percent within limited resource areas) must come from local sources as cash or in-kind services.

Public and private landowners are eligible for assistance but must be represented by a project sponsor. Sponsors are responsible for providing land rights to do repair work and securing the necessary permits. Sponsors are also responsible for the local cost share and the installation of work. EWP Program work is not limited to any one set of prescribed measures. NRCS makes case-by-case investigations of the need. EWP work includes removing debris from stream channels, road culverts, and bridges; reshaping and protecting eroded banks; correcting damaged drainage facilities; repairing levees and structures; reseeding damaged areas; and purchasing floodplain easements.

The EWP Program is dependent upon supplemental appropriations from Congress. In FY 2008, USDA provided NRCS $490,464,000 from discretionary funding provided by a Congressional supplemental appropriation.

Floodplain Easements. Section 382 of the Federal Agriculture Improvement and Reform Act of 1996, Public Law 104-127, amended the EWP Program to provide for the purchase of floodplain easements as an emergency measure. Since 1996, NRCS has purchased floodplain easements on agricultural lands that qualify for EWP Program assistance. Floodplain easements safeguard lives and property from floods, drought, and the products of erosion through the restoration, protection, management, maintenance, and enhancement of the functions and values of floodplains, including the conservation of natural values, flood water retention, and erosion control.

NRCS may purchase EWP Program easements on any floodplain lands that have been impaired within the last 12 months or that have a history of repeated flooding (i.e., flooded at least two times during the past ten years). Under the floodplain easement option, a landowner offers to sell a permanent conservation easement that provides NRCS with the full authority to restore and enhance the floodplain's functions and values. In exchange, a landowner receives the lowest of the three following values as an easement payment: 1) a geographic area rate established by the NRCS state conservationist; 2) the fair market value

based on an area-wide market analysis or an appraisal completed according to the Uniform Standards of Professional Appraisal Practices (USPAP); or 3) the landowner offer.

The easement provides NRCS with the full authority to restore and enhance the floodplain's functions and values. NRCS may pay up to 100 percent of the restoration costs of the easement. Restoration efforts include both structural and non-structural practices. To the extent practicable, NRCS actively restores the natural features and characteristics of the floodplain through re-creating the topographic diversity, and providing for the re-establishment of native vegetation. The landowner is provided the opportunity to participate in the restoration efforts. Landowners retain several rights to the property, including quiet enjoyment, the right to control public access, and the right to undeveloped recreational use such as hunting and fishing. At any time, a landowner may obtain authorization from NRCS to engage in other activities provided that NRCS determines it will further the protection and enhancement of the easement's floodplain functions and values.

The floodplain easement component of the EWP Program began as a pilot effort in 17 States in FY 1997. In FY 2001, NRCS allocated $35 million to States to accept 208 offers on 29,067 acres. No funds have been made available for floodplain easement purchases since FY 2001. Renewed interest in the program has been expressed in many of the states, especially those that have experienced recent natural disasters.

Additional information on EWP is available on the NRCS website at:
http://www.nrcs.usda.gov/programs/ewp/index.html

EWP Status and Accomplishments for FY 2008

General:		Outputs:	
Disaster Events Funded (Number)	85	Debris Removed (Feet)	148,755
Disaster Events Unfunded (Number)	52	Streambank Stabilized (Feet)	47,032
Completed Projects (Number)	22	Land Protected (Acres)	15,173
Costs:		People Benefited:	
Technical Assistance	$22,167,432	Minority (Number)	1,678,566
Financial Assistance	$148,037,657	Other (Number)	10,670,599
Local Contribution	$37,009,414	Total (Number)	12,349,165
Total Costs	$207,214,503		
		8(a) Contracts:	
Benefits:		Number	29
Outcomes:		Value of 8(a) Contracts	$2,433,846
Public Buildings Protected (Number)	72		
Private Buildings Protected (Number)	2,565	Total Benefits:	
Roads Protected (Miles)	90	Economic	$944,562,545
Utilities Protected (Number)	129		
Value of Property Protected	$150,949,352	**Cost/Benefit Ratio**	1.0:4.6

Selected Examples of Recent Progress

Missouri: Quick NRCS Response Eases Fears of Farmers, Homeowners. Butler County farmer Ferdie Reed watched as workers closed a 250-foot hole in the levee protecting his home and cropland, and he breathed a sigh of relief saying "I can't believe this is being fixed so fast. I was afraid that this hole would be open for three or four months." Thanks to the EWP Program administered by the USDA's NRCS, the April 13, 2008 levee break near Poplar Bluff that flooded about 20,000 acres of cropland, invaded 150 homes and threatened 550 more was repaired within two weeks.

The EWP Program will pay 75 percent of the $90,000 repair. The local sponsor, the North Inter-River Drainage District, is responsible for the other 25 percent of the costs. The project involved using 20,000 cubic yards of soil to replace the 250-foot hole in the nine-foot-tall levee at Bar Ditch and County Road

606, and to repair an eight-foot-deep, 450-foot-long scour hole. The damage was caused by heavy rains that raised the water level in the Black River, which backed up into and flooded Bar Ditch. The levee breeched at a low spot where the county road crosses it. "The levee failed April 13, 2008. Our first site visit was April 17. We had funding confirmation from NRCS national headquarters on April 22, and we were working on the levee on April 25," said John Hester, an NRCS water management engineer located at nearby Dexter. Within a week, the drainage district had completed the work, under the supervision of NRCS.

Michelle Gross, NRCS district conservationist in Butler County said. "Time was a major factor, people were scared to death of another rain, and they didn't know what to do. They relied on NRCS to guide them. Everyone in the field office pitched in and tried to get information and coordinate with Inter-River." Gary Eddy, levee district chair, said he was pleased with the process, and the result. "I appreciate all that NRCS did. They really came to our rescue here."

Tennessee: USDA Agency spends over $2 million to help restore 11 storm damaged middle Tennessee counties. The USDA's NRCS provided more than $2 million to help Tennesseans recover from a series of deadly storms in FY 2008. Prior year flooding and high winds from tornadoes in 2008 damaged county roadsides, blocked creeks and streams, and resulted in significant soil erosion in 11 middle Tennessee counties. NRCS gave more than $1.8 million in financial assistance to the affected counties while spending $300,000 to provide technical assistance.

The counties included Macon, Giles, Maury, Wayne, Cheatham, Marshall, Humphreys, Sumner, Trousdale, Hickman, and Lewis. Funding from the NRCS EWP Program allowed local communities to stabilize eroded roadsides and streambanks. It also helped remove debris that blocked streams and utility crossings to avoid significant damages from future stream flows.

State Conservationist Kevin Brown says "EWP funding for other impacted counties will continue through FY 2009, which began October 1, 2008. EWP is a recovery program that relieves hazards to life and property resulting from a natural disaster. NRCS helps counties by providing 75 to 90 percent of the construction costs."

The work stabilized more than 150 sections of roadside and about a dozen bridges and culverts in FY 2008. It restored road and bridge access to rural communities and prevented environmental damage from a petroleum pipeline impacted by the storms. The work resulted in $3.3 million worth of economic benefits and protected property.

In all, workers stabilized more than 13,000 feet of streambank, and protected almost three miles of road, making them safe for drivers and pedestrians. Removal of debris from streams prevented future flooding that would have further damaged streambanks, homes, property, roads, and utilities.

PART Assessment.
During 2006, a PART assessment rated the Emergency Watershed Protection Program as "Adequate." The assessment found that NRCS improved EWP management with State Emergency Recovery Plans that allow for rapid response; improved coordination with other emergency assistance agencies; and addressed actions recommended in both internal and external evaluations. In response to the 2006 findings, NRCS has continued to improve the program by: updating its policies and procedures, creating a national database that tracks the program's performance, and revising the program's funding methodologies.

NATURAL RESOURCES CONSERVATION SERVICE
Watershed Rehabilitation Program

The estimates include appropriation language for this item as follows:

Watershed Rehabilitation Program

For necessary expenses to carry out rehabilitation of structural measures, in accordance with section 14 of the Watershed Protection and Flood Prevention Act (16 U.S.C 1012), and in accordance with the provisions of laws relating to the activities of the Department, [$40,000,000]$40,161,000, to remain available until expended.

NATURAL RESOURCES CONSERVATION SERVICE
Watershed Rehabilitation Program

Appropriations Act, 2009	$40,000,000
Budget Estimate, 2010	40,161,000
Increase in Appropriations	+,161,000

Summary of Increases and Decreases
(On basis of appropriation)

Item of Change	2009 Estimated	Pay Costs	Program Changes	2010 Estimated
Watershed Rehabilitation Program	$40,000,000	+$161,000	--	$40,161,000

Project Statement
(On basis of appropriation)

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Watershed Rehabilitation:							
Technical Assistance	$7,294,000	65	$33,050,000	275	$161,000	$33,211,000	257
Financial Assistance	12,566,000	--	6,950,000	--	--	6,950,000	--
Total available or Est.	19,860,000	65	40,000,000	275	161,000	40,161,000	257
Rescission	+140,000	--					
Total, Appropriation	20,000,000	--					

Project Statement
(On basis of available funds)

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Watershed Rehabilitation:							
Technical Assistance	$8,299,726	65	$34,915,000	275	-$1,704,000	$33,211,000	257
Financial Assistance	12,635,689	--	9,992,000	--	-3,042,000	6,950,000	--
Total Direct Obligations	20,935,415	65	44,907,000	275	-4,746,000	40,161,000	257
Unobligated balance brought forward	(-2,429,104)	--	(-4,907,000)	--	(+4,907,000)	--	--
Prior Year Recoveries	(-3,553,336)	--	--	--	--	--	--
Unobligated balance carried forward	(+4,907,000)	--	--	--	--	--	--
Adjusted Appropriation	(19,859,975)	--	(40,000,000)	--	(161,000)	(40,161,000)	--
Reimbursable Oblig.	217,596	--	--	--	--	--	--
Obligational Authority	21,153,011	65	44,907,000	275	-4,674,000	40,161,000	257

Note: The 2010 Budget also includes $135,000,000 in mandatory funds provided in the 2008 Farm Bill for Small Watershed Rehabilitation Program. See page 21-51 for further information.

Justification of Increases and Decreases

(1) A net increase of $161,000 for Watershed Rehabilitation ($40,000,000 available in 2009) consisting of:

(a) An increase of $161,000 to fund increased pay costs.

This increase supports achieving the agency's strategic goals and objectives of reducing risks from flooding to protect individual and community health and safety. The increased pay cost funds will be used to pay salaries and benefits for existing staff.

Geographic Breakdown of Obligations and Staff Years
2008 Actual and Estimated 2009 and 2010

	2008		2009		2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Alabama	$49,614	1	$208,700	4	$198,500	4
Arizona	1,812,751	4	4,209,800	18	3,877,400	17
Arkansas	71,572	1	301,100	4	286,400	4
California	29,810	--	125,400	--	119,300	--
Colorado	-99	--	--	--	--	--
Georgia	383,238	4	1,612,200	17	1,533,500	16
Indiana	-23	--	--	--	--	--
Iowa	168,642	2	709,900	9	675,300	8
Kansas	-10,040	--	--	--	--	--
Kentucky	45,308	1	163,500	4	154,500	4
Louisiana	-1	--	--	--	--	--
Massachusetts	172,863	--	727,200	1	691,700	1
Michigan	--	--	--	--	--	--
Minnesota	-23	--	--	--	--	--
Mississippi	1,220,908	3	1,983,900	13	1,770,000	12
Missouri	-5,100	--	--	--	--	--
Montana	-2,243	--	--	--	--	--
Nebraska	986,140	3	2,355,100	13	2,173,500	12
New Hampshire	--	--	--	--	--	--
New Jersey	--	--	--	--	--	--
New Mexico	66,061	1	337,600	4	323,400	4
New York	110,353	1	464,200	4	441,500	4
North Dakota	4,877,047	3	5,144,600	13	3,371,196	12
Ohio	575,946	1	634,200	4	536,900	4
Oklahoma	6,570,710	22	12,508,056	93	11,335,660	87
Pennsylvania	98,352	1	413,700	4	393,500	4
Puerto Rico	-8	--	--	--	--	--
South Carolina	-50	--	--	--	--	--
South Dakota	-81	--	--	--	--	--
Tennessee	314,944	1	557,000	4	501,300	4
Texas	1,163,671	4	3,187,200	14	2,968,200	13
Utah	6,804	--	28,600	--	27,200	--
Virginia	1,004,911	7	4,084,544	30	3,882,944	28
West Virginia	2,736	--	11,500	--	10,900	--
Wisconsin	-892	--	--	--	--	--
Wyoming	--	--	--	--	--	--
National Hdqtr	971,431	3	4,086,500	13	3,887,100	11
National Centers	250,196	2	1,052,500	9	1,001,100	8

NATURAL RESOURCES CONSERVATION SERVICE
Watershed Rehabilitation Program

	2008		2009		2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Nat. Tech. Sup. Cen.....	-33	--	--	--	--	--
Total Obligations/Est.....	20,935,415	65	44,907,000	275	40,161,000	257

Classification by Objects
2008 Actual and Estimated 2009 and 2010

Personnel Compensation:		2008	2009	2010
Washington, D.C.....		$517,566	$2,216,000	$2,106,000
Field.....		4,037,684	17,926,000	17,042,000
11	Total personnel compensation.....	4,555,250	20,142,000	19,148,000
12	Personnel benefits	1,173,589	5,191,000	4,935,000
13	Benefits for former personnel	--	--	--
	Total pers. comp. & benefits.....	5,728,839	25,333,000	24,083,000
Other Objects:				
21	Travel	179,071	761,000	723,000
22	Transportation of things	18,297	81,000	77,000
23.1	Rent payments to GSA.....	--	--	--
23.2	Rental payments to others	236,338	1,004,000	954,000
23.3	Communications, utilities, and misc. charges.....	109,720	468,000	445,000
24	Printing and reproduction.....	1,062	4,000	4,000
25.1	Advisory and assistance services	1,930,033	--	--
25.2	Other services.....	1,481,218	5,851,000	5,581,000
25.2	Construction contracts.....	304,981	1,796,000	1,249,000
26	Supplies and materials.....	143,631	613,000	583,000
31	Equipment	184,903	787,000	748,000
32	Land and structures	--	--	--
41	Grants.....	10,614,260	8,196,000	5,701,000
42	Insurance and loans.....	838	4,000	4,000
43	Interest and dividends	2,224	9,000	9,000
44	Refunds	--	--	--
	Total other objects.....	15,206,576	19,574,000	16,078,000
Total, direct obligations.....		20,935,415	44,907,000	40,161,000

NATURAL RESOURCES CONSERVATION SERVICE
Watershed Rehabilitation Program

SUMMARY OF RECOVERY ACT FUNDING

Item of Change	2009	2010	2011
Watershed Rehabilitation Program.....	$50,000,000	0	0

Program Implementation Activities:

Goals and Coordination Efforts:

The authority for rehabilitation of aging watershed dams is included in section 14 of the Watershed Protection and Flood Prevention Act (PL 83-566). Any of the over 11,000 dams in 47 states that were constructed under the four watershed programs (PL-534, PL-566, Pilot, or RC&D) are eligible for assistance under this authority. Many of these dams are nearing the end of their 50-year design life and are in need of rehabilitation to address critical public health and safety issues. The goals of the watershed rehabilitation program are to assist the sponsors (dam owners and operators) to ensure the safety of dams constructed under the authority of the Watershed Protection and Flood Prevention Act (PL 83-566), or any of the other three watershed programs (PL-534, Pilot, or RC&D). All projects are carried out with the assistance of the sponsors, which may be any State agency, county or groups of counties, municipality, town or township, soil and water conservation district, flood prevention or flood control district, Indian tribe or tribal organization, or any other nonprofit agency with authority under State law to carry out, maintain, and operate watershed works of improvement. NRCS may provide technical assistance and 65% of the total rehabilitation project cost.

Objectives:

The objective for use of ARRA Watershed Rehabilitation funds is to address hazardous conditions that the State agency with dam safety responsibility has identified as a priority and that are owned or operated by sponsors that are ready and able to begin rehabilitation. Consideration is also given to projects that will protect the greatest number of people.

Delivery Schedule:

Funding was allocated in March to selected projects. Milestones for implementation include the date 1) the rehabilitation plan will be authorized for each project; 2) the design will be completed; 3) the financial assistance will be obligated; and 4) the rehabilitation is completed.

Performance Measures:

	Target		
	2009	2010	2011
Watershed Rehabilitation			
Number of jobs created or saved	314	940	0
Unsafe dams rehabilitated or removed, number	0	10	0

NATURAL RESOURCES CONSERVATION SERVICE
WATERSHED REHABILITATION PROGRAM

STATUS OF PROGRAM

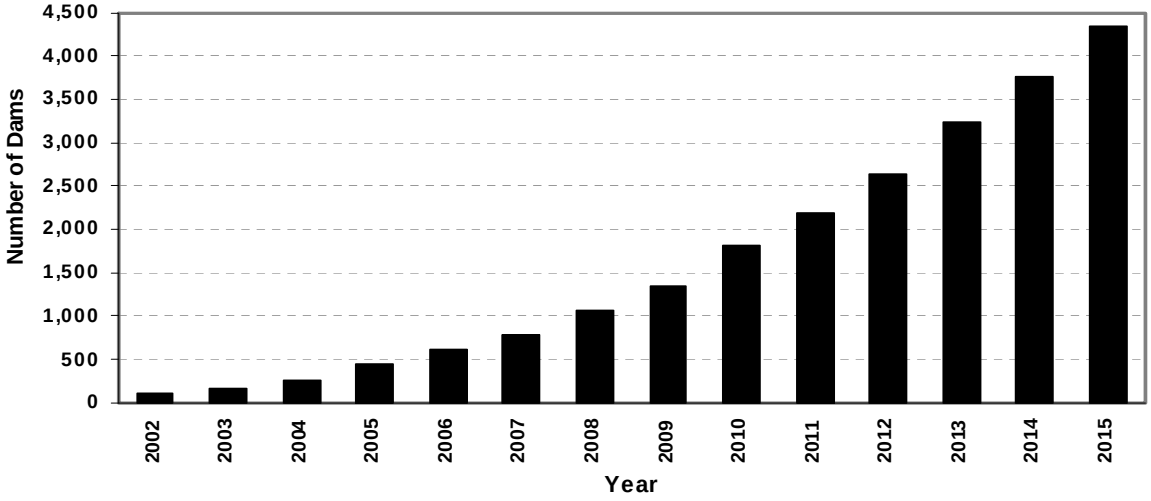
Current Activities

Background. Since 1948, local communities have constructed more than 11,000 watershed dams with assistance from NRCS. These dams protect America's communities and natural resources with flood control, but many also provide the primary source of drinking water for some areas, as well as recreation and wildlife areas for others. These projects have become an integral part of the communities they were designed to protect. But like highways, utilities, and other public infrastructure, these dams need to be rehabilitated to protect public health and safety, and to meet changing resource needs.

Some communities that have been protected by these watershed dams are now more vulnerable to the devastation caused by flooding because many of the dams have reached or will soon reach the end of their 50-year design life-span. In 2008, 1,065 watershed dams reached the end of their designed life-span. By 2015, this number will exceed 4,300. Time has taken its toll on many of the dams: spillway pipes have deteriorated and reservoirs have filled with sediment. More significantly, subdivisions and businesses have been built in areas that were once agricultural land and that the dams protected from flooding. As a consequence, if a dam should fail, a serious threat would be posed to the health and safety of those living downstream and to the communities that depend on the reservoir for drinking water. A dam failure would create serious adverse environmental impacts to the ecosystem.

Additional program information and the Watershed Rehabilitation Progress Report can be found on the NRCS webpage at http://www.nrcs.usda.gov/programs/WSRehab.

Number of Watershed Dams That Will Reach the End of Their Design Life, By Year Through 2015



Authorizing Legislation and Pilot Projects. In November 2000, P.L. 83-566 was amended by P.L. 106-472 "The Watershed Rehabilitation Amendments of 2000," which authorized NRCS to assist communities to address public health and safety concerns and environmental impacts of aging dams. NRCS may provide technical and financial assistance for the planning, design, and implementation of rehabilitation projects that may include upgrading or removing the dams. NRCS may provide 65 percent of the total cost of the rehabilitation projects; however, Federal funds cannot be used for operation and maintenance activities. Rehabilitation also provides opportunities for communities to gain new benefits, such as adding

municipal and irrigation water supplies, recreation, and wetland and wildlife enhancement. The 2002 Farm Bill amended Public Law 83-566 to increase authorized funding levels for Watershed Rehabilitation through FY 2007.

The FY 2000 and FY 2001, Agricultural Appropriations Acts included authorization for a total of $16 million of EWP funds for pilot rehabilitation projects. The maximum amount of Federal funds eligible for these pilot projects was 65 percent of the total rehabilitation project costs. NRCS worked with local project sponsors, state dam safety agencies, and community leaders on these high priority pilot projects that address public safety concerns and environmental issues. The pilot projects in New Mexico, Mississippi, Ohio, and Wisconsin include rehabilitation of 32 dams and 20 watershed projects. Construction is complete on 30 of the 32 dams.

Community Interest. Project sponsors submitted requests for Federal assistance totaling $37 million for the rehabilitation of 123 "high priority" dams in 23 States for FY 2008.

Appropriations. FY 2008 was the seventh year of funding for watershed rehabilitation with $19.8 million appropriated. A total of 37 rehabilitation projects in 12 States were funded in FY 2008. Funds were not available to rehabilitate 5 dams, to complete 36 previously funded designs or project plans, or to begin planning for 45 dam rehabilitation projects. In FY 2002, $10 million was appropriated; $29.8 million in FY 2003; $29.6 million in FY 2004; $27.5 million in FY 2005; and $31.5 million in FY 2006. Dams that posed the highest risk to life and property have been the highest priority for funds for all seven years.

Summary of Watershed Rehabilitation Projects and Allocations as of September 30, 2008

State	Total Number of Funded Dam Rehabilitations Projects 2000 – 2008	Number of Dams Rehabilitated	FY 2008 Federal Allocations[1]
Alabama	1	1	$50,000
Arizona	6	0	1,295,000
Arkansas	6	0	0
California	1	0	0
Colorado	0	0	0
Georgia	6	3	400,000
Idaho	0	0	0
Illinois	0	0	0
Indiana	0	0	0
Iowa	4	4	172,300
Kansas	1	0	0
Kentucky	3	1	41,095
Louisiana	0	0	0
Maine	0	0	0
Massachusetts	2	0	0
Michigan	0	0	0
Minnesota	0	0	0
Mississippi	21	14	800,000
Missouri	2	1	0
Montana	2	0	0
Nebraska	10	4	1,075,000
New Hampshire	0	0	0
New Jersey	0	0	0
New Mexico	8	3	0
North Carolina	0	0	0
North Dakota	3	0	4,882,000
New York	4	0	120,000
Ohio	9	7	70,000

State	Total Number of Funded Dam Rehabilitations Projects 2000 – 2008	Number of Dams Rehabilitated	FY 2008 Federal Allocations[1]
Oklahoma	37	15	5,165,300
Pennsylvania	1	0	790,000
South Carolina	0	0	0
South Dakota	0	0	0
Tennessee	2	1	319,200
Texas	14	9	1,441,000
Utah	1	0	8,000
Vermont	0	0	0
Virginia	7	3	2,500,000
West Virginia	1	0	0
Wisconsin	11	11	0
Wyoming	0	0	0
Puerto Rico	0	0	0
NHQ	0	0	1,627,200
Total funded	163	77	$20,756,095

[1] Allowances include project planning and implementation. Carryover funds and prior year recoveries are included in the allocation.

Meeting Challenges through Partnerships. Partnerships between local communities, State governments, and NRCS leverage funds and services and allow many projects to move quickly through the planning and implementation stages.

