

# WHEN CONSERVATION RESERVE PROGRAM CONTRACTS EXPIRE: THE POLICY OPTIONS



# When Conservation Reserve Program Contracts Expire: The Policy Options



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land uses and aid the farmers in obtaining the NPV of the alternative land uses. They could use the information generated to arrive at annual payments for the contracts offered by private industries or to determine rental payments if contracts are extended. Further, the model is going to be extended to an analysis under uncertainty. Data collection and empirical work is underway.

### Evaluating producer options after the Conservation Reserve Program

*Rex E. Kirksey, Agricultural Science Center at Tucumcari, New Mexico; Rhonda Skaggs and Gary Donart, New Mexico State University*

One of the highest Conservation Reserve Program (CRP) participation rates in the nation can be found in a six-county area of eastern New Mexico. The 443,400 acres of CRP land in Curry, Harding, Lea, Quay, Roosevelt, and Union counties constitutes 29 percent of the total cropland acreage. A 1991 survey of eastern New Mexico CRP participants indicates widespread uncertainty regarding the future of CRP land. Fifty-three percent of the survey respondents expressed interest in grazing CRP land. But, nearly two-thirds of CRP land is planted to introduced or improved grasses. The productive capacity of these grasses is unknown. Fewer than 5 percent of the respondents expressed interest in utilizing CRP land for wildlife purposes. The benefits of wildlife habitat enhancement have been largely overlooked. Thirty-six percent of the respondents showed interest in returning CRP land to crop production. However, 43 percent initially enrolled in CRP because prices for existing crops were low. Cash prices have shown little increase since 1985. It is likely that government program options will dictate the future use of CRP land. Seventy-six percent of the respondents are interested in extending their CRP contracts. A grant from the USDA Western Region SARE program resulted in the formation of a multi-disciplinary, multi-agency project to address future uses of CRP land. Beginning in 1994, the project will estimate grazing values for CRP grasslands. Techniques for converting CRP land to crop production will be evaluated. Methods for enhancing wildlife habitat will be demonstrated. Potential policy options will be evaluated. The environmental and economic consequences of the various land-use alternatives will be compared.

### Economic and environmental factors influencing post CRP wetland management

*Tom Machacek, L.L. Janssen, D.H. Rickerl, and D. Hubbard, South Dakota State University, Brookings*

National and state-level Conservation Reserve Program (CRP) surveys indicate a majority of CRP lands will likely return to crop production upon contract expiration. A national total of 410,000 wetland acres were enrolled in the eighth and ninth signups. One-third of enrolled wetland acres are located in South Dakota.

The highest concentration of South Dakota CRP wetland contracts was found in cropland intensive regions of the state. Characteristics of CRP wetland contracts are mostly Land Capability Class II, low soil erosion rates, and a high proportion of Federal program crop base acres. Landowners indicate some multiple use of CRP wetlands by estimating that 32 percent of the wetlands will be used for grazing, 39 percent will return to cropland, and 41 percent will be used for hay production.

Management of wetland CRP acreages will potentially impact wildlife/habitat, water quality, and agronomic productivity. Conservation plans to meet compliance do not currently include wetland considerations. Studies indicate that increases in idle acres with permanent cover (such as CRP) increase wildlife productivity by decreasing predator density. This is very important in the Prairie Pothole Region, which is the primary production area for migratory waterfowl.

In addition, many wetlands act as groundwater recharge systems and offer a potential window for contamination of sensitive aquifers. Our studies are investigating the transport of nutrients and pesticides through wetland/groundwater systems.

Diverse policy options (permanent easements, Wetland Reserve Program, and incentive programs to promote alternate uses of wetlands) will be required to meet the needs of these unique environments.

### Farmers need to experiment in CRP

*David Dukes, Bedford, Iowa*

The following poster paper lists the captions from a pictorial display.

**WILL CRP BE A RERUN?**

this was recognized as a problem