- Technical capacity. NRCS does not have technical staff capacity to respond to all requests for watershed rehabilitation assistance from project sponsors. Private consultants were hired to provide additional technical capacity to conduct assessments of the existing conditions of dams, provide topographic surveys and mapping, geologic investigations, as well as detailed planning and design services. Some sponsors have used either their own professional staff or acquired technical services as part of their "in-kind" contribution to meet their 35 percent cost-share requirement.
- Financial assistance. The watershed rehabilitation authorization requires local sponsors to provide 35 percent of the total project cost. Sponsors used many innovative means to obtain the funds necessary to address the rehabilitation of the aging dams that were threatening their local communities. Some sponsors used the sale of bonds dedicated to dam safety and rehabilitation, levied taxes on beneficiaries, obtained grants, used state appropriations, sought voluntary land rights from private landowners, and provided in-kind services using existing staff.

Selected Example of Recent Progress

Project Status and Benefits. By September 30, 2008, the rehabilitation of 132 dams was authorized in 18 States. The rehabilitation of 77 dams has been completed. The remaining 55 authorized rehabilitation projects are being implemented subject to funding priorities. The following table summarizes the benefits provided by the 77 completed projects:

Average annual floodwater damage reduction benefits ($):	$7,381,439
Average annual non-floodwater damage reduction benefits ($):	$2,731,266
People with reduced risk downstream from the dams (No.):	2,415
People who benefit from project action (No.):	187,494
Homes and businesses benefiting from project action (No.):	5,867
Farms and ranches benefiting from project action (No.):	532
Bridges benefiting from project action (No.):	182

Texas: The Martinez Creek Watershed Floodwater Retarding Structure No. 6A is located along the eastern outskirts of San Antonio, Texas. Site 6A was constructed as a low hazard dam in 1966 in a sparsely populated area of rural Bexar County and is one of six structures in the Martinez Creek Watershed. The

dam is located on land mostly owned by private citizens with a portion owned by the San Antonio River Authority, which owns the easements and conducts operation and maintenance activities on all six sites.

The City of San Antonio is the seventh largest city in the United States and is ranked second in the Nation in population growth since 2004. Since Site 6A was constructed in the mid 1960's, San Antonio's population has increased from 588,000 to 1,320,200. Concerns for hydraulic capacity of the dam and human safety were raised because of downstream urban development and expansion of major highway systems, including Interstate Highway 10. The dam was reclassified as a high hazard class dam; however it failed to comply with high hazard class dam safety design criteria.

Local project sponsors requested assistance from NRCS through the Watershed Rehabilitation Program. After assessment of several alternatives, the sponsors chose to rehabilitate the dam to address the identified safety deficiencies and to maintain the present level of flood control benefits.

Rehabilitation of Site 6A began in 2007 and was completed in 2008. Total cost of the rehabilitation project was about $2.5 million with approximately 65 percent of the funding coming from the Watershed Rehabilitation Program. Bexar County and the San Antonio River Authority provided the local sponsor's share of project cost. Average annual benefits for Site 6A are currently about $130,000. The rehabilitation included raising the top of the dam, improving the principal spillway and outlet, and widening auxiliary spillway.

The Martinez 6A rehabilitation project is an excellent example of sponsoring local organizations taking a pro-active approach to bring an aging dam up to current safety standards, with Federal technical and financial assistance from NRCS. Martinez 6A is the third Martinez Creek Watershed structure to be rehabilitated through the NRCS Watershed Rehabilitation Program.

Kentucky, Plum Creek flood retarding structure (FRS) # 18: Plum Creek Watershed FRS #18 is located in Spencer County, Kentucky and is one of eleven watershed dams built within the Plum Creek Watershed. These dams were built as a joint effort between NRCS and the local project sponsor, Plum Creek Watershed Conservancy District. The sponsor requested NRCS assistance as a result of the first dam safety enforcement action by the Kentucky Division of Water (KDOW) on a NRCS watershed program dam. The KDOW issued a notice of violation to the sponsors of Plum Creek FRS 18 in 2002 due to one or more homes located within the breach zone of the dam. This dam was constructed in 1957.

Structural and non-structural alternatives were considered to bring the dam into compliance while maintaining flood retarding benefits for downstream landowners. The final solution included structural modifications of the dam, one house was replaced with a modular home on a flood-proofed foundation, and Spencer County implemented zoning restrictions to prevent future development in the breach hazard zone downstream from the dam.

NRCS and the Kentucky dam safety agency collaborated on several issues involving dam hazard classification and violation procedures. This resulted in establishing procedures for the listing of other potentially non-compliant PL-566 dams. Plum Creek FRS 18 was the first dam rehabilitation project completed in Kentucky.

Mississippi, Second Creek Watershed #12: NRCS and local watershed project sponsors recently rehabilitated Second Creek Dam 12, located near Natchez, Mississippi. The dam was constructed in 1968 with a low hazard classification because there was no threat to human life. Since then, several homes have been built downstream thereby raising the hazard class to high. The Mississippi Department of Environmental Quality regulates dam safety and requires that high hazard dams meet specific state design criteria. The dam sponsors requested assistance from NRCS to help rehabilitate the dam to meet the dam safety design criteria. The local sponsors that contributed to rehabilitate the dam are the Adams County Board of Supervisors and Soil and Water Conservation District, and the Mississippi Soil and Water Conservation Commission. The sponsors will operate and maintain the dam. NRCS provided 65 percent

of the construction cost and the necessary technical assistance. The rehabilitated dam will provide 100 years of continued flood protection, reducing threat to loss of life from sudden dam failure for the residents in the Second Creek Watershed.

PART Assessment.
During 2004, a single Program Assessment Rating Tool (PART) assessment was conducted on three NRCS watershed programs (Watershed Surveys and Planning, Watershed Protection and Flood Prevention, and Watershed Rehabilitation) resulted in a rating of "Adequate." In response to the findings, the Agency has continued to improve the program by: updating its policies and procedures, developing a database as part of USDA's Grants Line of Business Project, and conducting a review of the unobligated EWP commitments.

NATURAL RESOURCES CONSERVATION SERVICE
Watershed Surveys and Planning

Project Statement
(On basis of appropriation)

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Watershed Surveys And Planning	$449,831	5	--	--	--	--	--
Total, Appropriation	449,831	5	--	--	--	--	--

Project Statement
(On basis of available funds)

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Direct Obligations							
Watershed Surveys And Planning	$449,698	5	--	--	--	--	--
Unobligated balance Lapsing	(+133)	--	--	--	--	--	--
Adjusted Appropriation	(449,831)	--	--	--	--	--	--
Reimbursable Oblig	--	--	--	--	--	--	--
Total, Obligational Authority.	449,698	5	--	--	--	--	--

NATURAL RESOURCES CONSERVATION SERVICE
Watershed Surveys and Planning

Geographic Breakdown of Obligations and Staff Years
2008 Actual and Estimated 2009 and 2010

	2008		2009		2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Alabama	$276	--	--	--	--	--
Arizona	5,887	--	--	--	--	--
Arkansas	21,741	--	--	--	--	--
California	27,476	--	--	--	--	--
Colorado	245	--	--	--	--	--
Georgia	8,786	--	--	--	--	--
Hawaii	18,383	--	--	--	--	--
Idaho	507	--	--	--	--	--
Iowa	64,525	1	--	--	--	--
Kansas	36,623	1	--	--	--	--
Louisiana	13,028	--	--	--	--	--
Massachusetts	2,193	--	--	--	--	--
Minnesota	43,152	1	--	--	--	--
Missouri	34,159	1	--	--	--	--
Montana	14,948	--	--	--	--	--
Nebraska	155	--	--	--	--	--
New Hampshire	858	--	--	--	--	--
New Mexico	757	--	--	--	--	--
New York	20,959	--	--	--	--	--
Oregon	8,252	--	--	--	--	--
Pennsylvania	21,397	--	--	--	--	--
Rhode Island	3,156	--	--	--	--	--
South Dakota	965	--	--	--	--	--
West Virginia	29,585	--	--	--	--	--
Wyoming	71,685	1	--	--	--	--
National Hdqtr	--	--	--	--	--	--
National Centers	--	--	--	--	--	--
Nat. Tech. Sup. Cent.	--	--	--	--	--	--
Subtotal, Available/Est.	449,698	5	--	--	--	--
Unobligated Balance	--	--	--	--	--	--
Total Available/Est.	449,698	5	--	--	--	--

NATURAL RESOURCES CONSERVATION SERVICE
Watershed Surveys and Planning

Classification by Objects
2008 Actual and Estimated 2009 and 2010

Personnel Compensation:		2008	2009	2010
Washington, D.C.		--	--	--
Field		$347,314	--	--
11	Total personnel compensation	347,314	--	--
12	Personnel benefits	95,237	--	--
13	Benefits for former personnel	--	--	--
	Total pers. comp. & benefits	442,551	--	--
Other Objects:				
21	Travel	3,710	--	--
22	Transportation of things	3	--	--
23.1	Rent payments to GSA	--	--	--
23.2	Rental payments to others	18	--	--
23.3	Communications, utilities, and misc. charges	44	--	--
24	Printing and reproduction	62	--	--
25.1	Advisory and assistance services	--	--	--
25.2	Other services	202	--	--
25.2	Construction contracts	--	--	--
26	Supplies and materials	1,200	--	--
31	Equipment	1,908	--	--
32	Land and structures	--	--	--
41	Grants	--	--	--
42	Insurance and loans	--	--	--
43	Interest and dividends	--	--	--
44	Refunds	--	--	--
	Total other objects	7,147	--	--
Total, direct obligations		449,698	--	--

NATURAL RESOURCES CONSERVATION SERVICE
Resource Conservation and Development

The estimates include appropriation language for this item as follows (new language underscored; deleted matter enclosed in brackets):

[Resource Conservation and Development]

> [For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of sections 31 and 32 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1011; 76 Stat. 607); the Act of April 27, 1935 (16 U.S.C. 590a-f); and subtitle H of title XV of the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), $50,730,000: Provided, That not to exceed $3,073,000 shall be available for national headquarters activities.]

The change in language reflects the budget proposal to eliminate the program.

NATURAL RESOURCES CONSERVATION SERVICE
Resource Conservation and Development

Appropriations Act, 2009	$50,730,000
Budget Estimate, 2010	--
Decrease in Appropriations	-50,730,000

Summary of Increases and Decreases
(On basis of appropriation)

Item of Change	2009 Estimated	Pay Costs	Other Changes	2010 Estimated
Resource Conservation and Development:				
1. Technical Assistance	$50,730,000	--	-$50,730,000	--
2. Financial Assistance	--	--	--	--
Total Available	50,730,000	--	-50,730,000	--

Project Statement
(On basis of appropriation)

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Resource Conservation and Development:							
1. Technical Assistance	$50,730,000	440	$50,730,000	451	-$50,730,000	--	--
2. Financial Assistance	--	--	--	--	--	--	--
3. Loan Services	--	--	--	--	--	--	--
Total, Available or Estimate	50,730,000	440	50,730,000	451	-50,730,000	--	--
Rescission	+358,000	--					
Total Appropriation	51,088,000	--					

Project Statement
(On basis of available funds)

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Resource Conservation and Development:							
1. Technical Assistance	$50,357,670	440	$53,075,834	451	-$53,075,834	--	--
2. Financial Assistance	--	--	--	--	--	--	--
Total, Direct Obligations	50,357,670	440	53,075,834	451	-53,075,834		
Unobligated balance brought forward	(-1,536,498)	--	(-2,345,834)	--	(+2,345,834)	--	--
Prior Year Recoveries	(-432,762)	--	--	--	--	--	--
Offsetting Collections	(-230,380)	--	--	--	--	--	
Reimbursements	(+14,407)	--	--	--	--	--	--
Chg in Customer Payments	(+211,729)	--	--	--	--	--	--
Unobligated balance carried forward	(+2,345,834)	--	--	--	--	--	--
Adjusted Appropriation	(50,730,000)	--	(50,730,000)	--	(-50,730,000)	--	--
Reimbursable Obligations:							
(a) Technical Assist	14,407	1	94,200	1	-94,200	--	--
(b) Financial Assist		--	505,800	--	-505,800	--	--
Reimbursable Oblig	14,407	1	600,000	1	-600,000	--	--
Obligational Authority	50,372,077	441	53,394,000	452	-53,394,000	--	--

Justification of Increases and Decreases

(1) A decrease of $50,730,000 for Resource Conservation and Development ($50,730,000 available in 2009):

(a) A decrease of $50,730,000 and 451 staff years for the Resource Conservation and Development program activities.

The fiscal year 2010 budget proposes to terminate funding for the Resource Conservation & Development (RC&D) program. RC&D areas have received Federal financial support for at least 20 years. At this point, most of these communities should have the capacity to identify, plan, and address their identified priorities. In addition, a recent program evaluation concluded that the program duplicates other similar resource conservation planning, rural economic development, and community programs provided by other USDA agencies (such as the Forest Service and Rural Development) and other Federal departments (such as the Department of Commerce's Economic Development Administration).

Main Workload Factors

	2008 Actual	2009 Estimate	2010 Estimate
Status of Designated RC&D Areas:			
Areas funded at start of year	375	375	--
New areas funded in year	--	--	--
Total Areas funded end of year	375	375	--
Applications on hand	(38)	(38)	--

		2008 Actual	2009 Estimate	2010 Estimate
RC&D Project Activity:				
Project Plans:				
Approved	During year.....	4,344	4,000	--
	Cumulative	91,683	95,683	99,683
Ongoing	During year.....	7,019	6,300	--
Completed	During year.....	4,495	4,200	--
	Cumulative	79,165	83,365	87,565

Input of Resources to Projects ($ in 1,000's):
(Resources provided for accomplishing projects. Includes direct technical and financial assistance and value of donated materials attributable to a project.)

-- RC&D resources.....	During year	--	--	--
-- Other Federal	During year	$78,818	$50,000	--
-- State government	During year	74,184	60,000	--
-- Local government	During year	24,512	20,000	20,000
-- Non-government	During year	90,623	75,000	75,000

Rural Development Loans:

	2008 Actual		2009 Estimated		2010 Estimated	
Item	No.	Amount	No.	Amount	No.	Amount
1. Loans obligated during year	--	--	--	--	--	--
2. Borrowers outstanding.....	6	$224,000	4	$154,078	--	--
3. Loans cumulative.....	292	29,484,709	292	29,484,709	292	29,484,709

Geographic Breakdown of Obligations and Staff Years
2008 Actual and Estimated 2009 and 2010

	2008		2009		2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Alabama	$1,055,565	10	$1,112,545	10	--	--
Alaska.....	913,863	8	963,194	8	--	--
Arizona	766,612	6	807,994	6	--	--
Arkansas	889,602	8	937,623	8	--	--
California.....	1,409,511	12	1,485,597	15	--	--
Colorado	951,192	7	1,002,538	7	--	--
Connecticut.....	288,845	2	304,437	2	--	--
Delaware.....	134,995	1	142,282	1	--	--
Florida	948,302	9	999,492	10	--	--
Georgia	1,191,574	10	1,255,896	15	--	--
Hawaii	1,544,674	8	1,628,057	8	--	--
Idaho.....	1,051,224	10	1,107,970	10	--	--
Illinois.....	1,157,519	11	1,220,002	11	--	--

	2008		2009		2010	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Indiana	1,057,213	13	1,114,282	13	--	--
Iowa	1,867,939	16	1,968,771	16	--	--
Kansas	1,037,309	10	1,093,303	10	--	--
Kentucky	1,646,111	17	1,734,969	17	--	--
Louisiana	926,200	7	976,197	7	--	--
Maine	641,478	6	676,105	6	--	--
Maryland	430,496	4	453,734	4	--	--
Massachusetts	426,777	3	449,815	3	--	--
Michigan	906,255	8	955,175	8	--	--
Minnesota	1,034,726	11	1,090,581	11	--	--
Mississippi	957,306	12	1,008,982	12	--	--
Missouri	966,041	8	1,018,188	8	--	--
Montana	1,038,808	8	1,094,883	8	--	--
Nebraska	1,423,630	13	1,500,478	13	--	--
Nevada	431,725	4	455,030	4	--	--
New Hampshire	285,419	3	300,826	3	--	--
New Jersey	287,049	3	302,544	3	--	--
New Mexico	939,938	9	990,676	9	--	--
New York	930,332	10	980,552	10	--	--
North Carolina	1,170,765	11	1,233,963	11	--	--
North Dakota	976,077	10	1,028,766	10	--	--
Ohio	989,992	10	1,043,432	10	--	--
Oklahoma	1,061,404	10	1,118,699	10	--	--
Oregon	700,079	6	737,870	6	--	--
Pennsylvania	1,017,717	10	1,072,654	10	--	--
Puerto Rico	428,323	4	451,444	4	--	--
Rhode Island	141,282	1	148,908	1	--	--
South Carolina	883,787	9	931,494	9	--	--
South Dakota	899,501	9	948,056	9	--	--
Tennessee	1,175,441	12	1,238,892	12	--	--
Texas	2,660,663	20	2,804,121	21	--	--
Utah	889,466	8	937,480	8	--	--
Vermont	287,464	3	302,981	3	--	--
Virginia	907,898	10	956,907	10	--	--
Washington	932,209	7	982,530	7	--	--
West Virginia	717,002	8	755,705	9	--	--
Wisconsin	897,039	7	945,462	7	--	--
Wyoming	718,142	6	756,908	6	--	--
National Hdqtr	3,018,438	9	3,181,375	9	--	--
National Centers	346,869	3	365,593	3	--	--
Nat. Tech. Sup. Cent.	-118	--	-124	--	--	--
Forest Service	--	--	--	--	--	--
Total, Available/Est	50,357,670	440	53,075,834	451	--	--

NATURAL RESOURCES CONSERVATION SERVICE
Resource Conservation and Development

Classification by Objects
2008 Actual and Estimated 2009 and 2010

Personnel Compensation:		2008	2009	2010
Washington, D.C.		$1,219,369	$1,337,000	--
Field		30,408,452	32,081,000	--
11	Total personnel compensation	31,627,821	33,418,000	--
12	Personnel benefits	8,221,038	8,686,000	--
13	Benefits for former personnel	--	--	--
	Total pers. comp. & benefits	39,848,859	42,104,000	--
Other Objects:				
21	Travel	894,077	931,000	--
22	Transportation of things	162,195	169,000	--
23.2	Rental payments to others	1,711,419	1,781,000	--
23.3	Communications, utilities, and miscellaneous charges	1,155,469	1,202,000	--
24	Printing and reproduction	25,812	27,000	--
25.2	Other services	4,877,608	5,109,834	--
26	Supplies and materials	1,110,720	1,157,000	--
31	Equipment	567,808	591,000	--
42	Insurance and loans	2,711	3,000	--
43	Interest and dividends	992	1,000	--
	Total other objects	10,508,811	10,972,000	--
Total, direct obligations		50,357,670	53,075,834	--

NATURAL RESOURCES CONSERVATION SERVICE
RESOURCE CONSERVATION AND DEVELOPMENT PROGRAM

STATUS OF PROGRAM

Current Activities

Background. The Resource Conservation and Development (RC&D) Program was initiated under the Soil Conservation and Domestic Allotment Act, (16 U.S.C. 590a-590f), the Bankhead-Jones Farm Tenant Act, (16 U.S.C. 1010 and 1011), and the Food and Agriculture Act of 1962, and is authorized under subtitle H, title XV of the Agriculture and Food Act of 1981, (16 U.S.C. 3451-3461), as amended. The Food Security and Rural Investment Act of 2002 (2002 Act) permanently authorized the program. The Natural Resources Conservation Service (NRCS) administers the program. In 1981, sections 1528-1538 of the Agriculture and Food Act authorized a program to encourage and improve the capability of State and local units of government and nonprofit organizations in rural areas to plan, develop, and implement programs for resource conservation and development. Through the program, RC&D areas establish or improve coordination systems in rural communities, and build rural community leadership skills to more effectively use Federal, State, and local programs for the communities' benefit. The 2008 Act further strengthened the relationship between the Department of Agriculture (USDA) and the RC&D areas.

The NRCS provides program administration and assistance to RC&D areas through volunteer non-profit RC&D Councils. Other USDA agencies with conservation or development responsibilities are involved in the development of program policy and guidance and are members of the USDA RC&D Policy Advisory Board and Working Group. These Agencies provide technical and limited financial assistance to RC&D Councils. Councils also obtain the assistance from other local, State, and Federal agencies, private organizations, and foundations to carry out their specific projects.

The RC&D program blends natural resource use and conservation with local economic development. RC&D Councils and their sponsors initiate and lead the planning and implementation of their locally developed RC&D area plans, in association with State, local, and Federal governments, and non-profit organizations. Program objectives address improving the quality of life, including social, economic and environmental concerns; continuing wise use of natural resources; and strengthening the local citizens' ability to use the assistance available through USDA and other Federal agency partnerships.

Geographic Scope. The Secretary has designated 375 RC&D areas that serve 2,696 counties in every State, the Caribbean, and the Pacific Basin. Designated areas continue to serve over 85 percent of U.S. counties and more than 77 percent of the U.S. population. Another 38 applicant areas covering 231 additional counties have applied for the Secretary's designation. The 1990 Food, Agriculture, Conservation and Trade Act limited assistance to not more than 450 active designated areas. Since FY 2003, USDA designated RC&D areas have remained at 375.

RC&D Area and Council Operations. A RC&D area is a locally defined multi-county area, sponsored and directed by a RC&D Council that carries out the program encouraging natural resource conservation and utilization, accelerated economic development, and/or improvement of social conditions where needed to foster a sound local economy. The Council consists of sponsors from the public and private sector that represent a diverse cross-section of community interests. Sponsors include county and city governments, soil and water conservation districts, sub-state districts, Tribal governments, and other interested private organizations in the area. RC&D epitomizes grassroots involvement and decision-making. From public meetings to identify community concerns, needs, and problems, the Council develops an area plan that details the goals, objectives, and action items needed to address the local communities' priorities and concerns. The Council then collects data about identified problems, develops alternatives, and recommends solutions. Implementation of an action item may include one step or a full range of steps, such as problem identification, development of alternatives, plan development, and funding.

RC&D projects focus on eight broad areas:

- Resource base protection projects for soil erosion control, noxious plant and pest control, streambank improvement, preservation of prime land, mined land reclamation, natural resource studies, energy conservation, and alternative sources of energy such as biomass.
- Fish and wildlife projects for the protection, improvement, or development of fish and wildlife habitat.
- Waste management and utilization projects for the efficient and environmentally sound disposal of animal waste; development or improvement of a landfill; waste collection; solid waste disposal; composting and recycling of glass, metals, paper, wood, and furniture.
- Community improvement projects that develop community infrastructure including studies on zoning, facilities or services needed, and project implementation. Projects include constructing and improving public trails; community centers and other old community buildings; constructing, improving or repairing subsidized housing; improving roads and parks; and, installing dry fire hydrants.
- Forestry projects improve forested areas through education on safety or harvesting techniques; developing or expanding forest related industries; developing wood waste energy sources; developing or improving value added forestry related products; studies such as forest inventories, species, or forest products; and improving rural road infrastructure with timber bridges.
- Economic development projects include marketing and producer surveys or feasibility studies; assisting with grants, loans, or other financing; assisting in the formation or expansion of agriculture or natural resource related businesses, or other businesses involved with value-added products. Projects can include improvement of agricultural production. Marketing and merchandising projects result in cooperatives or associations; business or marketing plans; and advertising and promotional materials.
- Water projects improve surface and groundwater quality and quantity. Many projects deal with pollution control and dispersing water. Projects include watershed management; construction or rehabilitation of irrigation, flood control systems; wastewater treatment; and, efficient use of aquifers.
- Recreation and tourism projects include feasibility studies and the creation or improvement of water-based recreational areas for swimming, boating, and canoeing, and boat launch sites; establishment or improvement of non water-based recreational areas such golf courses, rodeo arenas, trails, or ball parks; historic site preservation; and, establishment or upgrade of a tourist attraction.

NRCS Program Support. NRCS assists the Council through an RC&D Coordinator. The RC&D Coordinator facilitates the development and implementation of an individualized and locally determined program (i.e., area plan) with the Council and the local people. NRCS and other USDA agencies provide planning and technical assistance for implementing the area plan. RC&D activities are broader than those created from USDA assistance alone. The Coordinator is the link between the RC&D Council, its other partners, and the USDA. The goal is a Council that has the capacity to build effective public/private partnerships that result in strong rural community leadership and accomplishments. Other Federal agencies provide assistance to RC&D councils within their existing authorities and programs as needed. State and local units of government also participate, as well as non-profits and private businesses.

Selected Examples of Recent Progress

Overview of FY 2008 Progress. RC&D Program management and information system indicators provide several measures of success. Reporting areas have indicated that Councils and their partners have helped to create 802 new businesses, expand 1,524 businesses, retain 3,453 businesses, and assist 465 businesses financially with funds totaling $32.4 million. In addition, Councils assisted in the formation of 112 cooperatives. An estimated 5,309 jobs have been created and 5,632 jobs retained through area projects, nationally. Councils obtained over $270.1 million in external grant funds in FY 2008.

RC&D Councils assisted 1,283 farm or ranch operations with agri-tourism activities and 874 farms or ranches with direct marketing from the field to the consumer via Community Supported Agriculture groups (CSAs), restaurants, commercial stores, or public access farmers markets.

Efforts to improve natural resources have resulted in the improvement of an estimated 2.42 million acres of wildlife habitat, 1.3 million acres of lakes and other water bodies, and 19,278 miles of streams. RC&D

Councils assisted over 2,794 animal agricultural operations with water quality projects; assisted with the construction or rehabilitation of 36 flood control structures; and preserved or protected over 608,341 acres of agricultural land. RC&D Councils in eight States implemented renewable energy projects.

In FY 2008, RC&D Councils held over 7,200 workshops, tours and seminars nationwide on agriculture, aquaculture, forestry and wildlife; and over 3,442 training sessions on leadership development, grant writing, business development, non-profit management and environmental education. These educational projects have helped nearly 931,824 people develop new skills. More than 750 natural resource related school curricula and programs were created. RC&D projects have helped over 3.5 million economically or socially disadvantaged people. Councils assisted 400 Tribal Nations, RC&D Councils through implementation of projects, and served over 21.1 million citizens nationwide.

More than 4,300 projects that focus on the goals in RC&D area plans were completed in FY 2008. More than 7,000 projects will continue in FY 2009. Since 1964, RC&Ds have completed over 91,600 projects. More information on the RC&D program and linkages to individual RC&D Council homepages can be found on the NRCS RC&D homepage at http://www.nrcs.usda.gov/programs/rcd/.

Illinois: Protection of the Engelmann Farm in St. Clair County: The Southwestern Illinois RC&D assisted the Illinois Land Conservancy to acquire and preserve the 145 acre Engelmann Farm in Shiloh, IL. The farm, which was originally settled by Friedrich Engelmann in 1833, was in the process of being converted to a residential subdivision. In addition to 80 acres of undisturbed forest, the site contains approximately 60 acres that are currently being farmed, along with five acres containing two historic homes. Preservation of this property will provide public open space, protect a mature forest, and safeguard two historic structures. Native plants, which provide food and shelter for wildlife, are being replanted on existing agricultural fields. The Land Conservancy will be working with St. Clair County to ensure long-term protection of the site as well as to integrate the property into the local/regional park system.

Washington: Eastern Washington Farmers Diesel Emission Reduction Program. The Upper Columbia RC&D and Blue Mountain RC&D encouraged 21 Eastern Washington farmers in six counties to convert over 16,900 acres from conventional tillage practices to no-till direct seeding. The RC&Ds partnered with the Spokane, Palouse, Palouse-Rock Lake, Pine Creek, Whitman, Asotin, Columbia, Garfield, and the Walla Walla Conservation Districts along with the Washington Department of Ecology. The participating farmers dramatically reduced the diesel emissions associated with multiple operations used with the prior practices. The reduced diesel fuel in turn reduces atmospheric pollutants. These environmental benefits affected the entire Eastern Washington area. In addition to reducing air pollution and fuel costs, no-till direct seeding contributed to reduced labor, tractor runtime and equipment wear. It also contributed to reduced soil erosion and compaction while increasing soil moisture and organic matter. Water quality was protected through the reduced runoff of sediments and nutrients.

Iowa: Audit Identifies Grain Drying and Nitrogen as Energy Hogs. The Cedar Valley RC&D and Prairie Partners RC&D partnered with NRCS and a private firm to design an energy audit spreadsheet to assist farmers in assessing their current farming operations and provide management alternatives to save diesel fuel by switching to a no-till operation. Results showed that there were savings by switching to no-till by decreasing the use of the energy "hogs" - nitrogen fertilizer and corn drying. By switching from conventional tillage to no-till farmers will save approximately two gallons of diesel fuel per acre. Farmers can look at hybrids with better dry-down characteristics as opposed to hybrids harvested wet. The spread sheet is free to farmers at Iowa NRCS offices and the Iowa Soybean Association.

New Jersey: Friendly Farms. The South Jersey RC&D Council is conducting an outreach program in partnership with The State Department of Environmental Protection to work with farmers in Springfield to improve water quality in the Assiscunk Creek and two of its tributaries. A total grant of $348,000 was provided to reduce fecal coliform bacteria and phosphorus levels in Assiscunk Creek, Annaricken and Barkers brooks. The RC&D Council received $100,000 for a farmer education program that included

visiting farms near the waterways and provided education on ways to reduce runoff into the creek along with potential programs that assist farmers.

PART Assessment.
During 2006, a Program Assessment Rating Tool (PART) review of the Resource Conservation and Development program resulted in a rating of "Adequate." As a result of the 2006 assessment, NRCS has improved the Agency's ability to track and report program performance through a web-based database and conducted an external, independent review that examined overall program effectiveness. In an effort to continually improve the program, NRCS is in the process of conducting program performance trend analysis that will examine the measurable benefits derived from the program over five years.

NATURAL RESOURCES CONSERVATION SERVICE
Healthy Forests Reserve Program

Project Statement
(On basis of appropriation)

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Healthy Forests Reserve Program:							
Technical Assistance	$151,000	2	--	--	--	--	--
Financial Assistance	1,835,000	--	--	--	--	--	--
Total Available or Est.	1,986,000	2	--	--	--	--	--
Rescission	+14,000	--	--				
Total, Appropriation	2,000,000	2	--				

Note: The 2008 Farm Bill provides $9,750,000 in FY 2009 and $4,750,000 in FY 2010 in mandatory funds. For this program see page 21-51 for further information.

Project Statement
(On basis of available funds)

Program	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Healthy Forests Reserve Program:							
Technical Assistance	$188,861	2	--	--	--	--	--
Financial Assistance	522,865	--	--	--	--	--	--
Total Direct Obligations	711,726	2	--	--	--	--	--
Prior Year Recoveries	--	--	--	--	--	--	--
Unobligated balance							
Lapsing	(+1,274,274)	--	--	--	--	--	--
Adjusted Appropriation	(1,986,000)	--	--	--	--	--	--
Reimbursable Oblig.	--	--	--	--	--	--	--
Obligational Authority	711,726	2	--	--	--	--	--

Geographic Breakdown of Obligations and Staff Years
2008 Actual and Estimated 2009 and 2010

	2008 Amount	2008 Staff Years	2009 Amount	2009 Staff Years	2010 Amount	2010 Staff Years
Arkansas	$40,557	1	--	--	--	--
Maine	5,515	--	--	--	--	--
Minnesota	86,067	--	--	--	--	--
Mississippi	579,587	1	--	--	--	--
National Hdqtr	--	--	--	--	--	--
Total Obligations/Est	711,726	2	--	--	--	--

Classification by Objects
2008 Actual and Estimated 2009 and 2010

Personnel Compensation:		2008	2009	2010
Washington, D.C.		--	--	--
Field		$111,068	--	--
11	Total personnel compensation	111,068	--	--
12	Personnel benefits	32,020	--	--
	Total pers. comp. & benefits	143,088	--	--
Other Objects:				
21	Travel	2,488	--	--
22	Transportation of things	133	--	--
23.2	Rental payments to others	7,516	--	--
23.3	Communications, utilities, and miscellaneous charges	3,933	--	--
24	Printing and reproduction	186	--	--
25.2	Other services	15,222	--	--
26	Supplies and materials	10,569	--	--
31	Equipment	5,718	--	--
32	Land and structures	467,000	--	--
32.1	Easements	43,134	--	--
41	Grants	12,730	--	--
43	Interest and dividends	9	--	--
	Total other objects	568,638	--	--
Total, direct obligations		711,726	--	--

NATURAL RESOURCES CONSERVATION SERVICE
HEALTHY FORESTS RESERVE PROGRAM

STATUS OF PROGRAM

Current Activities

Background. Title V of the Healthy Forests Restoration Act of 2003 (Public Law 108-148) authorized the establishment of the Healthy Forests Reserve Program (HFRP), amended by the Food, Conservation and Energy Act of 2008 (The 2008 Act), Public Law, 110-246. The purpose of this program is to assist landowners in restoring, enhancing and protecting forest ecosystems to 1) promote the recovery of threatened and endangered species, 2) improve biodiversity, and 3) enhance carbon sequestration. HFRP supports the NRCS Mission Goal of Healthy Plant and Animal Communities.

The Chief of NRCS provides national leadership for the implementation of this voluntary program. At the state level, the NRCS State Conservationist determines how best to deliver HFRP and implement national policies in an efficient manner based on the national priorities identified in each sign-up announcement.

Enrollment Options. There are four HFRP enrollment options:

- 10-year cost share agreement for which the landowner may receive 50 percent of the cost of the approved conservation practices;
- 30-year contract (the value of which shall be equivalent to the value of a 30-year easement) for which the landowner may receive 75 percent of the easement value of the enrolled land plus 75 percent of the cost of the approved conservation restoration practices. This option is available to Indian Tribes only.
- 30-year easement for which the landowner may receive 75 percent of the easement value of the enrolled land plus 75 percent of the cost of the approved conservation practices; or
- Permanent easement for which landowners may receive 100 percent of the easement value of the enrolled land plus 100 percent of the average cost of the approved conservation practices.

Eligibility and Restoration Plans. Only privately held land is eligible for enrollment into HFRP. As an additional eligibility requirement, the private land must restore, enhance, or measurably increase the likelihood of recovery of a threatened or endangered species or candidates for the Federal or State threatened or endangered species list, and must improve biological diversity or increase carbon sequestration. Land enrolled in the HFRP must have a restoration plan that includes practices necessary to restore and enhance habitat for the identified species. Technical assistance will be provided by USDA to assist owners in complying with the terms of restoration plans under the HFRP.

Landowner protections similar to "Safe Harbor" will be made available to landowners enrolled in the HFRP who agree, for a specified period, to protect, restore, or enhance their land for threatened or endangered species habitat. In exchange, they avoid future regulatory restrictions on the use of that land protected under the Endangered Species Act.

Technical Assistance. NRCS, in coordination with the U.S. Fish and Wildlife Service, develops a healthy forest management conservation plan with the landowner for the acres determined eligible for HFRP. The healthy forests conservation plan integrates compatible silvicultural practices and habitat considerations to protect, restore and enhance forest ecosystems for the recovery of threatened and endangered species and candidate species. NRCS continues to provide assistance to the participant after the project is enrolled. This assistance may be in the form of review of restoration measures, guidance on management activities, and basic biological advice to achieve optimum results, considering all forestland resources.

Examples of Recent Progress

Eight applications were approved in two states, Mississippi (continuation of 06/07 project), and Minnesota (newly approved project area for FY 2008). In FY 2008, NRCS received approximately $2 million for new HFRP applications in Minnesota and Mississippi. As of September 30, 2008, NRCS had enrolled two easements and are in the process of enrolling six pending easements.

In Minnesota, applications were prioritized according to ranking criteria that promote the recovery of habitats for the Timber Rattlesnake and Blanding's Turtle in the Mississippi Blufflands area of Wabasha County. In Mississippi applications were prioritized for habitat for the gopher tortoise and black pine snake in the longleaf pine ecosystem along the gulf coast. During the signup, the two states accepted 46 applications covering 7,297 acres of land at an approximate value of $25 million. Seven landowners were approved for funding under the 99-year conservation easement for 1,000 acres, and one landowner was approved for a 30-year easement for thirty-two acres. NRCS continued the implementation of HFRP in the states of Arkansas, Maine, and Mississippi.

Thirty Applications Approved in Continuation of Three State Pilot Project. In FY 2006 and 2007, NRCS received $4.945 million for HFRP and implemented projects in Arkansas, Maine, and Mississippi. Thirty landowners were approved for funding under 10-year restoration agreements, 30-year easements and 99-year easements. The approved applications covered over 693,100 acres and represent $4.4 million in financial obligations. During the signup, the three states accepted 124 applications covering over 712,800 acres at an approximate value of $20 million.

Applications were prioritized according to ranking criteria that promote the recovery of habitats for the endangered red-cockaded woodpecker in the Lower Ouachita River Flatwood regions of Arkansas, the Canada Lynx in the northern boreal forests of Maine, and the gopher tortoise and black pine snake in the longleaf pine ecosystem along the gulf coast of Mississippi.

Summary	**Cumulative**
Total Applications Processed	170
Total Applications Approved	38
Total Acres Enrolled	694,156
Total Obligations	$4,921,060

Restoration Activity	**Cumulative**
Restoration Agreements Approved	6
Restoration Agreement Acres	689,972
Total Funds Obligated for Restoration Agreements	$848,892

Easements Activity	**Cumulative**
Easement Projects Enrolled	32
Easement Acres Enrolled	4,184
Total Fund Obligated for Easement Projects	$4,072,168

NATURAL RESOURCES CONSERVATION SERVICE
Farm Security and Rural Investment Programs

Food, Conservation and Energy Act of 2008	$2,421,083,680
Budget Estimate, 2010	2,814,288,000
Change in Estimate	+393,204,320

Conservation programs included in this account are listed in the project statement below. The Food, Conservation and Energy Act of 2008, (P.L. 110-234) program funding authorization will continue from the Commodity Credit Corporation.

Project Statement
(On basis of authorized level)

Project	2008 Actual Amount	2008 Actual Staff Years	2009 Estimated Amount	2009 Estimated Staff Years	Increase or Decrease	2010 Estimated Amount	2010 Estimated Staff Years
Wetlands Reserve Program ..	$182,948,695:	225:	$417,700,000:	189:	-$26,536,000:	$391,164,000:	186
Environmental Quality Incentives Program ……..	1,193,190,392:	2,313:	1,067,000,000:	2,913:	+133,000,000:	1,200,000,000:	2,762
Ground and Surface Water ...	59,113,694:	139:	--:	--:	--:	--:	--
Agricultural Water Enhancement Program.....	--:	--:	73,000,000:	90:	--:	73,000,000:	151
Wildlife Habitat Incentives Program	83,502,717:	150:	85,000,000:	161:	-43,000,000:	42,000,000:	94
Farm and Ranch Lands Protection Program	96,180,725:	29:	121,000,000:	32:	-1,000,000:	120,000,000:	32
Conservation Security Program..	317,050,735:	367:	283,075,000:	171:	-48,855,000:	234,220,000:	152
Conservation Stewardship Program..	--:	--:	229,784,000:	313:	+217,488,000:	447,272,000:	507
Grasslands Reserve Program	2,813,092:	7:	48,000,000:	50:	+6,000,000:	54,000,000:	60
Agricultural Management Assistance a/.....	7,249,759:	9:	7,500,000:	24:	-2,500,000:	5,000,000:	19
Small Watershed Rehabilitation Program …	--:	--:	--:	--:	+135,000,000:	135,000,000:	392
Chesapeake Bay Watershed Program …	--:	--:	23,000,000:	38:	+20,000,000:	43,000,000:	90
Healthy Forests Reserve Program …	--:	--:	9,750,000:	13:	-5,000,000:	4,750,000:	8
Conservation Reserve Program	62,587,942:	603:	56,274,680:	350:	+8,607,320:	64,882,000:	471
Total, Food, Conservation and Energy Program.....	2,004,637,751:	3,842:	2,421,083,680:	4,344:	+393,204,320:	2,814,288,000:	4,924

a/ The Food, Conservation and Energy Act of 2008 authorizes $15 million in Agricultural Management Assistance for FY 2009 and FY 2010. The Act authorizes half of that funding for NRCS, or $7.5 million each year. A proposed savings of $5 million in FY 2010 reduces the total authorized level to $10 million and NRCS' portion to half that, or $5 million.

Statement of Program

Performance Indicators	Performance Targets		
	FY 2008 Actual	FY 2009 Target	FY 2010 Target
Wetlands Reserve Program			
Wetlands created, restored or enhanced, acres	128,860	100,000	125,000
Environmental Quality Incentives Program			
Land with conservation applied to improve irrigation efficiency, acres	1,048,319	900,000	1,000,000
Wildlife Habitat Incentives Program			
Acres of non-Federal land managed for the protection and enhancement of habitat for species with declining populations, million acres	0.36	0.27	0.27
Farm and Ranch Lands Protection Program			
Prime, unique and important farmland protected, acres	27,401	30,000	40,000

NATURAL RESOURCES CONSERVATION SERVICE

Farm Security and Rural Investment Programs

Geographic Breakdown of Obligations

2008 Actual

	WRP	CRP	EQIP	GSW	WHIP	FRPP	CSP	GRP	AMA a/
ALABAMA	$1,628,916	$597,871	$18,328,816	$886,011	$1,697,291	$1,073,396	$2,525,056	$7,291	--
ALASKA	43,549	199,283	5,129,323	--	1,339,814	363,497	60,979	14,870	--
ARIZONA	52,543	--	28,189,376	1,162,366	2,152,059	7,881	389,024	1,614	--
ARKANSAS	3,514,725	1,014,109	32,039,660	3,140,806	2,399,377	6,422	13,972,237	4,872	--
CALIFORNIA	10,104,024	190,052	57,082,919	9,036,021	3,855,593	6,149,543	7,991,852	42,045	--
COLORADO	909,537	722,253	39,632,285	3,404,139	1,260,008	2,861,397	5,667,752	1,615	--
CONNECTICUT	1,117,725	9,276	6,016,309	--	2,246,519	3,067,797	104,845	5,315	204,424
DELAWARE	681,874	102,111	7,862,963	87,704	483,173	6,330,496	1,317,475	11,133	238,438
FLORIDA	37,389,403	111,543	28,972,171	1,608,964	1,051,617	2,278,271	294,139	1,615	--
GEORGIA	357,884	411,884	22,113,800	917,286	1,049,041	1,166,923	5,362,889	18,320	--
HAWAII	524,527	3,602	8,829,293	138,201	1,432,442	1,122,092	429,773	733	154,591
IDAHO	156,011	453,690	16,957,054	3,838,028	2,103,484	44,096	14,188,179	1,615	--
ILLINOIS	905,770	4,811,316	20,637,305	117,347	1,938,289	1,848,022	9,931,320	13,078	--
INDIANA	6,710,015	3,873,836	22,625,305	327,823	1,652,828	--	9,514,158	5,720	--
IOWA	10,829,837	4,853,766	37,426,795	601,797	1,771,823	7,211	26,353,087	6,521	--
KANSAS	1,463,989	2,499,273	32,593,217	2,871,068	1,197,240	1,364,872	11,765,622	6,693	--
KENTUCKY	4,655,225	2,199,101	18,626,049	--	1,895,183	2,651,474	1,088,170	1,611	--
LOUISIANA	3,090,404	813,792	25,176,294	884,683	1,488,147	--	420,087	4,193	--
MAINE	76,014	95,720	11,651,709	20,923	1,968,427	2,272,702	759,276	3,328	18,306
MARYLAND	6,024,689	747,561	10,987,566	--	1,251,995	2,914,415	6,918,282	1,605	625,494
MASSACHUSETTS	124,391	11,457	8,069,571	--	3,433,836	5,941,764	69,251	4,032	261,632
MICHIGAN	4,353,713	891,302	23,647,978	81,386	1,772,477	2,486,416	9,291,896	6,177	--
MINNESOTA	19,751,952	5,432,095	40,352,848	488,226	1,423,392	2,659,023	9,717,452	8,748	--
MISSISSIPPI	3,452,378	995,029	19,386,513	2,097,301	1,305,730	--	917,767	5,492	--
MISSOURI	3,810,465	3,134,969	29,413,619	1,201,486	2,072,280	82,330	32,032,903	67,555	--
MONTANA	566,769	1,291,557	30,688,181	1,294,115	1,196,736	2,099,410	12,457,710	1,615	--
NEBRASKA	7,597,619	2,373,779	31,089,480	6,565,530	1,672,900	9,738	16,503,055	3,539	--
NEVADA	22,237	--	9,157,299	490,389	346,150	8,751	500,564	1,615	308,559
NEW HAMPSHIRE	4,131,900	6,123	5,222,653	--	2,732,538	1,357,352	61,915	1,524	136,399
NEW JERSEY	127,568	128,292	6,952,283	--	1,629,781	8,486,474	242,912	1,615	301,441

	WRP	CRP	EQIP	GSW	WHIP	FRPP	CSP	GRP	AMA
NEW MEXICO	69,030	354,876	28,187,340	1,159,790	912,749	27,506	1,538,639	1,615	--
NEW YORK	2,592,960	425,838	17,906,736	--	1,403,831	1,443,633	1,840,997	1,606	1,025,676
N CAROLINA	8,244,459	933,996	18,459,857	584,549	1,507,226	2,657,991	1,756,556	1,615	--
N DAKOTA	1,087,483	3,409,218	24,693,712	682,050	1,357,548	8,467	10,244,406	1,615	--
OHIO	1,026,047	3,279,996	19,610,971	--	936,885	3,514,186	18,744,823	32,298	--
OKLAHOMA	1,010,603	632,306	31,865,000	424,564	1,749,011	113,235	7,076,458	122,807	--
OREGON	2,094,943	575,811	18,283,059	2,069,249	1,581,674	14,986	25,689,636	4,336	--
PENNSYLVANIA	703,555	2,618,153	18,458,739	--	1,067,759	6,225,588	2,387,527	14,499	1,116,589
PUERTO RICO	24,261	--	5,845,994	4,705	--	--	286,755	1,611	--
RHODE ISLAND	84,020	3,667	4,618,219	--	1,809,776	1,563,560	64,498	1,286	76,754
S CAROLINA	8,307,158	930,685	11,662,057	--	1,968,778	430,601	3,573,293	1,551	--
S DAKOTA	6,326,765	3,649,881	23,707,469	804,580	1,242,031	6,802	4,192,303	1,615	--
TENNESSEE	921,856	1,116,702	18,544,473	--	1,390,243	971,002	1,947,414	28,583	--
TEXAS	2,726,075	1,115,601	97,787,034	5,458,195	2,330,774	4,085,557	2,518,324	50,036	--
UTAH	709,221	30,231	26,001,704	1,319,353	1,975,867	526,616	3,833,592	1,140	694,898
VERMONT	775,566	128,834	9,136,227	--	552,758	3,009,047	116,695	7,339	292,294
VIRGINIA	544,799	1,193,324	16,244,987	--	2,018,179	2,188,704	1,684,750	77,140	--
WASHINGTON	1,898,934	351,832	20,706,332	1,896,478	1,133,996	2,017,850	6,843,973	1,468	--
WEST VIRGINIA	297,023	266,166	10,489,090	--	1,030,916	2,873,475	419,028	199,586	407,115
WISCONSIN	4,971,388	2,060,355	25,737,093	73,797	2,537,896	2,644,803	6,075,470	6,508	--
WYOMING	828,898	204,734	18,069,804	1,710,563	1,431,783	2,184,345	2,623,976	1,614	1,343,273
NATIONAL HDQTR	3,526,660	1,327,907	65,102,757	1,664,219	1,742,867	1,011,009	11,350,629	1,997,530	3,075
CENTERS	1,335	3,186	3,912,178	--	--	--	746,538	--	--
NTSC	--	--	3,300,930	--	--	--	644,827	--	40,801
FY 2008 Total Obligations	$182,948,695	$62,587,942	$1,193,190,392	$59,113,694	$83,502,717	$96,180,725	$317,050,735	$2,813,092	$7,249,759

a/ AMA actuals include only those AMA obligations made by NRCS.

COMMODITY CREDIT CORPORATION
FOOD, CONSERVATION, AND ENERGY ACT OF 2008
WETLANDS RESERVE PROGRAM

STATUS OF PROGRAM

Current Activities

Background. The Wetlands Reserve Program (WRP) was authorized by Section 1237 of the Food Security Act of 1985 (P.L. 99-198), as amended by the Food, Agriculture, Conservation and Trade Act of 1990 (P.L. 101-624), the Federal Agriculture Improvement and Reform Act of 1996 (P.L. 104-127), the Farm Security and Rural Investment Act of 2002 (P.L. 107-171) ("2002 Farm Bill"), and the Food, Conservation and Energy Act of 2008 (P.L. 110-246), to assist owners in restoring and protecting wetlands WRP is a program funded by the Commodity Credit Corporation (CCC) and administered by the Natural Resources Conservation Service (NRCS).

WRP is a voluntary program that provides technical and financial assistance to enable eligible landowners to address wetland, wildlife habitat, soil, water, and related natural resource concerns on private lands in an environmentally beneficial and cost-effective manner. WRP supports three Mission Goals in the NRCS Strategic Plan: Clean and Abundant Water, Healthy Plant and Animal Communities, and Clean Air. The program achieves solutions to local community issues related to farms, ranches, rural lands and other areas by establishing easements and long-term agreements on eligible farmlands and establishing 30 year contracts on Tribal lands. This unique program offers landowners an opportunity to establish, at minimal cost, long-term conservation and wildlife habitat enhancement practices and protection.

Program Goal. The goal of WRP is to achieve the greatest wetland functions and values, along with optimum wildlife habitat on every acre enrolled in the program. In WRP, at least 70 percent of the wetland and upland areas will be restored to the original natural condition to the extent practicable; the remaining 30 percent of the project area may be restored to other than natural conditions. For example, instead of restoring a bottomland hardwood site to all trees, a portion of the site could be restored to an emergent marsh condition if the landowner or NRCS wanted to create habitat for certain wildlife species. This flexibility allows NRCS to implement projects that meet landowner objectives and maximize wildlife benefits. WRP focuses on:

- Enrolling marginal lands that have a history of crop failures or low production yields;
- Restoring and protecting wetland values on degraded wetlands;
- Maximizing wildlife benefits;
- Achieving cost-effective restoration with a priority on benefits to migratory birds;
- Protecting and improving water quality; and
- Reducing the impact of flood events.

Program Scope and Eligibility Criteria. The program is available in all 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of the Northern Mariana Island, and the Trust Territories of the Pacific Islands on all lands meeting any of the following eligibility criteria:

- Altered, cropped, and grazed wetlands along with upland buffer areas;
- Rangeland and wooded areas where hydrology is degraded but restorable;
- Eligible acres already enrolled in the Conservation Reserve Program;
- Riparian areas linking protected wetlands;
- Natural wetlands that contribute to the value of the easement restoration area; and Wetlands restored under a Federal or State cost-share program with an easement or deed restriction with duration of less than 30 years.

Program Enrollment Options. WRP provides landowners four methods to enroll acreage:

- Permanent easements: Easement duration is in perpetuity. Landowners receive an easement payment after the easement is filed. The compensation is to be the lowest of the:
  1. Fair market value of the land as determined by a Uniform Standards of Professional Appraisal Practices (USPAP) appraisal or an area-wide market analysis or survey ;
  2. Amount corresponding to the geographic rate cap, as determined by the Secretary in regulations;
  3. Offer made by the landowner.

  In addition NRCS shall share the cost of carrying out the establishment of conservation measures and practices, and the protection of The Wetlands Reserve Program functions and values including necessary maintenance activities as set forth in the plan to the extent that the Secretary determines that cost-sharing is appropriate and in the public interest.
- 30-year easements: Easement duration is 30 years. Landowners receive an easement payment after the easement is filed and is the equivalent of 75 percent of the value for a permanent easement and up to 75 percent of the eligible restoration costs.
- Restoration cost-share agreements: Restoration cost-share agreements are made available to participating landowners as an alternative mechanism to restore wetlands, without requiring an applicant to sell an easement. Agreements are generally for a 10-year period, although longer agreement periods may be required for unique projects that are funded at a higher level. There is no easement payment; however, NRCS pays up to 75 percent of the eligible restoration costs.
- 30-year contracts: Acreage owned by Indian Tribes can be enrolled through the use of a 30-year contract which shall be equivalent in value to a 30-year easement.

For both permanent and 30-year easements, WRP pays for all the costs associated with recording the easement in the local land records office including recording fees, charges for title abstracts, surveys, appraisal fees, "All Appropriate Inquiry" records searches, and title insurance associated with acquiring an easement. These costs are authorized for payment under Section 303 of the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970.

Technical Assistance. With input from State wildlife agencies and the U.S. Fish and Wildlife Service (FWS), NRCS develops a preliminary site plan for the offered acres that are initially determined to be eligible. The plan outlines the wetlands and any adjacent lands that would benefit from restoration in this program. Once the participant accepts an offer, NRCS assists in establishing the required practices for the easement area.

FY 2008 Contracts and Acres Enrolled

Type of Project	Number Enrolled	Acres Enrolled
Restoration Cost Share Agreements	32	13,747
30-Year Easements	118	15,600
Permanent Easements	312	46,403
Total	462	75,750

WRP Acreage. NRCS created, restored, or enhanced 128,860 acres of wetlands in FY 2008. The average project size for FY 2008 was 163 acres compared to 152 acres in FY 2007. Acreage offered for participation in the WRP varies in size across the country. Acres are the specific controlling factor for WRP. Funding needs are determined by projecting the number of acres by program option (i.e. permanent easements, 30-year easements, cost share agreements) and the geographic rate cap for the location of the acres to be enrolled.

Cumulative Enrollment Data (including FY 2008 and prior years)

Acres enrolled	1,998,230
Acres of easements perfected	1,638,447
Acres with restoration cost-share agreements	187,865
Total number of projects	10,649

Number of easement projects	9,415
Number of restoration cost-share agreements	1,234

The cumulative "Acres Enrolled" in the chart above represent the total initial enrollment for the life of the program less those projects that have been cancelled or terminated after the year of initial enrollment.

The type of wetlands restored varies from floodplain forest, to prairie potholes, to coastal marshes. Floodplain forests and associated sloughs and small emergent marsh wetlands account for the majority of the program's restoration activity. Most of the enrolled floodplain acres offered into the program occur in areas subject to frequent flooding that were originally drained or cleared for agricultural production.

NRCS continues to improve restoration techniques and knowledge. For example, over 65 percent of all restoration involved hydrology restoration, with or without a vegetation component. Of the acres involving a vegetative component, improved techniques such as natural regeneration were used over 41 percent of the time. This allows for the most natural wetland community possible, providing the greatest benefit to associated wetland dependant species and resulted in NRCS utilizing the most cost effective techniques for complete restoration.

WRP Partnership Activities. In FY 2008, NRCS continued to expand partnership efforts with conservation entities. Ducks Unlimited, numerous State Wildlife Agencies, the Fish and Wildlife Service, California Waterfowl Association, The Nature Conservancy, Wisconsin Waterfowl Association, and the Mississippi Fish and Wildlife Foundation supplemented NRCS capacity with additional restoration expertise and implementation capability. Other groups contributing technical expertise to the delivery of WRP include the National Association of Conservation Districts, State associations of conservation districts, U.S. Forest Service, local conservation districts and technical service providers.

Monitoring Initiative. NRCS owns over two million acres of easements, mostly through the WRP, and is responsible for monitoring over 11,000 easements annually for potential violations. The WRP is authorized to enroll up to 250,000 acres a year. Therefore, an additional 180 easements must be monitored each year.

The NRCS implemented a Remote Sensing Project, through an agreement with the Farm Service Agency Aerial Photography Field Office, to purchase high resolution aerial photography for WRP, Emergency Wetlands Reserve Program, and Emergency Watershed Plan-Floodplain easements. The project uses digitized easement boundaries supplied by States to fly over WRP easements on an annual basis. Remote sensing will supplement easement monitoring, enabling States to assess risk of violations and determine if additional site visits are needed. Aerial photography was used to evaluate 3,207 WRP easements in 2007 and 7,720 easements in 2008.

Selected Examples of Recent Progress

Minnesota. USDA-NRCS partnered with the State of Minnesota to implement a joint wetland restoration effort called "The Wetlands Reserve Program /Reinvest in Minnesota (RIM) Reserve" program. The Minnesota Board of Water and Soil Resources (BWSR) administer the RIM and working together with NRCS has leveraged Federal and State dollars and technical to maximize environmental benefits.

The WRP/RIM Partnership has been used successfully in the State with landowners to secure a 30-year WRP easement and then enrolling the same acres into perpetuity with a RIM easement. In Federal FY 2008, 94 projects were funded utilizing $14.1 million of WRP and $12.2 million of RIM funding for the easements. In addition, restoration costs will be shared with 75 percent from WRP and 25 percent from RIM. This has enabled both the State and Federal government to accomplish twice as much as NRCS would have been able to do working alone.

Washington. The Puyallup Field Office of the NRCS has assisted the Nisqually Indian Tribe through the WRP to restore Braget Marsh. This 50 acre tree and shrub planting will restore the historic plant

community in this area where the Nisqually River meets Puget Sound. The Braget Marsh project is the largest restoration reforestation project undertaken by the Tribe and utilizes a new tribal crew. This work crew provides job opportunities and training to Tribal members. NRCS will provide 75 percent of the project costs and technical assistance during project planning and implementation.

Louisiana. A total of 963 acres of prime wildlife habitat land benefited from planting 3,200 containerized buttonbush plants. These plants were grown in the Clifton Choctaw nursery and the Clifton Choctaw Tribe planted them on a WRP tract in Grant Parish, Louisiana. These plants will benefit Louisiana wetlands, restore marginal bottomland hardwoods, and serve as an excellent habitat for waterfowl. The Twin Valley RC&D, Grant Soil and Water Conservation District, Colfax NRCS Field Office, and the Clifton Choctaw Tribe partnership made this project a success.

Nebraska. The Wetlands Reserve Enhancement Program (WREP) along the Missouri River from Ponca to Rulo, Nebraska has been a huge success since inception in late spring of 2004. The project enhances the State's wetland restoration efforts by maximizing environmental benefits in a cost-effective manner with the aid of multiple partners. WREP has brought Federal, State, Tribal, and local resource agencies together to restore wetlands, provide habitat for wildlife and improve water quality. This voluntary program offers both financial and technical assistance to landowners and Tribes wishing to restore wetlands and riparian areas and increase wildlife habitat.

Enrollment and restoration will provide habitat for numerous sensitive species found in the Missouri River Valley. The Federally listed threatened and endangered species like the Interior Least Tern, Piping Plover, and Pallid Sturgeon populations associated with the Missouri River have diminished with the loss of natural habitat, altered flow and sediment regimes, and many other factors.

PART Assessment.
During 2005, a Program Assessment Rating Tool (PART) assessment rated Wetlands Reserve Program as "Adequate." The assessment indicated that NRCS targets WRP financial resources to maximize performance measured through factors such as migratory bird corridors and the rate of wetland loss, state-level efficiency (average cost per acre and average time to complete restoration projects), and landowner interest in the program (number and dollar value of unfunded applications). WRP differentiates itself from other Federal programs by offering permanent wetland protection on privately owned lands. The assessment concluded that while the program is effective in strategic planning and program management, shortfalls exist with performance measurement and accountability. In response to the findings, NRCS has taken the following actions as a result of the improvement plan:

- Adopted efficiency measures that encourage shorter easement closing and restoration completion periods;
- Convened a workgroup to streamline technical assistance delivery and other areas of program administration;
- Collected and analyzed cost and performance data to improve program management;
- Evaluated and revised the program's allocation formula; and
- Created a web-based program management tool that tracks the program's performance.

COMMODITY CREDIT CORPORATION
FOOD, CONSERVATION, AND ENERGY ACT OF 2008
ENVIRONMENTAL QUALITY INCENTIVES PROGRAM

STATUS OF PROGRAM

Current Activities

Background. Section 2301 of the Farm Security and Rural Investment Act of 2002 (the 2002 Act) (P. L. 107-171, May 13, 2002) 16 U.S.C. 3839aa and Section 2503 of the Food, Construction and Energy Act of 2008 (P.L. 110-246) and Section 2503 of the Food, Conservation and Energy Act of 2008 (P.L. 110-246) re-authorized and amended the Environmental Quality Incentives Program (EQIP) created by the Food Security Act of 1985 (the 1985 Act) as amended by the Federal Agriculture Improvement and Reform Act of 1996 (the 1996 Act) (P. L. 104-127, April 4, 1996) (16 U.S.C. 3839aa).

The 1996 Act combined into a single program the functions of the Agricultural Conservation Program (ACP), the Great Plains Conservation Program (GPCP), the Water Quality Incentives Program (WQIP), and the Colorado River Basin Salinity Control Program (CRBSCP). NRCS implements EQIP and the associated financial and performance reporting. The Commodity Credit Corporation (CCC) funds EQIP.

Program Operation. EQIP provides technical and financial assistance to eligible farmers and ranchers to address soil, water, air, and related natural resource concerns on their lands in an environmentally beneficial and cost-effective manner. Overall, the program addresses and solves local conservation issues related to farms, ranches, and rural lands. This is done through landowners and landusers who implement structural and land management practices on eligible lands:

- Structural and vegetative practices primarily involve the establishment, construction, or installation of a site-specific measure to conserve, protect from degradation, or improve soil, water, air, or related natural resources in the most cost-effective manner. Examples of structural practices include animal waste management facilities, terraces, grassed waterways, tailwater recovery pits, livestock water developments, filter strips, critical area planting, permanent wildlife habitat development, tree planting, range seeding, and pasture planting.
- Land management practices are primarily site-specific management techniques and methods to conserve, protect from degradation, or improve soil, water, or related natural resources in the most cost-effective manner. Land management practices include nutrient management, manure management, integrated pest or crop management, irrigation water management, residue management, stripcropping, contour farming, grazing management, and wildlife habitat management.

Program Objectives. NRCS is charged with carrying out EQIP in a manner that optimizes environmental benefits and provides:

- Flexible technical and financial assistance to farmers and ranchers that face the most serious threats to soil, water, air, and related natural resources;
- Assistance to farmers and ranchers in complying with Federal, State, and local environmental regulatory requirements;
- Assistance to farmers and ranchers in making beneficial, cost-effective changes to cropping systems, grazing management, manure, nutrient, pest, or irrigation management, land uses, or other measures needed to conserve and improve soil, water, air, and related natural resources; and
- For the consolidation and simplification of conservation planning and implementation to reduce the administration burden on producers.

Land and Participant Eligibility Requirements. Eligible lands are privately owned or Tribal agricultural land (i.e., cropland, rangeland, pasture, private non-industrial forest land and other land on which crops or livestock are produced), including land that poses a serious threat to soil, water, air, or related resources by reason of soil type, terrain, climatic conditions, topography, flooding, saline characteristics, or other natural resource factors or natural hazards. Publicly owned land is eligible when the land is under private control

for the contract period, is included in the participant's operating unit, and when the participant has written authorization from the government landowner to apply conservation practices. Installation of conservation practices and systems must contribute to an improvement in the identified natural resource concern.

Participation is voluntary. In order to participate, both the land and the person(s) must be eligible. Eligibility requires that applicants must:

- Comply with the highly erodible land and wetland conservation provisions of the Food Security Act of 1985;
- Have control of the land for the life of the proposed contract period; and
- Have an interest in the farming operation.

National Priorities. The 2002 and 2008 Farm Bills require that at least 60 percent of the funds for EQIP be targeted to livestock production conservation practices or systems. Livestock production includes both confined and grazed livestock. After an extensive public-input effort, NRCS established the following national priorities:

- Reduction of nonpoint source pollution (nutrients, sediment, pesticides, or excess salinity) in impaired watersheds consistent with Total Maximum Daily Loads as well as the reduction of groundwater contamination, and reduction of point sources such as contamination from concentrated animal feeding operations;
- Conservation of ground and surface water quantity;
- Reduction of emissions particulate matter, nitrogen oxides (NO_x), volatile organic compounds, and ozone precursors and depleters that contribute to air quality impairment violations of National Ambient Air Quality Standards;
- Reduction in soil erosion and sedimentation from unacceptable levels on agricultural land; and
- Promotion of at-risk species habitat conservation.

Financial Assistance.

- Cost-Share Payments: Under EQIP, the Secretary pays eligible program participants an amount not to exceed 75 percent of the cost to implement one or more structural, vegetative, or land management practices. Limited resource farmers and beginning farmers are eligible to receive up to 90 percent cost share.
- Incentive Payments: The Secretary determines an amount and rate for incentive payments paid to eligible program participants to implement one or more land management practices. For example, incentive payments are available for developing a comprehensive nutrient management plan which normally requires one or more land management practices.
- Limitations on Payments: Total cost-share and incentive payments are limited to $450,000 per individual or entity during any six-year period, regardless of the number of farms or contracts. Beginning in FY 2003, no individual/entity may receive EQIP payments in any crop year in which the individual/entity's average adjusted gross income for the preceding three years exceeds $2.5 million; unless 75 percent of that income is from farming, ranching, or forestry interests.

Conservation Plan. With NRCS or approved technical service providers' (TSPs) assistance, a participant develops an EQIP plan for the offered acres initially determined eligible. The plan specifies the method in which the planned conservation practices and systems on the enrolled acres will be implemented, operated, and maintained. This plan is the basis for the EQIP contract.

EQIP Contract and Contract Modifications. The CCC provides funding for cost-share and/or incentive payments to apply needed and approved conservation practices and systems and land use adjustments within a time schedule specified by the conservation plan. EQIP contracts may be modified to increase funds provided the increased cost is the result of a valid contract modification within the original contract scope and intent.

One example of an appropriate modification would be the adoption of a State law requiring a liner in a waste storage facility after the EQIP contract and cost estimate was prepared. The original intent was to install a waste storage facility that must meet all Federal, State, and local regulations in order for NRCS to approve its construction. The contract would need to be modified to meet the new State regulation in order to install the originally contracted waste storage facility. All modifications are reviewed and approved according to authorities delegated to the State Conservationist.

Technical Assistance and Partnerships. Producers receive technical assistance from NRCS or approved TSPs to develop the conservation plan and establish required practices for lands accepted into EQIP. EQIP complements many State and local governments' cost-share programs (i.e., Missouri Soil and Water Conservation Program, the Maryland State Conservation Cost-Share Program, the Delaware Water Pollution Fund), and many local programs administered through conservation districts (i.e., Clean Water Grants in Massachusetts, and the Pennsylvania Nutrient Management (Act 6) Grant Program).

Partnership efforts have been forged with Federal, State, and local entities, including the National Association of Conservation Districts, State Associations of Conservation Districts, and local conservation districts in efforts to deliver a program beneficial to program participants and the environment. NRCS cooperates with Federal, State, and local partners to address local and national conservation issues. Through interactive communication between the local community, local interest groups, and State and Federal agencies, the partnership provides the entities with information and resources needed to address local priorities and implement State and national programs, such as EQIP.

Selected Examples of Recent Progress. FY 2008 EQIP funding to States was $1.11 billion. An estimated 16.9 million acres will be treated through EQIP contracts funded in FY 2008.

Fiscal Year 2008 EQIP Program Demands[1]

State	Total Number of Applications	Number of Contracts	Unfunded Valid Applications	Funded Valid Applications Percent	Contract Average[2]	Unfunded Applications
ALABAMA	3,110	1,812	383	82.55	$8,670	$3,320,610
ALASKA	48	25	16	60.98	148,726	2,379,611
ARIZONA	307	213	45	82.56	109,394	4,922,739
ARKANSAS	2,694	1,778	337	84.07	16,618	5,600,212
CALIFORNIA	2,314	1,361	545	71.41	39,130	21,325,954
COLORADO	1,967	1,274	259	83.11	25,219	6,531,791
CONNECTICUT	120	69	20	77.53	68,018	1,360,356
DELAWARE	271	176	44	80.00	37,407	1,645,890
FLORIDA	1,281	591	401	59.58	41,083	16,474,395
GEORGIA	2,975	1,554	845	64.78	11,917	10,069,857
HAWAII	154	84	19	81.55	61,695	1,172,213
IDAHO	959	424	294	59.05	38,371	11,281,156
ILLINOIS	2,775	1,755	588	74.90	9,663	5,681,685
INDIANA	1,666	1,132	298	79.16	17,082	5,090,585
IOWA	5,190	2,379	2,027	53.99	13,313	26,985,005
KANSAS	2,563	1,687	59	96.62	16,862	994,848
KENTUCKY	4,504	662	2,354	21.95	23,405	55,094,852
LOUISIANA	2,421	1,228	681	64.33	17,858	12,161,073
MAINE	538	348	138	71.60	26,486	3,655,017
MARYLAND	600	345	151	69.56	25,705	3,881,475

State	Total Number of Applications	Number of Contracts	Unfunded Valid Applications	Funded Valid Applications Percent	Contract Average[2]	Unfunded Applications
MASSACHUSETTS	424	229	128	64.15	25,822	3,305,268
MICHIGAN	993	649	293	68.90	29,212	8,559,213
MINNESOTA	2,552	2,008	174	92.03	16,689	2,903,900
MISSISSIPPI	4,517	2,640	935	73.85	6,756	6,317,299
MISSOURI	2,758	1,746	288	85.84	14,228	4,097,684
MONTANA	1,725	784	325	70.69	32,701	10,627,666
NEBRASKA	3,702	1,457	1,445	50.21	20,293	29,323,847
NEVADA	206	118	1	99.16	60,625	60,625
NEW HAMPSHIRE	254	185	56	76.76	20,537	1,150,060
NEW JERSEY	198	106	1	99.07	48,801	48,801
NEW MEXICO	984	604	73	89.22	38,280	2,794,458
NEW YORK	1,198	532	486	52.26	26,164	12,715,544
NORTH CAROLINA	956	634	68	90.31	24,023	1,633,584
NORTH DAKOTA	1,672	841	360	70.02	24,200	8,712,173
OHIO	2,775	1,480	916	61.77	10,614	9,722,790
OKLAHOMA	4,830	1,592	2,346	40.43	16,442	38,572,322
OREGON	1,038	578	245	70.23	28,533	6,990,492
PENNSYLVANIA	2,210	612	1,273	32.47	24,112	30,694,029
RHODE ISLAND	118	78	12	86.67	44,302	531,622
SOUTH CAROLINA	1,110	452	371	54.92	20,357	7,552,325
SOUTH DAKOTA	923	468	303	60.70	42,067	12,746,240
TENNESSEE	3,823	1,457	1,012	59.01	10,542	10,668,717
TEXAS	8,896	5,879	960	85.96	14,431	13,853,635
UTAH	1,140	416	451	47.98	46,095	20,788,908
VERMONT	230	117	53	68.82	57,446	3,044,631
VIRGINIA	962	586	238	71.12	23,083	5,493,685
WASHINGTON	975	464	207	69.15	38,832	8,038,243
WEST VIRGINIA	1,101	467	378	55.27	17,314	6,544,556
WISCONSIN	1,617	1,138	199	85.12	18,621	3,705,641
WYOMING	1,418	643	543	54.22	24,502	13,304,407
PACIFIC BASIN	60	35	6	85.37	22,566	135,397
PUERTO RICO	421	224	153	59.42	19,384	2,965,764
Total	**92,243**	**48,116**	**23,803**	**66.90**	**$31,235**	**$487,232,850**

[1] Source: Protracts as of September 30, 2008. Unfunded applications include pre-approved, deferred, eligible, pending, and disapproved.

[2] Total contract average is based on national totals listed.

Significant EQIP Accomplishments

- Conservation Innovation Grants. Conservation Innovation Grants (CIG) is a voluntary program intended to stimulate the development and adoption of innovative conservation approaches and technologies while leveraging Federal investment in environmental enhancement and protection, in conjunction with agricultural production. CIG was authorized under EQIP in the 2002 Farm Bill.

Under CIG, competitive grants are awarded to eligible entities, including State and local agencies, non-governmental organizations, Tribes, or individuals.
CIG enables NRCS to work with other public and private entities to accelerate technology transfer and adoption of promising technologies and approaches to address some of the Nation's most pressing natural resource concerns. CIG will benefit agricultural producers by providing more options for environmental enhancement and compliance with Federal, State, and local regulations.
In FY 2008, CIG was implemented with three components: National, Chesapeake Bay Watershed, and State. The grants will stimulate the development and adoption of innovative technologies and approaches through pilot projects and conservation field trials. CIG awarded projects address a broad range of natural resource concerns, including nutrient management, water conservation, air quality, grazing land and forest health, and on-farm energy efficiency.

The components were awarded as follows:
- National: Over $13.9 million awarded to 45 recipients in 34 States.
- Chesapeake Bay Watershed: Over $5 million awarded to 11 recipients in three States.
- State: Over $1.9 million awarded to 39 recipients in 16 States, the Caribbean, and the Pacific Basin.

- Ground and Surface Water Conservation (GSWC). Thirty-two States located in the High Plains Aquifer, or areas severely impacted by drought (according to the USDA Drought Monitor), or in areas with extensive agricultural water needs were targeted for achieving a net savings in water consumption on agricultural operations. In FY 2008, producers entered into 1,425 GSWC contracts on nearly 243,269 acres to improve irrigation and water use efficiency on currently irrigated cropland.
- Klamath River Basin. The Klamath River Basin Watershed was targeted to achieve improved water conservation measures on agricultural operations. California and Oregon did not receive financial assistance funding for the Klamath River Basin Watershed in FY 2008. Conservation practices were applied on over 120,700 acres and irrigation water management applied on 97,400 acres since the program's inception. Irrigation water management plans are part of the conservation systems planned on nearly 221,800 acres to reduce agriculture's demand for water, improve hydrologic conditions, and restore habitat and water quality for fish and wildlife.
- Colorado River Basin Salinity Control Program (CRBSCP). The functions of the CRBSCP continue under EQIP policy guidance and funding. There are ten active salinity control projects receiving EQIP assistance: five in Colorado, four in Utah, and one in Wyoming. The goal of these projects is to improve water quality by reducing excessive salt loading in the Colorado River. Through FY 2008, EQIP salinity control activities reduced approximately 464,000 tons of salt loading annually to the Colorado River, which is approximately 60 percent of the USDA goal of 780,000 tons annually to be achieved by the year 2020. Salt loading is caused by agricultural operations through surface runoff of irrigation water, deep percolation, and seepage of irrigation water.

Other Significant Accomplishments
- Beginning and Limited Resource Farmers and Ranchers.
In FY 2008, NRCS approved 3,823 beginning farmers and ranchers for EQIP contracts totaling $107.3 million. NRCS also approved more than 1,232 limited resource farmers and ranchers for EQIP contracts totaling $23.9 million. NRCS approved 54.4 percent of the applications received from potential limited resource producers and 59.6 percent of the applicants for beginning farmers and ranchers.
- EQIP on American Indian and Alaska Native Lands. In FY 2008, NRCS approved 485 American Indian and Alaska Native EQIP contracts that are valued at over $19.6 million and, when completed, will assist American Indians and Alaska Natives treat over 2.8 million acres. NRCS awarded two Conservation Innovation Grants to Tribal entities: $425,787 to the InterTribal Bison Cooperative (AK, WA, OR, ID, CA, WY, CO, NM, AZ, SD, ND, NE, OK, WI, MT, MN, UT, and KS) and $77,575 to the Coeur d'Alene Tribe (Idaho).
- Market-based Approaches through the Conservation Innovation Grants. In FY 2008, NRCS awarded more than $2.4 million to five projects in nine states to implement an array of market based approaches

that promote conservation. The results of these projects will be incorporated into NRCS' technology transfer tools (practice standards, field handbooks, guidance documents, etc.) Some examples are market-based approach for restoring rangelands and critical wildlife habitat in the sagebrush biome (California, Colorado, Idaho, and Wyoming); and scientifically targeted locations, social strategies, and market-based incentives to reduce sediment transport from agricultural lands (Kansas).

- ProTracts, the use of this web-based contracting tool has resulted in considerable time savings in contract administration and has provided the Agency with improved information concerning the use and implementation of EQIP funds. Additionally, in FY 2008 a contract review module was implemented to assist the field with contract administration and scheduled practice implementation.
- Technical Service Providers (TSP). NRCS obligated $20.3 million in EQIP for TSPs in FY 2008. A portion of each state's technical assistance funding is dedicated to TSP use. Many States exceed the allocated amount to involve more TSP assistance.
- Contract Completion Incentive (CCI). The CCI provides financial incentives to participants who complete all structural practices in their FY 2006 contracts within the first or second year following contract obligation. In FY 2008, over $407,300 was paid to contract participants to increase contract implementation under this incentive. The incentives range from $150 to $4,000 depending on the amount of the contract and how quickly (first or second year) the contract is completed. The contract must include at least one structural practice and have a minimum financial obligation of $5,000. The funds come from the FY 2008 EQIP financial assistance allocation already provided to the States.

Selected Examples of Recent Progress

Nebraska – Transition to Organic Agriculture. NRCS in Nebraska worked with the Nebraska Environmental Trust and Resource Conservation and Development areas to establish a statewide organic agricultural project. NRCS assisted producers interested in transitioning to organic agriculture with financial assistance through EQIP for installing approved conservation practices.

Indiana – Energy Conservation and Soil Quality. Indiana NRCS offered EQIP payments to producers for applying a combination of conservation practices that will save energy and protect natural resources on the farm. The practices include: conservation tillage, nutrient management, cover crops, conservation buffers and filter strips. By installing these practices producers cut input costs, maintained production, protected natural resources, and reduced dependence on fossil fuels. Producers have already completed most of the practices under contract. Due to this initiative, FY 2008 was record breaking in the application of conservation tillage for Indiana.

The combination of these practices, implemented as a system, captures and sequesters carbon and other nutrients while reducing the fuel and nitrogen consumption in crop production. Energy consumption is reduced through nutrient management practices and reduction of tillage passes through the implementation of conservation tillage. Nutrients like carbon are sequestered through nutrient management practices and the benefits of buffers and cover crops. Conservation buffers, when strategically placed in areas along water bodies, fence rows, woodlands and erosive areas, provide increased carbon sequestration while reducing input costs on traditionally low producing or sensitive acres, and provide additional wildlife habitat.

Washington State – Assisting Native Americans. NRCS assisted the first Native American female agricultural producer to install an improved irrigation system using EQIP on the Colville Reservation. Since this system has been installed many other individuals on the reservation were so impressed with the results that they signed-up for similar conservation assistance. The irrigation system saved valuable water resources in an area with limited water availability.

Montana – Livestock producers benefit sage grouse. Livestock producers in Montana with the assistance provided through EQIP protected critical sage grouse habitat in five central Montana counties. NRCS in Montana authorized $500,000 to fund the sage grouse habitat enhancement special initiative. The

funding provided payment to producers to implement prescribed grazing systems that ensure healthy sagebrush grasslands. The sagebrush grasslands are essential to maintaining productive sage grouse habitat. NRCS partnered with Montana Fish, Wildlife, and Parks to obtain there assistance in identifying the five critical areas for this initiative. "It is a great opportunity to benefit birds, the cows and my land", stated Rick Downs a producer pleased with the special initiative impacts on his property.

Iowa – EQIP cleaning up an impaired stream. Mahaska County farmers are responding to a push to clean up Muchakinock Creek, which was added to Iowa's impaired waters list in 2002 after falling below State standards for maintaining aquatic life. Cleaning up Muchakinock Creek with soil saving and water quality improving Best Management Practices is part of the Mahjaska County Soil and Water Conservation District (SWCD) Watershed Project. The Mahaska County SWCD, in cooperation with State and Federal conservation officials, formed the Machakinock Watershed Project to reduce sediment delivered to the stream by 25,000 tons. "We've been very successful in convincing farmers to install terraces," said Matt Lechtenberg, water coordinator. Terraces are an effective practice in treating sheet and rill erosion which prevents transport of nutrients from leaving the field. Other conservation practices used to improve water quality include: water and sediment basins, grade stabilization structures, grassed waterways, contouring and conservation tillage. Mahaska County District Conservationist Kevin Funni says watershed farmers are applying conservation practices at a record pace in the county. "Many landowners and producers in the watershed have stepped up and said, 'yes, I want to put conservation on the land to improve the creek'," he said. "They are the ones to be credited for their willingness and cooperation".

California – Growers in Klamath Basin help bring back salmon populations. Ranchers in Shasta Valley are utilizing EQIP to assist them in conserving water to help bring back declining populations of salmon in the Klamath Basin. Landowners wanted to conserve additional water to help the fish populations but were unable to afford necessary improvements to their irrigation systems without the financial assistance available through EQIP. EQIP has now helped many producers in the Shasta Valley with water conservation. One producer has said that he now uses about half the water he did before he updated his pasture irrigation system with EQIP, The installation of this one system alone adds up to a savings of four million gallons a year that remains in the river to benefit fish. He says he is saving more water than he ever thought possible.

PART Assessment.
During 2007, a Program Assessment Rating Tool (PART) assessment rated Environmental Quality Incentives Program as "Moderately Effective." The assessment found that EQIP's budget requests are explicitly tied to accomplishment of goals and objectives and the program has developed ambitious targets for its long-term performance measures. The assessment also found that although the EQIP obligates funds in a timely manner and for their intended purposes, the Agency needs to improve its financial management practices. In response to these findings, NRCS has taken the following actions to improve the program:

- Revised the EQIP state allocation process to address program and Agency priorities;
- Provided contract modification training to field offices and published a national directive on modifying EQIP contracts;
- Institutionalized a recurring review and resolution of open obligations;
- Incorporated innovative technology and approaches resulting from the Conservation Innovation Grants into NRCS practice standards and guidance documents;
- Showcased innovative technologies in the Conservation Innovation Grants Program; and
- Analyzed the cost of the Technical Service Providers compared to the cost of NRCS employees.

COMMODITY CREDIT CORPORATION
FOOD, CONSERVATION, AND ENERGY ACT OF 2008
WILDLIFE HABITAT INCENTIVES PROGRAM

STATUS OF PROGRAM

Current Activities

Background. Section 1240N of the Food Security Act of 1985, as amended by 2502 of the Farm Security and Rural Investment Act of 2002 (P.L. 107-171) (16 U.S.C. 3839bb-1), authorized Wildlife Habitat Incentives Program (WHIP). NRCS administers WHIP.

The purpose of the program is to develop high quality wildlife habitat that supports wildlife populations of local, State, and national significance. Although the primary purpose is wildlife habitat development and enhancement, the benefits are not limited to wildlife. The practices are often compatible with and beneficial to farming and ranching enterprises. Some practices enhance farm profitability by improving grazing conditions, reducing management expenses, and by producing non-crop income from the lease of rights to harvest and observe wild game and fish. WHIP has been used to control invasive species, re-establish native vegetation, manage non-industrial forestland, stabilize streambanks, protect, restore, develop or enhance unique habitats, and remove barriers that impede migration of certain wildlife species.

WHIP is a voluntary program that provides technical and financial assistance to enable eligible participants to develop upland wildlife, wetland wildlife, threatened and endangered species, fish and other types of wildlife habitat in an environmentally beneficial and cost effective manner. WHIP supports NRCS' Strategic Plan's Mission Goal of Healthy Plants and Animals.

National Priorities. WHIP FY 2008 national priorities are to:

- Promote the restoration of declining or important native wildlife habitats.
- Protect, restore, develop or enhance wildlife habitat of at-risk species (candidate species, and State and federally listed threatened and endangered species).
- Reduce the impacts of invasive species on wildlife habitats.
- Protect, restore, develop, or enhance declining or important aquatic wildlife species' habitats.

Eligibility Criteria. To be eligible for WHIP, the land must be privately owned land, Tribal land, or State/local government lands on a limited basis. Federal land is eligible when the primary benefit is on private lands and the project cannot meet its objectives without the Federal land.

WHIP State Wildlife Plans Updated. NRCS updated WHIP plans in each State to reflect FY 2008 WHIP national priorities, the recent NRCS Strategic Plan, and to ensure wildlife needs are comprehensively addressed. A key reference in the NRCS WHIP plan update was State government wildlife action plans that State wildlife agencies developed or updated in FY 2008. Together, these Federal and State plans help identify high value and important habitats and focus funding on projects to conserve and restore them.

Program Operation.

- States Set Wildlife Priorities. NRCS works at the local level and with the State Technical Committee to establish wildlife priorities. This process allows for local input as well as the coordination of wildlife priorities with other wildlife interests in the State and encourages the leveraging of other State, Federal, and private dollars to address state and local wildlife priorities. States generally select two to six priority habitat types; States have consistently included one or more upland and riparian habitats. A number of States identified wetlands, aquatic in-stream habitat, and other unique wildlife habitat such as caves and salt marshes as priorities.

- Wildlife Habitat Plan. NRCS and its partners provide program participants with an assessment of wildlife habitat conditions, recommendations for practices to improve these habitat conditions, and a plan that incorporates practices and strategies for maximizing habitat for target species. This wildlife habitat development plan is the basis of the agreement between NRCS and the participant.

- WHIP Agreements. The wildlife habitat development plan identifies the cost-share practices that will be installed and the operation and maintenance requirements for the life of the agreement. Agreements usually last from five to ten years. WHIP provides additional cost-share to landowners who enter into 15-year or longer agreements to protect and restore high value and important habitat.
- Implementation Assistance. NRCS helps program participants with technical and financial assistance to install any eligible practice NRCS determines is primarily for the development of wildlife habitat. NRCS provides up to 75 percent of the cost of installing these wildlife habitat development practices (native grassland seeding, prescribed burns, hardwood planting, fish passage structure installation, etc).
- Partners Play Significant Role. In addition to providing technical assistance, partners provide financial assistance through additional cost-share dollars, supplying equipment, or installing practices for the participant. This emphasis placed on partners in WHIP has improved communication and coordination among various interests addressing wildlife concerns. The partners who play an essential part of the success of the program include public agencies, non-profit organization partners, and TSPs.

Accomplishments. In FY 2008, NRCS enrolled over 3,400 agreements on over 640,000 acres. The value of the contracts exceeded $57 million. The average agreement size is 185 acres. There were 28 contracts valued at over $1 million on American Indian and Alaska Native Lands in FY 2008. On average, NRCS agreed to reimburse participants approximately $16,300 for each long-term agreement. Since the program began in 1998, national enrollment includes a total of over 29,000 agreements on over 4.7 million acres. NRCS provided almost $58 million in financial in FY 2008.

WHIP Benefits. Of the total acreage enrolled in FY 2008, 4.4 percent will benefit threatened and endangered species. Threatened and endangered species targeted through WHIP include, but are not limited to, the following: American burying beetle, Neosho madtom, Topeka shiner, gray bat, kit fox, black-tailed prairie dog, bog turtle, gopher tortoise, dusky gopher frog, Eastern indigo snake, southern-hognose snake, black pine snake, Louisiana black bear, red-cockaded woodpeckers, Mississippi sandhill crane, Florida panther, wood storks, snail kites, Florida sandhill crane, caracara, grasshopper sparrow, Snake River Chinook salmon, Umpqua River cutthroat trout, coho salmon, steelhead, bulltrout, Lahontan cutthroat trout, Yuma-clapper rails, Sonoran pronghorn, Mexican voles, lesser long-nosed bats, and Atlantic Salmon.

Nationally, WHIP acres were distributed among the following three major habitat types and declining species:

- Upland Wildlife Habitat. Of the total FY 2008 acres enrolled, over 95 percent encompassed upland wildlife habitat including grasslands, shrub/scrub, and forests. Several types of early succession grasslands, such as tallgrass prairies, have declined more than 98 percent according to a 1995 U.S. Fish and Wildlife Service Report. One primary focus of WHIP nationally is the restoration of these scarce areas. Wildlife dependent on native grasslands includes neo-tropical migratory birds, waterfowl, amphibians, reptiles and many mammals. Specific species that will benefit from re-establishment of grasslands in one or more states include grasshopper sparrow, bobwhite quail, swift fox, short-eared owl, Karner blue butterfly, gopher tortoise, western harvest mouse, Gunnison sage grouse, and Greater sage grouse.

  Other upland priorities include the establishment of windbreaks, and the improvement of the edge around cropland, wildlife corridors, shrub/scrub and steppe habitats, and forests including pine barrens and long leaf pine. Wildlife species that will benefit from development of these habitats include Louisiana black bear, Eastern collared lizard, Bachman's sparrow, ovenbird, acorn woodpecker, western grey squirrel and Greater sage grouse.

  Practices installed on upland habitat include seedings and plantings, fencing, livestock management, prescribed burning, and shrub thickets with shelterbelts. Additional practices were installed for the benefit of forest land management including creation of forest openings, disking or mowing including meander disking through woodlands, woody cover control, brush management, upland wildlife management, aspen stand regeneration, and exclusion of feral animals.

- Wetland Wildlife Habitat. More than 3.5 percent of WHIP lands benefit wetland habitat. WHIP wetland acres are not eligible for the Wetlands Reserve Program. WHIP wetland habitat includes crop fields that are flooded in the winter for waterfowl, tidal flushing areas, salt marshes, wetland hardwood hammocks, mangrove forests, and wild rice beds. WHIP wetland habitat also includes created wetlands, freshwater marshes, and vernal pools in abandoned gravel mines.

  Among the wildlife species that will benefit from development or enhancement of wetland habitat are black-crowned night heron, snowy egret, canvasback duck, ibis, piping plover, short-nosed sturgeon, osprey, California clapper rail, fairy shrimp, Santa Cruz long-toed salamander, and endangered waterbirds.

- Riparian and In-stream Aquatic Wildlife Habitat. Riparian habitat makes up about one percent of the acres enrolled in FY 2008. This category includes riparian areas along streams, rivers, lakes, sloughs and coastal areas. Almost 3,000 acres of riparian herbaceous cover, shallow water management for wildlife, and over stream habitat improvement and management were installed.

Selected Examples of Recent Progress

Wildlife Friendly Fence Initiative in Wyoming. Wyoming is rich in big game. It is home to tens of thousands of antelope and deer, and large populations of elk and moose. Many of these animals depend on routes that they have used for many years to migrate between summer ranges to their critical winter range. Woven wire fences were historically built for managing sheep operations. Over the years, most operators have converted to cattle. Many woven wire fences remain that may prevent or harm wildlife migrating through the area. In some cases, landowners unknowingly installed barbed wire fences that are unfriendly to wildlife. In 2008, Wyoming piloted a Wildlife-Friendly Fence Initiative. Financial assistance was offered to retrofit fences that are not wildlife friendly in migration corridors. NRCS worked with partners to identify these important corridor areas. The Initiative gave landowners the opportunity to facilitate big game migration, avoid wildlife mortality, and prevent yearly damage to their fences.

Landscape restoration project yields huge benefits for wildlife in South Carolina. Partnership efforts of Federal, State, and local agencies and private landowners restored and improved habitat for declining species that depend on grasslands and similar habitats. The project totaling 16,000 acres, utilized pine stand thinning, prescribed burning, native warm season grass establishment and eradication of invasive species. Bird species including bobwhite quail and song birds such as prairie warbler, loggerhead shrike, and Bachman's sparrow have benefited from this work.

Removal of a fish barrier by a winery in California. A partnership between a number of governmental agencies and a winery to remove a dam built in 1965 took place on a creek that is major subsidiary of the Napa River in northern California. The dam provided water for frost protection. The goals of the project were to improve water availability and passage for steelhead trout and Chinook salmon, protect the eroding stream banks, and enhance the riparian corridor. After the dam removal three boulder weirs were placed in the stream to facilitate flow and provide a "staircase" for the fish, the creek banks were cut to a 2:1 slope and stabilized with toe rocks and willow brush mats installed. The winery, as part of its commitment to organic farming, agreed to find other means of frost protection.

PART Assessment.
During 2006, a Program Assessment Rating Tool (PART) assessment rated Wildlife Habitat Incentives Program as "Adequate." The assessment indicated that NRCS improved its program management and made progress in meeting its annual targets and long-term performance goal of improving habitat for prioritized species. In an effort to continually improve the program, NRCS has identified key priority species and habitats in a National WHIP Plan; improved management by identifying national program priorities; standardized the application selection and ranking process, and conducted an internal review of the overall program.

COMMODITY CREDIT CORPORATION
FOOD, CONSERVATION, AND ENERGY ACT OF 2008
FARM AND RANCH LANDS PROTECTION PROGRAM

STATUS OF PROGRAM

Current Activities

Background. The Farm Security and Rural Investment Act of 2002 (2002 Farm Bill) established the Farm and Ranch Lands Protection Program (FRPP) and repealed the Farmland Protection Program (FPP). The Federal Agriculture Improvement and Reform Act of 1996 established FPP as a new farmland protection program. FRPP was authorized, on behalf of the Commodity Credit Corporation (CCC), to purchase conservation easements for the purpose of protecting topsoil by limiting nonagricultural uses of the land. The NRCS establishes partnerships with State or local governments to share in the costs of acquiring conservation easements. Tribal governments and non-government organizations are also eligible cooperating entities with which NRCS could share the costs of acquiring easements.

FRPP supports the NRCS Strategic Plan Mission Goal of Working Farms and Ranch Lands. Through FRPP NRCS:

- Establishes partnerships with State, Tribal, or local governments or non-governmental organizations to leverage the purchase of development rights by providing matching funds not to exceed 50 percent of the appraised fair market value;
- Acquires perpetual conservation easements on a voluntary basis on farm and ranch lands that contain prime, unique, or other productive soil or historical and archaeological resources; and
- Protects topsoil by limiting conversion to nonagricultural uses of the land.

Program Operation

Cooperating Entity Eligibility. FRPP is carried out through existing farmland protection programs of State, Tribal, or local governments or non-governmental organizations. These cooperating entities include local or State agencies, counties or groups of counties, municipalities, towns or townships, soil and water conservation districts, American Indian Tribes or Tribal organizations, and eligible non-governmental organizations. They may apply for FRPP funds if they have a farmland protection program that purchases conservation easements for the purpose of protecting topsoil by limiting conversion to nonagricultural uses of land, and if they have pending offers with willing landowners. Potential participating cooperating entities must provide written evidence of:

- A commitment to long-term conservation of agricultural lands through the use of legal instruments (i.e., right-to-farm laws, agricultural districts, zoning, or land use plans);
- The use of voluntary approaches to protect farmland from conversion to nonagricultural uses;
- The capability to acquire, manage, and enforce easement rights or other interests in land; and
- The availability of funds to provide a minimum 25 percent, in cash, of the purchase price (appraised fair market value minus the landowner donation) of the conservation easement.

Individual Eligibility. Individual landowners must apply to and be accepted by the eligible State, Tribe, or local governments or non-governmental programs to participate in FRPP. They must meet Farm Bill requirements for adjusted gross income, wetland conservation, and highly erodible land conservation.

Application and Selection Process. In prior years, NRCS used an Announcement of Program Funding (APF) to solicit FRPP participation. Due to complexities in the passage of the new Farm Bill, NRCS used an informal process to solicit FRPP participation from cooperating entities. Upon receipt of the proposals from an eligible cooperating entity, each NRCS State office evaluates the entity and landowner for eligibility. NRCS evaluates the parcels contained in the proposals for eligibility and gives each parcel a score based on established criteria. On an announced date, the parcels are ranked and prioritized. NRCS awards funds to the eligible cooperating entities that had proposals with the highest ranked parcels. Cooperative agreements are signed between the cooperating entities and NRCS which obligates FRPP funds.

Cooperating entities process the easement acquisition, and also hold, manage, and enforce the acquired easements. The Federal share for any easement acquisition is limited to a maximum of 50 percent of the appraised fair market value of the conservation easement. A reversionary right must be incorporated in each easement deed to protect the Federal investment. To ensure responsible land stewardship, the implementation of a conservation plan protecting highly erodible land is also required. A failure to abide by the terms of the cooperative agreement or the recorded easement deed by the cooperating entity may result in the easement rights being vested in the United States, or the United States receiving reimbursement in full for the Federal share of the easement purchase price. When easement acquisitions are completed, cooperating entities submit appropriate documentation to the NRCS State office and request reimbursement equal to the Federal share of the easement purchase price. Payment is issued at closing or on a reimbursable basis. FRPP funds are made available from the Commodity Credit Corporation (CCC).

NRCS Technical Assistance. NRCS provides technical assistance to landowners who develop conservation plans for those acres that have been accepted in FRPP. In addition to conservation planning, NRCS also verifies the eligibility of the land and the entity, as well as evaluating and ranking applications. NRCS reviews and monitors the cooperative agreements and easements and processes payments.

Selected Examples of Recent Progress

1996-2008 Cumulative Summary. From 1996-2008, 49 States have received over $602 million in FRPP financial assistance funds. Easements on 2,131 farms and ranches have been purchased. It is estimated that 413,600 acres of prime, unique, and important farmland have been or will be permanently protected from conversion to nonagricultural uses with these easements. Approximately 593,702 total acres on 2,885 farms, with an estimated cumulative easement value of nearly $1.8 billion, have or will have easement contracts in the near future. To date, all acquired easements and other interests proposed for acquisition are for perpetuity.

The demand for the program has exceeded available funds by approximately 200 percent. For every Federal dollar invested through FRPP, an additional two dollars has been contributed by the participating State, Tribal and local governmental entities, non-governmental organizations, and landowners. In FY 2008, Congress appropriated $97 million for FRPP.

Colorado - Middle Bijou Creek Ranch. In February 2008, Arapahoe County in a partnership with the Trust for Public Land (TPL), Great Outdoors Colorado (GOCO), the NRCS and Colorado Cattlemen's Agricultural Land Trust, took steps to preserve the habitat and the sweeping vistas and views on the Middle Bijou Creek Ranch, a 12,578 acre multi-generational working farm and ranch straddling the Arapahoe County and Elbert County border.

Middle Bijou Creek Ranch, located just south of Deer Trail and 40 miles east of Denver, occupies an important role in a growing network of public and privately conserved agricultural and wildlife properties that serves to protect the western heritage of Arapahoe and Elbert counties. Encompassing more than 20 square miles of land, the easement is the largest ever in Arapahoe or Elbert County, protects four distinct stream systems, 93 native plant species, and breeding habitat for the western burrowing owl, a State threatened species. The easement will also allow the property owner to continue working the land.

The 12,578 acre ranch is the largest conservation easement ever funded nationally in the history of the FRPP. The Colorado Cattlemen's Agricultural Land Trust (CCALT) holds the conservation easement.

Kentucky – Robert James Farm. Fayette County and the NRCS protected 280 acres of the Robert James farm with two conservation easements funded by the county's Purchase of Development Rights (PDR) Program and the FRPP.

Robert L. James II's great-great grandfather purchased their Fayette and Jessamine County, Kentucky, farm in 1842. Mr. James is the fifth generation of his family to live there and farm the land. Currently, Bob farms about 400 acres. He grows tobacco, corn, soybeans, wheat, rye, and feeds a small cow/calf herd of about 25 head. He is very concerned with soil quality and has made that a major focus of his farming

enterprise. He plants all his crops using the no-till method and was awarded the Kentucky Association of Conservation Districts' No-till Hero award in 2007.
The land is not the only historical aspect of his farm. He lives in an 1893 Victorian house built over the original 18th century house foundation and still retains many of the original 18th and early 19th century outbuildings such as an old kitchen, a weaving house, an ice house, a dairy, slave cabins and two barns that pre-date 1820. There is a historic 3.5 acre formal garden begun in 1931 by Bob's grandfather that is under restoration. Another house on the farm was designed by the renowned Lexington (Kentucky) architect, Robert McMeekin. Bob is very concerned with being a steward of the land and not just an "owner" and he hopes to pass it on to the next generation in good shape and that they will do likewise with their children.

New Mexico – Gonzales Farm. The Village of Corrales, in partnership with the New Mexico Land Conservancy (NMLC) and the FRPP, recently completed the acquisition of one of New Mexico's most historic pieces of agricultural lands, a portion of the Gonzales family lands located within the Village of Corrales in Sandoval County.

The Gonzales property was historically part of the Town of Alameda Land grant. In 1710, a grant of the Alameda lands was given to Corporal Francisco Montes Vigil, a soldier in the Spanish army. The Alameda Land Grant, which was comprised of over 100, 000 acres, provided clear title of ownership for all property within the Village of Corrales. Vigil was unable to settle on his grant as required by Spanish law. In 1712 he sold it to Captain Juan Gonzales Bas. Through the years the land was subdivided among family members and many parcels were sold, however, the tract recently purchased by the Village of Corrales is part of a larger parcel of land that had remained in the Gonzales family for centuries and had been continuously farmed since 1712.

The village will own and mange the land and the NMLC will hold the conservation easement and be responsible for its long-term monitoring and legal defense. The NMLC has completed five projects with the Village of Corrales since 2005, totaling 33 acres and preserving nearly one-quarter of the remaining irrigated, agricultural land within the village limits. Projects such as these provide multiple benefits to communities, including preserving its traditional setting and character, protecting scenic and open space amenities, and ensuring local food production and security.

Rhode Island - Treaty Rock Farm. The Little Compton Agricultural Conservancy Trust and The Nature Conservancy, and the NRCS, have protected 114 acres of historic and ecologically valuable Rhode Island farmland. The partnership of Ocean State land preservation groups, and State and Federal agencies contributed $3.6 million to protect this portion of the 120 acres at Treaty Rock Farm in Little Compton. The conservation easements that now protect the farm ensure that Treaty Rock will remain a working farm and that coastal habitat along the Sakonnet River will be preserved.

Sisters Josie Richmond Arkins, Lawre Goodnow, and Helen Richmond Webb will retain private ownership of Treaty Rock Farm, as well as the right to build on two specified building lots on the parcel. The sisters currently supply wool from the farm's sheep to the Rhody Warm blanket retailers, and sell their beef locally, enterprises which will continue.

The conservation values of Treaty Rock Farm are ecological, agricultural and historical. The farm has been in this local Richmond family for over 350 years. History was made on the farm in 1675, when colonist Benjamin Church, convinced Awashonks, and her band not to fight for either the colonists or the Wampanoag during the King Philip war. Awashonks was a Native American woman who served as chief of the Sakonnet tribe in Seconet, Rhode Island. The site is still identifiable today and is located on this property.

The Agricultural Trust, together with the Rhode Island Agricultural Lands Preservation Commission, holds the deed to development rights for agriculture on 95 acres of the farm. The Nature Conservancy, meanwhile, will hold a conservation easement over approximately 20 acres of land and tidal zone along the

Sakonnet River. The $3.6 million purchase price of the easement and development rights is considered a "bargain sale" transaction due to the high value of all development rights on Treaty Rock Farm.

PART Assessment.
During 2005, a Program Assessment Rating Tool (PART) assessment rated Farm and Ranch Lands Protection Program as "Adequate." The assessment concluded that the program:

- Prioritized applications at the State level and selected the best projects for protecting important agricultural lands from development, and
- Developed improved long-term and annual performance measures that should better assess how well the program is delivering results.

Prior to 2004, NRCS had not conducted independent and in-depth reviews of FRPP to assess its efficacy compared with other easement programs that protect agricultural land. In response to the PART review, NRCS contracted with an independent evaluator to conduct a survey on owners of FRPP easement lands. The evaluation's findings were used to improve program performance. To further improve overall program operations, NRCS is monitoring the rate of easement closures, the timely use of funds, and the acres of farm and ranch lands protected per dollar spent.

COMMODITY CREDIT CORPORATION
FOOD, CONSERVATION, AND ENERGY ACT OF 2008
GRASSLAND RESERVE PROGRAM

STATUS OF PROGRAM

Current Activities

Background. The Grassland Reserve Program (GRP) was authorized by Sections 1238 N through Q of the Food Security Act of 1985 (P.L. 99-198) as amended by Section 2401 of the Farm Security and Rural Investment Act of 2002 (P.L. 107-171). A voluntary program, GRP helps landowners and operators restore and protect rangeland, pastureland, and other grassland while maintaining the land's suitability for grazing.

As required by statute, GRP's emphasis is on supporting grazing operations, plant and animal biodiversity, and grassland and land containing shrubs or forbs under the greatest threat of conversion. Land is eligible if it is privately owned or Tribal land, and it is 1) grassland that contains forbs or shrubs (including rangeland and pastureland) or 2) located in an area that has been historically dominated by grassland, forbs, or shrubs. The land must also have potential to provide habitat for animal or plant populations of significant ecological value if the land is retained in the current use or restored to a natural condition. Incidental lands may be included to allow for the efficient administration of an agreement or easement.

GRP contributes to two NRCS strategic Mission Goals: Healthy Plant and Animal Communities, and Working Farm and Ranch Lands. GRP participants are required to follow a conservation plan.

The program is jointly administered by the NRCS and the Farm Service Agency (FSA). NRCS has lead responsibility on technical issues and easement administration. FSA has lead responsibility for rental agreement administration and financial activities.

Although each agency has a specific focus related to program administration, FSA and NRCS work collaboratively on all program matters. This collaboration enables field staffs to more efficiently and effectively implement GRP. The program operates under a continuous signup process. NRCS and FSA in consultation with the State Technical Committees use State-developed ranking criteria to ensure GRP funds are focused on projects that address program priorities and objectives. Application selection criteria and program forms are publicly available through agency websites.

Program Enrollment Options. Participants have the opportunity to enroll acreage in rental contracts, or they may choose permanent easements or the maximum duration allowed by state law. Participating land will be managed to maintain the viability of the plant community as described in a participant's grazing management plan developed with NRCS. With USDA approval, participants may include a restoration agreement with either enrollment option.

All enrollment options permit grazing on the land in a manner that is consistent with maintaining the viability of the natural grasses, shrubs, and forbs. Haying, mowing, or harvesting seed is permitted except during the nesting seasons for area bird species that are in significant decline. If funds are limited, USDA gives a higher priority to applications with high quality grassland needing protection rather than restoring poorer quality grassland.

Features of the various enrollment options are:

- 10-year, 15-year, or 20-year rental contracts. Rental payment amounts will not exceed 50 percent of the grazing value for the length of the contract, and are paid annually after the anniversary date of the contract. County-based grazing values (determined on soil productivity) are posted in USDA field offices. Payment rates are evaluated to assure that the rates reflect local prevailing rental rates.

Permanent easements. Easement duration is in perpetuity or the maximum length allowed by state law. Participants are provided an easement payment after the easement is filed. Easement payment amounts will

not exceed the current market value of the land less the grazing value of the land encumbered by the easement. Site specific appraisals determine land values. Easement compensation is determined as the lower of 1) an appraisal or market-wide survey, 2) a geographic cap, or 3) a landowner offer.

For all easement options, Commodity Credit Corporation pays costs associated with recording the easement in the local land records office (recording fees, charges for abstracts, surveys, appraisal fees, title insurance, etc.). These costs are authorized for payment under Section 303 of the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970. If NRCS and the landowner determine that restoration is necessary to return the vegetation to a desired condition, cost-share assistance is available. Participants may receive up to 50 percent of the restoration cost up to $50,000 per year.

Technical Assistance. The participant develops a grazing management plan with NRCS for the acres determined eligible for GRP. NRCS provides technical assistance to the participant after the land is enrolled. The plan specifies the manner in which the grasslands should be managed to maintain their viability. Participants have the opportunity to use common management practices to maintain the viability of the grassland acreage. NRCS technical assistance includes reviews of restoration measures, guidance on management activities, and basic biological advice to achieve optimum results considering all grassland resources.

Selected Example of Recent Progress

New options were signed for six easements in West Virginia. All six easements are closed. They were the first GRP easements in that State.

Funding Cap Reached. In FY 2006, GRP reached its statutory spending cap of $254 million as defined by the Farm Security and Rural Investment Act of 2002. The Food, Conservation, and Energy Act of 2008 authorizes the enrollment of 1,220,000 acres of eligible land in the program during the fiscal years 2009 through 2012.

FY 2008 Summary. States obligated and committed $1.76 million for prior-year easement projects. The agencies approved seven applications that enrolled and closed easements on 589 acres.

GRP Accomplishments	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
	Cumulative Totals					
Number of participants enrolled	794	1,055	2,211	2,803	2,805	2,812
Acres enrolled (rental & easement)	240,965	524,303	625,759	719,246	724,772	725,352
GRP conservation easements	27	27	11,344	45,850	111,615	117,200
Protection of grassland, rangeland, and shrubland habitat for declining species	134,098	255,000	282,466	342,836	342,836	342,836

COMMODITY CREDIT CORPORTATION
FOOD, CONSERVATION, AND ENERGY ACT OF 2008
CONSERVATION SECURITY PROGRAM

STATUS OF PROGRAM

Current Activities

Background. The Conservation Security Program (CSP) was authorized by the Farm Security and Rural Investment Act of 2002. The CSP is a voluntary program administered by the Natural Resources Conservation Service (NRCS). The program provides financial and technical assistance to producers who advance the conservation and improvement of soil, water, air, energy, plant and animal life, and other conservation purposes on Tribal and private working lands. Such lands include cropland, grassland, prairie land, improved pasture, and rangeland, as well as forested land and other non-cropped areas that are an incidental part of an agricultural operation. The CSP regulation implements provisions set out in Title XII, Chapter 2, Subchapter A, of the Food Security Act of 1985, 16 U.S.C. 3801 et seq., as amended by the Farm Security and Rural Investment Act of 2002, enacted on May 13, 2002, Public Law 107-171 and is intended to assist agricultural producers in taking actions that will provide long-term beneficial effects.

Agricultural producers are longtime stewards of America's working lands and the CSP supports this ongoing stewardship by providing financial and technical assistance for producers to maintain and enhance resources. The purpose of CSP is to:

- Identify and reward those farmers and ranchers meeting the very highest standards of conservation and environmental management on their operations,
- Create powerful incentives for other producers to meet those same standards of conservation performance on their operations, and
- Provide public benefits for generations to come.

CSP rewards those farmers and ranchers who reach the pinnacle of good land stewardship and encourages others to enhance the ongoing production of clean water and clean air on their farms and ranches. The program is available to all eligible producers on privately owned or Tribal lands in all 50 states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, and the Commonwealth of the Northern Marianna Islands.

Land and Participant Eligibility Requirements. The following are CSP land and participant eligibility requirements:

- The land must be privately owned or Tribal working land and the majority of the land must be located within one of the selected watersheds (forest land is not eligible).
- The applicant must be in compliance with highly erodible land conservation and wetland conservation provisions of the Food Security Act of 1985, have an active interest in the agricultural operation, and have control of the land for the life of the contract.
- The applicant must share in the risk of producing any crop or livestock and be entitled to a share in the crop or livestock marketed from the operation.
- The applicant's average adjusted gross income for the preceding three years must be less than $2.5 million, unless 75 percent of that income is from farming, ranching, or forestry.

Natural Resource Emphasis and Three Tier Approach. The CSP emphasizes water quality and soil quality as nationally significant resource concerns because of the potential for significant environmental benefits from conservation treatment that improves their condition.

The CSP rewards three levels of conservation treatment. Tier I contract participants must have addressed water quality and soil quality resource concerns to the sustainable level of treatment on part of the participant's agricultural operation prior to application. Tier II contract participants must have addressed water quality and soil quality resource to the sustainable level of treatment on the entire agricultural

operation prior to application. Tier II contract participants must also treat an additional significant resource concern by the end of the contract period. For Tier III, the contract participants must have addressed all existing resource concerns to the sustainable level on their entire agricultural operation before application.

Participant's payments are determined by the tier of participation, conservation treatments completed and the acres enrolled:

- For Tier I (part of their agricultural operation), contracts are for five years; maximum payment is $20,000 annually.
- For Tier II (all of their agricultural operation), contracts are for five to ten years; maximum payment is $35,000 annually.
- For Tier III (all of their agricultural operation), contracts are for five to ten years; maximum payment is $45,000 annually.

Priority Watershed Delivery. NRCS used a watershed approach to deliver CSP to the farmers and ranchers of America's working agricultural lands. NRCS prioritized watersheds based upon a nationally consistent process that used existing natural resource, environmental quality, and agricultural activity data along with other information necessary to efficiently operate the program. Sign-ups for CSP participation were rotated between watersheds on an annual basis.

This priority watershed delivery approach reduced the administrative burden on applicants, and minimized the cost of processing a large number of applications that could not be funded. It also allowed NRCS the flexibility to expand CSP if more program funds became available.

Program Sign-up. NRCS published a CSP sign-up notice for the selected priority watersheds with sufficient lead time for producers to consider the benefits of participation prior to the opening of the sign-up period. As a part of the public sign-up notice, the Chief of NRCS announced information on program eligibility criteria; priority order of enrollment categories and subcategories for application approval; and the schedule and deadlines for the sign-up process.

Producer Self-Assessment. Using a self-assessment process, potential CSP participants completed an analysis and made a preliminary eligibility conclusion independent of NRCS. Using the results of the producer self-assessment process, NRCS determined whether the applicant, the land offered, and the level of historic conservation performance met the requirements established for the sign-up.

Approval Process. NRCS accepted and approved producer applications within the enrollment categories as outlined in the sign-up announcement and based on available funding. For approved applications, the NRCS or an approved Technical Service Provider (TSP) developed a conservation plan with the applicant. This plan formed the basis for the contract for conservation stewardship payments between the NRCS and the applicant. After the parties approved the contract, the applicant became a CSP participant.

Technical and Financial Assistance to Participants. Technical assistance was available to CSP participants through the NRCS or an approved TSP. This technical assistance included help to finalize the CSP application after producers determined they met CSP minimum requirements, to document a conservation stewardship plan, and to apply conservation treatment on their land. There are four components to CSP financial assistance payments:

- An annual stewardship component for the base level of conservation treatment,
- An annual existing practice component for the maintenance of existing conservation practices,
- An enhancement component for exceptional conservation effort and additional activities that provide increased resource benefits beyond the prescribed level, and
- A one-time new practice component for additional needed practices.

Selected Examples of Recent Progress

Since 2003, $1.18 billion of financial and technical assistance have been invested in 21,359 CSP contracts to enhance environmental benefits on over 17.7 million acres.
With that investment, CSP has continued to pioneer the conservation efforts of producers and NRCS. Since its inception, CSP has been a significant contributor within the emerging areas of carbon and energy management. NRCS is providing payments for enhancement activities under the CSP to promote carbon sequestration, energy conservation, and the production and use of renewable fuels and electricity.

These exceptional conservation efforts include activities such as:

- Sequestration of greenhouse gases as measured by improvements to the soil conditioning index, which reflects soil organic matter levels;
- Generation of renewable energy;
- Use of renewable energy fuels like biodiesel and ethanol,
- Recycling of on-farm lubricants; and
- Reductions in soil tillage intensity ratings.

Since 2004, over 24.2 million collective acres of soil management activities have been applied to improve soil carbon levels, resulting in an increase of over 13 million tons of carbon sequestered. CSP activities resulted in significant reductions in on-farm energy use due to the implementation of 18.9 million collective acres of enhanced energy management activities.

PART Assessment.

During 2008, a Program Assessment Rating Tool (PART) assessment resulted in a rating of "Results Not Demonstrated" for Conservation Security Program. The assessment acknowledged that it is difficult to estimate the environmental benefits from CSP's enhancement activities that provide incentives for producers to achieve benefits greater than the minimum standards. In an effort to better estimate the benefits derived from CSP enhancements, NRCS revised CSP's long-term and annual measures to reflect PART guidance and improved its contracting database.

COMMODITY CREDIT CORPORATION
FOOD, CONSERVATION, AND ENERGY ACT OF 2008
AGRICULTURAL MANAGEMENT ASSISTANCE PROGRAM

STATUS OF PROGRAM

Current Activities

Background. Section 524(b), of the Federal Crop Insurance Act, 7 U.S.C. 1524(b), Agricultural Management Assistance (AMA), authorized the Secretary of Agriculture to use $10 million of Commodity Credit Corporation (CCC) funds for cost-share assistance in 10 to 15 States where participation in the Federal Crop Insurance Program is historically low. Section 524(b) was added by Title I, Section 133, of the Agricultural Risk Protection Act of 2000 (PL 106-224, June 22, 2000). Section 133 (Public Law 106-224. Section 524(b), was further amended by the Farm Security and Rural Investment Act of 2002, (Farm Bill), Public Law 107-171, May 13, 2002. This public law authorized funding at $20 million per year for AMA through Fiscal Year 2007. Section 2801 of the Food, Conservation, and Energy Act of 2008 (the 2008 Farm Bill, P. L. 110-246, June 18, 2008) re-authorized funding at the $15 million level, required that at least fifty percent of funding be provided through NRCS, and added Hawaii to the list of eligible States.

Section 524(b)(2)(A), (B), and (C) provides for financial assistance to producers to construct or improve water management structures or irrigation structures; plant trees for windbreaks or improve water quality; and mitigate risks through production diversification or resource conservation practices, including soil erosion control, integrated pest management, or transition to organic farming. Section 524(b)(2)(D) and (E) provides for cost-share assistance to producers to enter into futures, hedging, or options contracts in a manner designed to help reduce production, price, or revenue risk; and enter into agricultural trade options as a hedging transaction to reduce production, price, or revenue risk.

The Secretary has designated 16 States to participate in AMA: Connecticut, Delaware, Hawaii, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming. NRCS, the Risk Management Agency, and the Agricultural Marketing Service administer the AMA funds in amounts specified in the 2008 Farm Bill.

Program Design. NRCS developed the conservation provisions so the implementation would be flexible and allow States the opportunity to use the program to meet their resource needs. States individually determined the resource concerns to be addressed, eligible practices, applicant ranking criteria, the ranking process, and cutoff dates for ranking applications. States are responsible for fund allocations within the State, payment methods, and public outreach and information activities. NRCS' decisions were based on consultation with State Technical Committees using a locally led process. The program does not have any buy-down provisions and payments can be made the first year of the contract. Participants may use AMA in conjunction with other USDA conservation programs.

Program Implementation. Participation in AMA is voluntary. Applicants are required to own or control the land, agree to implement specific eligible conservation practices. AMA implementation is based on a conservation plan that is the basis for developing the AMA contract. Participants enter into 3- to 10-year contracts to install the planned and needed conservation practices. Participants must agree to maintain cost-shared practices for the life of the practice. AMA's maximum cost share rate is 75 percent. Participants are allowed to contribute to the cost of a practice through in-kind contributions. Eligible in-kind contributions include personal labor, use of personal equipment, donated labor or materials, and on-hand or approved used materials.

Selected Examples of Recent Progress

In FY 2008, NRCS allocated $7.5 million of CCC funds to the AMA States for financial and technical assistance for approval of new AMA contracts. Implementation of existing AMA contracts will continue for the next 3 to 10 fiscal years. Currently, there are 902 contracts in implementation. The continued backlog of applications indicates support among producers for AMA. The total application backlog is 94 applications covering 4,559 acres for about $2,118,008.

NATURAL RESOURCES CONSERVATION SERVICE
Statement of Goals and Objectives

The NRCS has six strategic goals and nine strategic objectives that guide the Agency's conservation efforts.

Agency Strategic Goal	Agency Objectives	Programs that Contribute	Key Outcome
Clean and Abundant Water	*Water Quality*: By 2010, agricultural producers will reduce potential delivery of sediment and nutrients from their operations.	AWEP, CO (CTA, Plant Materials), EQIP, CBWP, CCPI, CSP, CRP, RC&D, WRP	*Key Outcome 1 Water Quality:* The quality of the surface waters and groundwater is improved and maintained to protect human health, support a healthy environment, and encourage a productive landscape.
	Water Quantity: By 2010, conserve 8 million acre-feet of water.	AWEP, CCPI, CO (CTA, Snow Survey), CSP, EQIP, GSWC, RC&D, Watershed Rehabilitation	*Key Outcome 2 Water Quantity:* Water is conserved and protected to ensure an abundant and reliable supply for the Nation.
Working Farm and Ranch Lands	Under development	FRPP	*Key Outcome 3 Working Farm and Ranch Lands:* Connected landscapes sustain a viable agricultural sector and natural resource quality.
High-quality, Productive Soils	By 2010, farmers will manage 70 percent of cropland under systems that maintain or improve soil condition and increase soil carbon.	CO (CTA), Soil Survey, CCPI, CSP, EQIP	*Key Outcome 4 High-quality, Productive Soils:* The quality of intensively used soils is maintained or enhanced to enable sustained production of a safe, healthy and abundant food supply.
Clean Air	Under development	CO (CTA), CSP, EQIP	*Key Outcome 5 Clean Air:* Agriculture makes a positive contribution to local air quality and the Nation's efforts to sequester carbon.

Agency Strategic Goal	Agency Objectives	Programs that Contribute	Key Outcome
An Adequate Energy Supply	Under development	CSP, EQIP	*Key Outcome 6 An Adequate Energy Supply:* Agricultural activities conserve energy, and agricultural lands are a source of environmentally sustainable biofuels and renewable energy.
Healthy Plant and Animal Communities	By 2010, farmers, ranchers, and private non-industrial forest owners will apply management that will maintain or improve long-term vegetative condition on 150 million acres of grazing and forest land.	CO (CTA), CCPI, CSP, EQIP, FRPP, GRP, HFRP	*Key Outcome 7 Grassland, Rangeland And Forest Ecosystems:* Grassland, rangeland and forest ecosystems are productive, diverse, and resilient.
	Fish and Wildlife Habitat: By 2010, an additional nine million acres of essential habitat will be improved and managed to benefit at-risk and declining species.	CO (CTA), CCPI, CRP, CSP, EQIP, WRP, WHIP	*Key Outcome 8 Fish and Wildlife Habitat:* Working lands and waters provide habitat for diverse and healthy wildlife, aquatic species, and plant communities.
	Wetlands: By 2010, resource managers will create, restore, or enhance 1.5 million acres of wetlands on non-Federal lands.	CO (CTA), CRP, WRP	*Key Outcome 9 Wetlands:* Wetlands provide quality habitat for migratory birds and other wildlife, protect water quality, and reduce flood damages.

NRCS will employ a variety of means designed to achieve the key outcomes linked to the agency's performance measures.

- Continue to be fully engaged in the Conservation Effects Assessment Project (CEAP), in an effort to quantify the environmental effects of conservation practices. CEAP, a multi-agency effort, includes a national assessment and watershed assessments to determine the impacts of conservation systems on soil, water, plant, and wildlife resources. The results will be used to manage agricultural landscapes for environmental quality.
- Continue to improve the agency's technical capacity and technology transfer. Update and enhance conservation planning, resource assessment, and analysis tools to enable planners to evaluate on-site and off-site environmental impacts.
- Invest in human capital by providing training opportunities and support for new employees and implementing a leadership development program.

NRCS intends to pursue several key strategies to achieve its performance goals.

- Strengthen existing partnerships and pursue new partnerships to promote cooperative conservation efforts and leverage USDA technical and financial assistance.

- Continue to assess program allocation formulas to help ensure funds are used to achieve desired outcomes.
- Further develop the capacity to evaluate resource data and performance at various watershed scales.

Much of the conservation work NRCS is involved in affects several resource concerns and provides multiple environmental outcomes. For example, conservation practices designed to reduce soil erosion or improve water quality may also impact energy conservation and agricultural sustainability. It is therefore difficult to uniquely separate the costs and resources needed to achieve these interdependent outcomes. As such, the budget is structured around the following three NRCS Strategic Plan foundation goals: Clean and Abundant Water; High-quality, Productive Soils; and Healthy Plant and Animal Communities. Clean Air, An Adequate Energy Supply, and Working Farm and Ranch Lands are expressed as venture goals in the NRCS Strategic Plan, and the Agency has not yet established separate accountability processes and controls for these goals. It is anticipated that such procedures will evolve as USDA and NRCS develop new Strategic Plans.

Key Outcome 1 — Water Quality: The quality of surface waters and groundwater is improved and maintained to protect human health, support a healthy environment, and encourage a productive landscape.

Water running off or infiltrating the ground from agricultural operations can carry a number of potential pollutants into streams, lakes, groundwater, and estuaries. States and Tribes have identified sediment and nutrients as the greatest agricultural contaminants affecting surface water quality; nutrients and agrichemicals are the major concerns for groundwater. NRCS sets long-term targets for reducing the potential of sediment and nutrients to move from agricultural operations. Long-term measures are supported by annual measures for application of conservation practices that reduce erosion and runoff and movement of nutrients.

Selected Accomplishments Expected at the FY 2010 Current Services Resource Level:

Program	Performance Measure	FY 2009 Target	FY 2010 Target
CO-CTA	Comprehensive nutrient management plans applied, number	1,300	1,300
	Watershed or area-wide conservation plans developed, number	150	150
EQIP	Comprehensive Nutrient Management Plans applied, number	2,000	2,000
AWEP	Performance measure under development	TBD	TBD
CCPI	Performance measure under development	TBD	TBD

Key Outcome 2 — Water Quantity: Water is conserved and protected to ensure an abundant and reliable supply for the Nation.

Agriculture is one of the largest users of the Nation's surface water and groundwater, with irrigation being the greatest use. In arid and semi-arid areas, crop production depends almost entirely on irrigation. Competition for water in these areas is increasing as a result of increased human populations. In recent years, irrigation has been increasing in eastern States, resulting in increased competition among users. NRCS has set a long-term target for the conservation of water in the period 2006-2010. The long-term measure is supported by an annual measure for application of practices that improve the management of irrigation water.

Selected Accomplishments Expected at the FY 2010 Current Services Resource Level:

Program	Performance Measure	FY 2009 Target	FY 2010 Target
CO-CTA	Land with conservation applied to improve irrigation efficiency, acres	800,000	800,000
EQIP	Land with conservation applied to improve irrigation efficiency, acres	900,000	1,000,000
AWEP	Performance measure under development	TBD	TBD
CCPI	Performance measure under development	TBD	TBD

Key Outcome 3 — Working Farm and Ranch Lands: Connected landscapes sustain a viable agricultural sector and natural resource quality.

Conversion of cropland, grazing land and forest land to other uses can fragment landscapes and diminish their value for agriculture and forest uses, water management, wildlife habitat and aesthetic purposes. The rate of development has accelerated. As predominantly agricultural watersheds shift toward mixed urban and suburban landscapes, land values escalate and agricultural viability diminishes. NRCS assists with preserving agricultural watersheds through its assistance with land use planning, providing technical and educational tools to help develop alternative agricultural enterprises and maintain economic viability.

Selected Accomplishments Expected at the FY 2010 Current Services Resource Level:

NRCS is in the process of developing long-term and annual performance measures for connected landscapes and agricultural viability. Pursuant to the Food, Conservation, and Energy Act of 2008, the agency has written new program regulations and is in the process of evaluating public comments. Final rules will be issued in the upcoming fiscal year. The agency is also in the process of implementing a new conservation easements database. The enhanced geospatial data should facilitate improved management and measurement of landscape connectivity.

Key Outcome 4 — High-quality, Productive Soils: The quality of intensively used soils is maintained or enhanced to enable sustained production of a safe, healthy and abundant food supply.

Soil quality describes the capacity of a soil to sustain plant and animal productivity, maintain or enhance water and air quality, and support human health and habitation. High-quality soils are the foundation of productive croplands, forest lands, and grasslands and a vibrant and productive agriculture. NRCS provides landowners and land users with assistance in adopting environmentally sound management practices. NRCS provides information on soil quality, plant materials, resource management and provides assistance in using the information to implement sustainable production techniques and new technologies. Land managers who receive NRCS technical assistance are more likely to plan, apply, and maintain conservation systems that support agricultural production and environmental quality as compatible goals.

Selected Accomplishments Expected at the FY 2010 Current Services Resource Level:

Program	Performance Measure	FY 2009 Target	FY 2010 Target
CO-CTA	Cropland with conservation applied to improve soil quality, million acres	7.5	7.5
EQIP	Cropland with conservation applied to improve soil quality, million acres	5.7	6.0
CSP	Agricultural land with an increase in the Soil Conditioning Index, million acres	3.0	3.2

Program	Performance Measure	FY 2009 Target	FY 2010 Target
FRPP	Prime, unique or important farmland protected from conversion to non-agricultural uses by conservation easements, acres	30,000	40,000
CCPI	Performance measure under development	TBD	TBD

Key Outcome 5 — Clean Air: Agriculture makes a positive contribution to local air quality and the Nation's efforts to sequester carbon.

The quality of air affects every component of the natural system: soil, water, plants, animals, and people. As air quality and atmospheric change concerns increase, NRCS anticipates an expanded conservation focus on these issues. Many practices that protect soil and water also protect air quality and store carbon. NRCS is revising and adapting conservation standards and specifications to better address air issues. NRCS will acquire and develop needed resource data and technology and encourage accelerated adoption of practices to address air quality and green house gas emissions.

Selected Accomplishments Expected at the FY 2010 Current Services Resource Level:

NRCS is in the process of developing long-term and annual performance measures for its Clean Air Strategic Plan Venture goal. NRCS will continue to provide assistance to producers to address six air quality and atmospheric change concerns: particulate matter (including coarse and fine particles, smoke, dust, and off-site effects from wind erosion), ozone precursors, odor, chemical drift, ammonia, and greenhouse gases and carbon sequestration. Requests for assistance on these issues are expected to increase. Technology development and transfer will continue to provide the field with the information and tools they need to provide high quality service.

Key Outcome 6 — An Adequate Energy Supply: Agricultural activities that conserve energy and agricultural lands are a source of environmentally sustainable biofuels and renewable energy.

Increasing demand, the reliability, affordability, and sustainability of energy supplies will continue to be a concern. Agriculture's long-term energy strategy will include efforts to reduce demand through energy conservation and to develop alternative renewable energy supplies and technologies. Although NRCS has not yet quantified a long-term goal for its activities addressing energy concerns, the Agency assists with energy issues by cooperating in the development of information and technology to promote energy management, integrate energy concerns into our planning assistance and programs, and encourage increased use of biofuels.

Selected Accomplishments Expected at the FY 2010 Current Services Resource Level:

NRCS is in the process of developing long-term and annual performance measures for energy conservation. In 2006, NRCS released three web-based calculator tools designed to help producers manage their operations more efficiently. These tools are part of the NRCS overall energy strategy to reduce the impacts of high energy costs and develop long-term solutions for agricultural producers. EQIP will provide cost-shares for practices that reduce on-farm energy costs and energy production from methane as part of nutrient management on animal operations. The Agency will continue to increase energy efficiency in the operation of its own fleet and facilities.

Key Outcome 7 — Grassland, Rangeland and Forest Ecosystems: Grassland, rangeland, and forest ecosystems are productive, diverse, and resilient.

Healthy, vigorous plant communities on rangeland, native and naturalized pasture, and forest lands protect soil quality, prevent soil erosion, provide sustainable forage and cover for livestock and wildlife, provide

fiber, improve water quality, provide diverse habitat for wildlife, and sequester carbon. Sustaining healthy grassland, rangeland, and forest ecosystems is achieved by focusing on interacting relationships between plant and animal species within a given ecosystem and their relationship to the physical features and processes of their environment. NRCS provides data and technical and financial assistance to people interested in creating, restoring, protecting and enhancing grassland, rangeland, and forest lands.

Selected Accomplishments Expected at the FY 2010 Current Services Resource Level:

Program	Performance Measure	FY 2009 Target	FY 2010 Target
CO-CTA	Grazing lands with conservation applied to protect the resource base, million acres	13	13
EQIP	Grazing land and forest land with conservation applied to protect and improve the resource base, million acres	15	16
CCPI	Performance measure under development	TBD	TBD

Key Outcome 8 — Fish and Wildlife Habitat: Working lands and waters provide habitat for diverse and healthy wildlife, aquatic species, and plant communities.

Privately-owned lands provide habitat for much of the Nation's wildlife. Protecting specific ecosystems and landscapes — including wetlands, grasslands, floodplains, and certain types of forests — can help support wildlife and aquatic species and provide benefits in the form of recreation, hunting, and other forms of agri-tourism. NRCS provides technical and financial assistance to maintain and enhance fish and wildlife habitat on agricultural and nonindustrial private forest lands.

Selected Accomplishments Expected at the FY 2010 Current Services Resource Level:

Program	Performance Measure	FY 2009 Target	FY 2010 Target
WHIP	Acres of nonfederal land managed for the protection and enhancement of habitat for species with declining populations, million acres	0.27	0.27
CCPI	Performance measure under development	TBD	TBD

Key Outcome 9 — Wetlands: Wetlands provide quality habitat for migratory birds and other wildlife, protect water quality, and reduce flood damage.

Wetlands provide wildlife habitat, protect and improve water quality, lessen flooding impacts, and recharge ground water. NRCS will help protect and improve wetland resources by supporting voluntary incentive-based approaches to wetland restoration, making wetland determinations, and conducting wetland compliance reviews.

Selected Accomplishments Expected at the FY 2010 Current Services Resource Level:

Program	Performance Measure	FY 2009 Target	FY 2010 Target
CTA	Wetlands created, restored or enhanced, acres	51,300	51,300
WRP	Wetlands created, restored or enhanced, acres[1]	100,000	125,000
WRP	Farmland, forest land, and wetlands protected by conservation easements, acres	75,000	100,000

NATURAL RESOURCES CONSERVATION SERVICE
Summary of Budget and Performance
Key Performance Outcomes and Measures

Key Outcome 1 — Water Quality: The quality of surface waters and groundwater is improved and maintained to protect human health, support a healthy environment, and encourage a productive landscape.

Water running off or infiltrating the ground from agricultural operations can carry a number of potential pollutants into streams, lakes, groundwater, and estuaries. States and Tribes have identified sediment and nutrients as the most extensive agricultural contaminants affecting surface water quality; nutrients and agrichemicals are the major concerns for groundwater. NRCS sets long-term targets for reducing the potential of sediment and nutrients to move from agricultural operations. Long-term measures are supported by annual measures for application of conservation practices that reduce erosion and runoff and movement of nutrients.

Long-term Performance Measures:

- Reduce potential sediment delivery from agricultural operations.
  Target: In 2014, potential sediment delivery from agricultural operations will be reduced by 100 million tons.
  Baseline: In FY 2003, potential sediment delivery from agricultural operations was 970 million tons.

- Reduce potential nitrogen delivery from agricultural operations.
  Target: In 2014, potential delivery of nitrogen from agricultural operations will be reduced by 550,000 tons.
  Baseline: In FY 2003, potential annual nitrogen delivery from agricultural operations was an estimated 6 million tons.

- Reduce potential phosphorus delivery from agricultural operations.
  Target: In 2014, potential delivery of phosphorus from agricultural operations will be reduced by 100,000 tons.
  Baseline: In FY 2003, potential annual phosphorus delivery from agricultural operations was an estimated 360,000 tons.

Key Annual Performance Targets:

Performance Measure	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Target	2010 Target
Comprehensive Nutrient Management Plans applied, number						
CTA	2,421	2,269	1,911	1,745	1,300	1,300
EQIP	2,032	2,774	2,490	2,520	2,000	2,000
Watershed or area-wide conservation plans developed, number	304	246	220	152	150	150
Performance measure to be developed						
AWEP	N/A	N/A	N/A	N/A	TBD	TBD
CCPI	N/A	N/A	N/A	N/A	TBD	TBD

Description of annual performance measures:

- Comprehensive Nutrient Management Plans applied. A CNMP identifies management and conservation actions that will be followed to meet clearly defined soil and water conservation goals, including nutrient management on an animal feeding operation. A CNMP incorporates practices to utilize animal manure and organic by-products as a beneficial resource. CNMPs enable producers to manage collection, storage, and disposal of animal wastes in ways that minimize the potential for damage to the environment.
- Watershed or area-wide conservation plans developed. Many natural resource concerns, such as water quality, can be addressed best by planning for large areas of the landscape. NRCS helps people in communities work together to protect their shared environment. Watershed and area-wide plans consider all resource issues within the area and are designed to protect the environment while meeting the varied needs of all the members of the community.

Key Outcome 2 — Water Quantity: Water is conserved and protected to ensure an abundant and reliable supply for the Nation.

Agriculture is one of the largest users of the Nation's surface water and groundwater, with irrigation being the greatest use. In arid and semi-arid areas, crop production depends almost entirely on irrigation. Competition for water in these areas is increasing as a result of increased human populations. In recent years, irrigation has been increasing in eastern States, resulting in increased competition there also. NRCS has set a long-term target for the conservation of water in the period 2006-2010. The long-term measure is supported by an annual measure for application of practices that improve the management of irrigation water.

Long-term Performance Measures:
Target: By 2014, conserve 12 million acre-feet of water.
Baseline: In 2005, an estimated 2.5 million acre-feet of water were conserved.

Key Annual Performance Targets:

Performance Measure	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Target	2010 Target
Land with conservation applied to improve irrigation efficiency, acres						
CTA	595,050	678,149	828,246	844,818	800,000	800,000
EQIP	701,497	758,923	883,033	1,048,319	900,000	1,000,000
Performance measure to be developed						
AWEP	N/A	N/A	N/A	N/A	TBD	TBD
CCPI	N/A	N/A	N/A	N/A	TBD	TBD

Description of annual performance measures:

- Land with conservation applied to improve irrigation efficiency. Irrigation makes a significant contribution to the United States farm economy. Improvements in irrigation water management can help to maintain the viability of the irrigated agricultural sector and help to protect water quality. This indicator reports the adoption of improved technology to replace older methods and other improvements to existing systems.

Key Outcome 3 - Working Farm and Ranch Lands: Connected landscapes sustain a viable agriculture sector and natural resource quality.

Conversion of cropland, grazing land and forest land to other uses can fragment landscapes and diminish their value for agricultural and forestry uses, water management, wildlife habitat and aesthetic purposes.

The rate of development has accelerated. As predominantly agricultural watersheds shift toward mixed urban and suburban landscapes, land values escalate and agricultural viability diminishes. NRCS assists with preserving agricultural watersheds by providing land use planning to local communities and organizations, acquiring easements on agricultural land, and developing educational tools to help producers maintain economic viability.

Long-Term Performance Measures
Target: To be established.
Baseline: To be determined.

Key Outcome 4 — High-quality, Productive Soils: The quality of intensively used soils is maintained or enhanced to enable sustained production of a safe, healthy and abundant food supply.

Soil quality describes the capacity of a soil to sustain plant and animal productivity, maintain or enhance water and air quality, and support human health and habitation. High-quality soils are the foundation of productive croplands, forest lands, and grasslands and a vibrant and productive agriculture. NRCS provides landowners and land users with assistance in adopting environmentally sound management practices. NRCS provides information on soil quality, plant materials, resource management and provides assistance in using the information to implement sustainable production techniques and new technologies. Land managers who receive NRCS technical assistance are more likely to plan, apply, and maintain conservation systems that support agricultural production and environmental quality as compatible goals.

Long-term Performance Measures:
Target: In 2014, farmers will manage 70 percent of cropland under systems that maintain or improve soil condition and increase soil carbon.
Baseline: In 2003, 60 percent of cropland was farmed under systems that maintained or improved soil condition and increased soil carbon.

Key Annual Performance Targets:

Performance Measure	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Target	2010 Target
Cropland with conservation applied to improve soil quality, million acres						
CTA	6.0	6.4	7.3	8.3	7.5	7.5
EQIP	2.2	3.4	5.3	5.6	5.7	6.0
Agricultural land with an increase in the Soil Conditioning Index, million acres						
CSP	0.3	1.0	2.2	2.4	3.0	3.2
Prime, unique or important farmland protected from conversion to non-agricultural uses by conservation easements, acres						
FRPP	55,253	46,909	38,495	27,401	30,000	40,000
Performance measure to be developed						
CCPI	N/A	N/A	N/A	N/A	TBD	TBD

Description of annual performance measures:

- Cropland with conservation applied to improve soil quality, million acres. Controlling erosion, minimizing soil disturbance and compaction, and managing plants and soil organic matter are all essential to maximizing soil quality and function for agricultural and environmental benefits. This measure captures the cropland acres on which conservation practices have been applied to improve soil quality, as measured in millions of acres.
- Agricultural land with an increase in the Soil Conditioning Index, million acres. Number of acres with enhancements applied to increase soil quality as measured in millions of acres.
- Prime, unique or important farmland protected from conversion to non-agricultural uses by conservation easements, acres. Prime, unique and important farmlands are those that have the best combination of physical and chemical characteristics for producing food, feed, fiber, forage, or oil seed crops. This measure documents the cumulative acreage of prime, unique and important farmlands that are permanently protected from conversion to non-agricultural uses. This measure reports on acres of prime, unique and important soils protected by permanent easements annually registered at the courthouse.

Key Outcome 5 — Clean Air: Agriculture makes a positive contribution to local air quality and the Nations efforts to sequester carbon.

The quality of air affects every component of the natural system: soil, water, plants, animals, and people. As air quality and atmospheric change concerns increase, NRCS anticipates an expanded conservation focus on these issues. Many practices that protect soil and water also protect air quality and store carbon. NRCS is revising and adapting conservation standards and specifications to better address air issues. NRCS will acquire and develop needed resource data and technology and encourage accelerated adoption of practices to address air quality and green house gas emissions.

Long-Term Performance Measures
Target: To be established.
Baseline: To be determined.

Key Outcome 6 — An Adequate Energy Supply: Agriculture activities conserve energy and agricultural lands are a source of environmentally sustainable biofuels and renewable energy.

Increasing demand and the reliability, affordability, and sustainability of energy supplies will continue to be a concern. Agriculture's long-term energy strategy will include efforts to reduce demand through energy conservation and to develop alternative renewable energy supplies and technologies. Although NRCS has not yet quantified a long-term goal for its activities addressing energy concerns, the Agency assists with energy issues by cooperating in the development of information and technology to promote energy management, integrate energy concerns into our planning assistance and programs, and encourage increased use of biofuels.

Long-Term Performance Measures:
Target: To be established.
Baseline: To be determined.

Key Outcome 7 — Grassland, Rangeland and Forest Ecosystems: Grassland, rangeland and forest ecosystems are productive, diverse, and resilient.

Healthy, vigorous plant communities on rangeland, native and naturalized pasture, and forest lands protect soil quality, prevent soil erosion, provide sustainable forage and cover for livestock and wildlife, provide fiber, improve water quality, provide diverse habitat for wildlife, and sequester carbon. Sustaining healthy grassland, rangeland, and forest ecosystems is achieved by focusing on interacting relationships between plant and animal species within a given ecosystem. NRCS provides data and technical and financial

assistance to people interested in creating, restoring, protecting and enhancing grassland, rangeland, and forest lands.

Long-Term Performance Measures:
Target: By 2014, farmers, ranchers, and private non-industrial forest landowners will apply management that will maintain or improve long-term vegetative condition on 200 million acres of grazing and forest land.
Baseline: In 1999, about 500 million acres of non-Federal grazing land and non-industrial forest were considered to be in minimal or degrading vegetative condition.

Performance Measure	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Target	2010 Target
Millions of acres of grazing lands with conservation applied to protect the resource base						
CTA	9.9	11.7	13.5	15.3	13.0	13.0
Grazing and forest land with conservation applied to protect and improve the resource base, million acres						
EQIP	8.0	12.2	16.5	16.9	15.0	16.0
Performance measure to be developed						
CCPI	N/A	N/A	N/A	N/A	TBD	TBD

Description of annual performance measures:
- Millions of acres of grazing lands with conservation applied to protect the resource base. Millions of acres of grazing lands with conservation practices applied to protect the resource base.
- Grazing land and forest land with conservation applied to protect and improve the resource base. This measure includes land on which a conservation system or practice is applied with NRCS technical assistance and/or financial assistance. The conservation applied includes a wide range of practices tailored to the resource conditions and producer's operation and goals on the specific site. The conservation practices applied help to protect the resource base against damage on-site and off-site.

Key Outcome 8 — Fish and Wildlife Habitat: Working lands and waters provide habitat for diverse and healthy wildlife, aquatic species, and plant communities.

Privately-owned and other non-Federal lands provide habitat for much of the Nation's wildlife. Protecting specific ecosystems and landscapes — including wetlands, grasslands, floodplains, and certain types of forests — can help support wildlife and aquatic species and provide benefits in the form of recreation, hunting, and other forms of agri-tourism. NRCS provides technical and financial assistance to maintain and enhance fish and wildlife habitat on non-Federal lands.

Long-Term Performance Measures:
Target: By 2014, an additional 10 million acres of essential habitat will be improved and managed to benefit at-risk and declining species.
Baseline: In 2005, NRCS helped farmers and ranchers improve habitat for declining and at-risk species on 2 million acres

Performance Measure	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Target	2010 Target
Acres of nonfederal land managed for the protection and enhancement of habitat for species with declining populations, million acres						
WHIP	0.20	0.20	0.15	0.36	0.27	0.27
Performance measure to be developed						
CCPI	N/A	N/A	N/A	N/A	TBD	TBD

Description of annual performance measures:

- Acres of nonfederal land managed for the protection and enhancement of habitat for species with declining populations. The rural landscape provides critical habitat, food and safety for much of the Nation's wildlife. Many of the conservation practices that farmers and ranchers apply to cropland and grazing land improve the habitat those lands provide for wildlife. The measure is acres of nonfederal land actively managed with qualifying conservation practices to protect and enhance habitat for species with declining populations.

Key Outcome 9 — Wetlands: Wetlands provide quality habitat for migratory birds and other wildlife, protect water quality, and reduce flood damage.

Wetlands provide wildlife habitat, protect and improve water quality, attenuate water flows due to flooding, and recharge ground water. NRCS will help protect and improve wetland resources by supporting voluntary incentive-based approaches to wetland restoration, making wetland determinations, and conducting wetland compliance reviews.

Long-Term Performance Measures:
Target: By 2014, resource managers will create, restore, or enhance 2.0 million acres of wetlands on non-Federal lands.
Baseline: In 2003, there were 111 million wetland acres on non-Federal lands in the contiguous United States.

Performance Measure	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Target	2010 Target
Wetlands created, restored or enhanced, acres						
CTA	53,498	65,345	62,093	72,806	51,300	51,300
WRP	180,358	181,979	149,326	128,860	100,000	125,000
Farmland, forest land, and wetlands protected by conservation easements, acres						
WRP	131,800	114,193	74,509	56,117	75,000	100,000

Description of annual performance measures:

- Wetlands created, restored or enhanced. Wetlands provide fish and wildlife habitat, reduce flooding, recharge groundwater, protect biological diversity, and improve water quality by filtering sediments and chemicals. This measure reports acres on which conservation practices have been applied to meet criteria in local field office technical guides. It includes only acres on which conservation was completed in a given fiscal year. It includes the wetland acres treated but not any associated upland

acres treated or placed under easement to protect the wetland itself. It is, therefore, a more precise measure of changes in wetlands acreage than measures that include wetlands and associated uplands.

- Farmland, forest land, and wetlands protected by conservation easements. This measure reports on acres enrolled under permanent and 30-year easements registered at the courthouse during the specified fiscal year. This measure reflects wetland acreage only; however WRP protects these wetlands by also placing associated upland acreage under easement.

NATURAL RESOURCES CONSERVATION SERVICE
Full Cost by Strategic Objective

Agency Strategic Goal: Clean and Abundant Water

PROGRAM	PROGRAM ITEMS	AMOUNT ($000) FY 2008	FY 2009	FY 2010
Conservation Technical Assistance				
	Conservation Planning and Technical Consultation	60,573	62,014	63,001
	Conservation Implementation	33,198	33,987	34,528
	Natural Resource Inventory and Assessment	4,191	4,291	4,359
	Natural Resource Technology Transfer	26,601	27,234	27,667
	Indirect Costs	128,228	131,277	133,367
	Total Costs	252,791	258,803	262,922
	FTEs	1,954	1,895	1,861
	Performance measure: Comprehensive nutrient management plans applied			
	Performance, number of plans	1,745	1,300	1,300
	Performance measure: Land with conservation applied to improve irrigation efficiency			
	Performance, acres	844,818	800,000	800,000
	Performance measure: Watershed or area-wide conservation plans developed for water or air quality			
	Performance, number	152	150	150
Snow Survey & Water Supply Forecasting				
	Natural Resource Inventory and Assessment	7,300	7,383	7,492
	Indirect Costs	3,385	3,423	3,473
	Total Costs	10,685	10,806	10,965
	FTEs	69	74	70
	Performance measure: Water supply forecasts issued			
	Performance, number	12,505	11,400	11,400
	Performance measure: Water supply forecasts accuracy			
	Performance, index	0.51	0.58	0.58
Plant Materials Centers				
	Natural Resource Inventory and Assessment	1,308	1,326	1,345
	Natural Resource Technology Transfer	4,527	4,588	4,655
	Indirect Costs	4,947	5,014	5,088
	Total Costs	10,782	10,928	11,088
	FTEs	102	100	95
	Performance measure: New plant materials released to commercial growers			
	Performance, number	18	13	15
	Performance measure: Technical documents written and transferred			
	Performance, number	435	340	340
Watershed Surveys & Planning				
	Conservation Planning and Technical Consultation	90	0	0
	Natural Resource Inventory and Assessment	7	0	0
	Indirect Costs	353	0	0
	Total Costs	450	0	0

FTEs	5	0	0
Performance measure: Watershed or area-wide conservation plans developed			
Performance, number	3	0	0
Flood Prevention Operations P.L. 534			
Conservation Planning and Technical Consultation	118	270	0
Conservation Implementation	296	677	0
Financial Assistance-Program Administration	18	41	0
Financial Assistance - Cost Share & Monetary Incentives	2,487	28,011	0
Indirect Costs	2,028	4,641	0
Total Costs	4,947	33,640	0
FTEs	11	51	12
Performance measure: Long-term contracts completed during the fiscal year (all measures installed) for the purpose of water quality			
Performance, number	98	75	125
Performance measure: Flood prevention or mitigation measures installed			
Performance, number	2	2	4
Watershed Operations P.L. 566			
Conservation Planning and Technical Consultation	909	3,242	0
Conservation Implementation	4,358	15,542	0
Financial Assistance-Program Administration	319	1,138	0
Financial Assistance - Cost Share & Monetary Incentives	16,570	106,144	0
Indirect Costs	2,687	9,582	0
Total Costs	24,843	135,648	0
FTEs	79	145	58
Performance measure: Long-term contracts completed during the fiscal year (all measures installed) for the purpose of water quality			
Performance, number	166	125	150
Performance measure: Flood prevention or mitigation measures installed			
Performance, number	74	50	100
Emergency Watershed Protection Program			
Conservation Implementation	71,494	21,170	0
Financial Assistance-Program Administration	13,246	4,060	0
Financial Assistance - Cost Share & Monetary Incentives	392,371	116,000	0
Indirect Costs	13,353	3,770	0
Total Costs	490,464	145,000	0
FTEs	190	424	314
Watershed Rehabilitation Program			
Conservation Planning and Technical Consultation	845	4,739	2,115
Conservation Implementation	2,972	16,667	7,437
Financial Assistance-Program Administration	342	1,918	856
Financial Assistance - Cost Share & Monetary Incentives	12,566	49,095	21,908
Indirect Costs	3,135	17,581	7,845
Total Costs	19,860	90,000	40,161
FTEs	65	322	271

Performance measure: Unsafe dams rehabilitated or removed				
Performance, number		18	15	23
Resource Conservation & Development				
Conservation Planning and Technical Consultation		21,364	21,364	0
Conservation Implementation		19,355	19,355	0
Indirect Costs		10,011	10,011	0
	Total Costs	50,730	50,730	0
	FTEs	440	451	0
Performance measure: Watershed or area-wide conservation plans developed				
Performance, number		987	600	0
Discretionary Total				
	Total Costs	865,552	735,555	325,136
	FTEs	2,915	3,462	2,681
Environmental Quality Incentives Program				
Conservation Planning and Technical Consultation		10,389	13,193	12,715
Conservation Implementation		53,822	68,350	65,871
Financial Assistance - Program Administration		36,133	45,886	44,221
Financial Assistance - Cost Share & Monetary Incentives		554,533	435,258	522,491
Indirect Costs		61,037	77,513	74,702
	Total Costs	715,914	640,200	720,000
	FTEs	1,388	1,748	1,657
Performance measure: Comprehensive nutrient management plans applied				
Performance, number		2,520	2,000	2,000
Performance measure: Land with conservation applied to improve irrigation efficiency				
Performance, acres		1,048,319	900,000	1,000,000
Ground & Surface Water				
Conservation Planning and Technical Consultation		1,980	0	0
Conservation Implementation		6,875	0	0
Financial Assistance - Program Administration		4,841	0	0
Financial Assistance - Cost Share & Monetary Incentives		41,252	0	0
Indirect Costs		4,166	0	0
	Total Costs	59,114	-	-
	FTEs	139	0	0
Performance measure: Irrigation water efficiency improved				
Performance, acres		311,144	0	0
Agricultural Water Enhancement Program				
Conservation Planning and Technical Consultation		0	1,305	2,394
Conservation Implementation		0	4,531	8,311
Financial Assistance - Program Administration		0	3,190	5,852
Financial Assistance - Cost Share & Monetary Incentives		0	61,229	51,408
Indirect Costs		0	2,745	5,035
	Total Costs	0	73,000	73,000
	FTEs	0	90	151

Performance measure: To be determined				
Performance, TBD		0	TBD	TBD
Farm and Ranch Lands Protection Program				
Financial Assistance - Program Administration		325	337	337
Conservation Implementation		17	18	18
Financial Assistance - Program Administration		3,704	3,843	3,842
Financial Assistance-Cost Share & Monetary Incentives		90,520	115,127	114,128
Indirect Costs		1,615	1,675	1,675
	Total Costs	96,181	121,000	120,000
	FTEs	29	32	32
Performance measure: Prime, unique, or important farmland protected by conservation easements from conversion to non-agricultural uses				
Performance, acres		27,401	30,000	40,000
Conservation Security Program				
Conservation Planning and Technical Consultation		1,114	632	539
Conservation Implementation		1,460	829	707
Financial Assistance - Program Administration		5,857	3,324	2,835
Financial Assistance - Cost Share & Monetary Incentives		136,231	127,819	105,260
Indirect Costs		13,864	8,934	7,770
	Total Costs	158,526	141,538	117,111
	FTEs	184	86	76
Performance measure: Cropland that uses management practices to reduce nitrogen loading to surface and groundwater				
Performance, million acres		6.3	6.5	8.2
Conservation Stewardship Program				
Conservation Planning and Technical Consultation		0	881	1,460
Conservation Implementation		0	1,155	1,914
Financial Assistance - Program Administration		0	4,634	7,680
Financial Assistance - Cost Share & Monetary Incentives		0	95,768	191,535
Indirect Costs		0	12,455	21,048
	Total Costs	0	114,893	223,637
	FTEs	0	157	254
Performance measure: To be determined				
Performance, TBD		0	TBD	TBD
Agricultural Management Assistance				
Conservation Planning and Technical Consultation		147	152	127
Conservation Implementation		457	473	394
Financial Assistance - Program Administration		433	448	373
Financial Assistance-Cost Share & Monetary Incentives		5,756	6,263	3,969
Indirect Costs		457	164	137
	Total Costs	7,250	7,500	5,000
	FTEs	9	24	19

Performance measure: Land with conservation applied to improve irrigation efficiency				
Performance, acres		5,876	7,900	8,150
Chesapeake Bay Watershed Program				
Conservation Planning and Technical Consultation		0	276	667
Conservation Implementation		0	1,429	3,458
Financial Assistance - Program Administration		0	960	2,321
Financial Assistance - Cost Share & Monetary Incentives		0	18,714	32,632
Indirect Costs		0	1,621	3,922
	Total Costs	0	23,000	43,000
	FTEs	0	38	90
Performance measure: To be determined				
Performance, TBD		0	TBD	TBD
Watershed Rehabilitation				
Conservation Planning and Technical Consultation		0	0	7,110
Conservation Implementation		0	0	24,999
Financial Assistance - Program Administration		0	0	2,877
Financial Assistance - Cost Share & Monetary Incentives		0	0	73,643
Indirect Costs		0	0	26,371
	Total Costs	0	0	135,000
	FTEs	0	0	392
Performance measure: To be determined				
Performance, TBD		0	TBD	TBD
Conservation Reserve Program				
Conservation Planning and Technical Consultation		9,073	8,158	9,406
Conservation Implementation		13,510	12,147	14,005
Financial Assistance - Program Administration		13,710	12,326	14,211
Financial Assistance - Cost Share & Monetary Incentives		0	0	0
Indirect Costs		7,519	6,761	7,795
	Total Costs	43,812	39,392	45,417
	FTEs	422	245	330
Mandatory Total				
	Total Costs	1,080,797	1,160,523	1,482,165
	FTEs	2,171	2,420	3,001
Agency Total				
	Total Costs	1,946,349	1,896,078	1,807,301
	FTEs	5,086	5,882	5,682

NATURAL RESOURCES CONSERVATION SERVICE
Full Cost by Strategic Objective

Agency Strategic Goal: High-quality, Productive Soils

PROGRAM	PROGRAM ITEMS		AMOUNT ($000) FY 2008	FY 2009	FY 2010
Conservation Technical Assistance					
	Conservation Planning and Technical Consultation		51,920	53,155	54,001
	Conservation Implementation		28,455	29,132	29,595
	Natural Resource Inventory and Assessment		3,593	3,678	3,737
	Natural Resource Technology Transfer		22,801	23,343	23,715
	Indirect Costs		109,910	112,524	114,315
		Total Costs	216,679	221,832	225,363
		FTEs	1,675	1,625	1,595
	Performance measure: Cropland with conservation applied to improve soil quality				
	Performance, million acres		8.3	7.5	7.5
Soil Survey					
	Natural Resource Inventory and Assessment		45,959	46,726	47,592
	Natural Resource Technology Transfer		11,888	12,086	12,310
	Indirect Costs		32,868	33,417	34,037
		Total Costs	90,715	92,229	93,939
		FTEs	719	734	714
	Performance measure: Soil surveys mapped or updated				
	Performance, million acres		35.2	34.0	36.0
Discretionary Total					
		Total Costs	307,394	314,061	319,302
		FTEs	2,394	2,359	2,309
Environmental Quality Incentives Program					
	Conservation Planning and Technical Consultation		3,463	4,398	4,238
	Conservation Implementation		17,941	22,783	21,957
	Financial Assistance - Program Administration		12,044	15,295	14,740
	Financial Assistance - Cost Share & Monetary Incentives		184,844	145,086	174,164
	Indirect Costs		20,346	25,838	24,901
		Total Costs	238,638	213,400	240,000
		FTEs	463	583	552
	Performance measure: Cropland with conservation applied to improve soil quality				
	Performance, million acres		5.6	5.7	6.0
Conservation Security Program					
	Conservation Planning and Technical Consultation		557	316	270
	Conservation Implementation		730	414	353
	Financial Assistance - Program Administration		2,929	1,662	1,418
	Financial Assistance - Cost Share & Monetary Incentives		68,115	63,910	52,630

Indirect Costs		6,932	4,467	3,885
	Total Costs	79,263	70,769	58,556
	FTEs	92	43	38
Performance measure: Agricultural land with an increase in the Soil Conditioning Index				
Performance, million acres		2.4	3.0	3.2
Conservation Stewardship Program				
Conservation Planning and Technical Consultation		0	441	730
Conservation Implementation		0	578	957
Financial Assistance - Program Administration		0	2,317	3,840
Financial Assistance - Cost Share & Monetary Incentives		0	47,884	95,768
Indirect Costs		0	6,228	10,524
	Total Costs	0	57,448	111,819
	FTEs	0	78	127
Performance measure: To be determined				
Performance, TBD		0	TBD	TBD
Mandatory Total				
	Total Costs	317,901	341,617	410,375
	FTEs	555	704	717
Agency Total				
	Total Costs	625,295	655,678	729,677
	FTEs	2,949	3,063	3,026

NATURAL RESOURCES CONSERVATION SERVICE
Full Cost by Strategic Objective

Agency Strategic Goal: Healthy Plant and Animal Communities

PROGRAM	PROGRAM ITEMS		AMOUNT ($000) FY 2008	FY 2009	FY 2010
Conservation Technical Assistance					
	Conservation Planning and Technical Consultation		60,574	62,013	63,000
	Conservation Implementation		33,197	33,986	34,527
	Natural Resource Inventory and Assessment		4,191	4,291	4,359
	Natural Resource Technology Transfer		26,602	27,234	27,667
	Indirect Costs		128,228	131,278	133,367
		Total Costs	252,792	258,802	262,920
		FTEs	1,954	1,895	1,862
	Performance measure: Grazing land with conservation applied to protect and improve the resource base				
	Performance, millions of acres		15.3	13.0	13.0
	Performance measure: Wetlands created, restored or enhanced				
	Performance, acres		72,806	51,300	51,300
Healthy Forests Reserve Program					
	Conservation Planning and Technical Consultation		12	0	0
	Conservation Implementation		15	0	0
	Financial Assistance - Program Administration		58	0	0
	Financial Assistance - Cost Share & Monetary Incentives		1,835	0	0
	Indirect Costs		66	0	0
		Total Costs	1,986	0	0
		FTEs	2	0	0
	Performance measure:Non-federal land with conservation applied to improve fish and wildlife habitat quality				
	Performance, acres		91	0	0
Discretionary Total					
		Total Costs	254,778	258,802	262,920
		FTEs	1,956	1,895	1,862
Wetlands Reserve Program					
	Conservation Planning and Technical Consultation		2,363	1,974	2,109
	Conservation Implementation		12,719	10,624	11,352
	Financial Assistance - Program Administration		11,186	9,344	9,984
	Financial Assistance - Cost Share & Monetary Incentives		149,758	389,976	361,540
	Indirect Costs		6,923	5,782	6,179
		Total Costs	182,949	417,700	391,164
		FTEs	225	189	186
	Performance measure: Wetlands created, restored or enhanced				
	Performance, acres		128,860	100,000	125,000
	Performance measure: Farmland, forest land, and wetlands protected by				

Performance, acres		56,117	75,000	100,000
Environmental Quality Incentives Program				
Conservation Planning and Technical Consultation		3,463	4,398	4,239
Conservation Implementation		17,941	22,784	21,957
Financial Assistance - Program Administration		12,044	15,295	14,741
Financial Assistance - Cost Share & Monetary Incentives		184,844	145,086	174,163
Indirect Costs		20,346	25,837	24,900
	Total Costs	238,638	213,400	240,000
	FTEs	462	582	553
Performance measure: Grazing land and forest land with conservation applied to protect and improve the resource base				
Performance, millions of acres		16.9	15.0	16.0
Grasslands Reserve Program				
Conservation Planning and Technical Consultation		155	2,021	2,776
Conservation Implementation		203	835	1,148
Financial Assistance - Program Administration		445	3,937	5,409
Financial Assistance - Cost Share & Monetary Incentives		1,810	40,687	43,951
Indirect Costs		200	520	716
	Total Costs	2,813	48,000	54,000
	FTEs	7	50	60
Performance measure: Farmland and grazing lands protected by conservation				
Performance, acres		589	0	50,000
Wildlife Habitat Incentives Program				
Conservation Planning and Technical Consultation		3,554	2,840	1,849
Conservation Implementation		7,563	6,043	3,933
Financial Assistance - Program Administration		9,086	7,260	4,725
Financial Assistance - Cost Share & Monetary Incentives		57,080	63,886	28,257
Indirect Costs		6,220	4,971	3,236
	Total Costs	83,503	85,000	42,000
	FTEs	150	161	94
Performance measure: Non-federal land with conservation applied to improve fish and wildlife habitat quality				
Performance, million acres		0.36	0.27	0.27
Conservation Security Program				
Conservation Planning and Technical Consultation		557	316	269
Conservation Implementation		730	414	353
Financial Assistance - Program Administration		2,928	1,661	1,417
Financial Assistance - Cost Share & Monetary Incentives		68,115	63,909	52,630
Indirect Costs		6,932	4,468	3,884
	Total Costs	79,262	70,768	58,553
	FTEs	91	42	38

Conservation Stewardship Program				
Conservation Planning and Technical Consultation		0	440	730
Conservation Implementation		0	577	957
Financial Assistance - Program Administration		0	2,316	3,839
Financial Assistance - Cost Share & Monetary Incentives		0	47,883	95,767
Indirect Costs		0	6,227	10,523
	Total Costs	0	57,443	111,816
	FTEs	0	78	126
Performance measure: To be determined				
Performance, TBD		0	TBD	TBD
Healthy Forests Reserve Program (Based on Percentages Similar to WHIP for TA)				
Conservation Planning and Technical Consultation		0	208	142
Conservation Implementation		0	443	303
Financial Assistance - Program Administration		0	533	365
Financial Assistance - Cost Share & Monetary Incentives		0	8,201	3,690
Indirect Costs		0	365	250
	Total Costs	0	9,750	4,750
	FTEs	0	13	8
Performance measure:Non-federal land with conservation applied to improve				
Performance, acres		0	900	3,750
Conservation Reserve Program				
Conservation Planning and Technical Consultation		3,888	3,496	4,031
Conservation Implementation		5,790	5,206	6,002
Financial Assistance - Program Administration		5,875	5,283	6,091
Financial Assistance - Cost Share & Monetary Incentives		0	0	0
Indirect Costs		3,223	2,898	3,341
	Total Costs	18,776	16,883	19,465
	FTEs	181	105	141
Mandatory Total				
	Total Costs	605,941	918,944	921,748
	FTEs	1,116	1,220	1,206
Agency Total				
	Total Costs	860,719	1,177,746	1,184,668
	FTEs	3,072	3,115	3,068