

collaborative mode with other programs to effectively leverage the Federal contribution to resource improvement and enhancement. Other governmental agencies, including State, local, and Tribal governments, as well as private and not-for-profit organizations, are playing an ever-increasing role in the delivery of technical assistance and in incentive programs for conservation. NRCS is exploring the opportunities for collaboration in these collective efforts and in developing public-private partnerships and joint programs to leverage Federal resources and improve program access and implementation. For example, broadening the support system for wildlife habitat development and management is an emerging challenge in program design and program delivery that can be augmented through collaboration and leveraging of funds. In the West, about 80 percent of the wildlife species depend on agricultural land to provide critical habitat, food, and cover. Improvements to the landscape—including wetlands, grasslands, flood plains, and riparian zones—through programs like CSP and other USDA conservation programs can help support biodiversity of wildlife and aquatic species and provide benefits in the form of recreation, hunting and other forms of agro-tourism. By focusing in priority watersheds and by proposing those participants agree to additional conservation treatment through enhancement, NRCS believes it will offer greater opportunities for wildlife habitat development and management. NRCS is seeking comment on how to implement a program that uses collaboration and leveraging of funds to achieve resource improvements on working agricultural lands through intensive management activities and innovative technologies.

NRCS believes that cost share programs such as EQIP, WHIP, and continuous CRP, as well as other Federal, Non-Federal, State, local and Tribal programs, should work together as complements with CSP, rather than substitutes. For example, this rule proposes that CSP will seek to minimize installation of structural practices by offering a substantially reduced list of eligible practices and lower cost-share rates. Alternatively, producers can install structural practices through other State or Federal programs, such as WHIP, and then qualify for a future CSP contract to help with the maintenance of those and other practices. In addition, unlike EQIP and WHIP, CSP will emphasize producers who have already met the resource concern's minimum level of treatment, encourage them to do

more, and reward them for their exceptional effort. CSP differs from existing programs by focusing on a whole farm planning approach. Programs such as EQIP do not. In effect, the program will provide an incentive to seek cost share from other programs that are well targeted and part of a larger integrated planning approach. NRCS anticipates an increase in both quantity and quality of applications in other USDA conservation programs.

CSP could be a useful means for showcasing those producers who have achieved a level of conservation stewardship that can inspire others to reach a similar level of resource treatment. However, it is apparent with the budgetary cap on the program that only a portion of the agricultural community will become CSP participants. Participation will not be automatic. NRCS plans to develop a CSP application process that will direct individuals who do not meet the stringent requirements of CSP to another complimentary program offered by USDA or other state and local entities. This aspect of CSP implementation may have the effect of creating additional interest in programs such as CTA, EQIP, WHIP and the continuous CRP in situations where the producer is seeking technical or financial assistance to achieve the desired level of resource treatment and then to re-apply for CSP participation.

Environmental Performance, Evaluation and Accountability

NRCS intends to make CSP the most accountable conservation program it has ever implemented. In its pursuit of targeting the greatest resource benefits in a cost-effective manner, NRCS will endeavor to use CSP as an opportunity to learn more about the benefits and costs that derive from conservation practices. Careful evaluation and monitoring activities can show what works, what does not, and what it depends on. Through the program's enhancement provisions, participants will test intensive management activities and monitor the changes in environmental conditions, thus providing the data necessary for NRCS and other agencies to ground-truth its predictive models. NRCS can use these results to refine the targeting and activities of the CSP and other programs, and produce better overall program performance. Because of the limited program funding, NRCS is proposing that CSP require applicants to have achieved a high level of environmental performance to be eligible for CSP. The applicants must also be willing to achieve more, which

will provide additional conservation and improved environmental performance.

Given the limited CSP budget, NRCS believes that one of the most important goals of CSP is to improve the tools it uses to target funds to the most effective conservation activities and the most pressing resource concerns. NRCS looks forward to working with enhancement project participants to develop approaches to monitor the environmental changes that derive from historic stewardship and new contract activities. All data would be handled consistent with the confidentiality provisions provided for in the Act. Results would be analyzed and portrayed in an aggregate fashion.

NRCS sees few downsides to this approach, but it does mean that some of the CSP resources will go to studying the effectiveness of conservation practices rather than installing them. NRCS strongly believes that in the long run this is a cost effective use of funds as one of the statutory enhancement categories. NRCS welcomes comments and suggestions for designing and implementing monitoring approaches, and suggestions as to what data and information would be most useful to ensure a high level of accountability for CSP.

By concentrating participation for each sign-up for CSP in specific watersheds and addressing priority resource concerns, NRCS will be better able to provide high quality technical assistance, adapt new technology tools, and assessment techniques to critically evaluate the program. Additionally NRCS will have the opportunity to evaluate the effectiveness of the treatment in a focused effort where it will be more practical and reasonable to relate to environmental performance.

Summary of Comments to the Advanced Notice of Proposed Rule Making

In developing this proposed rule, NRCS carefully considered its experience with conservation programs and the public comments it received through an advanced notice of proposed rule making (ANPR) found in 7 CFR, part 1469.

CSP raises policy issues that have not been addressed in other conservation programs. NRCS convened nine focus groups in November, 2002, to obtain public input related to CSP proposed rule development, and representatives from key agricultural and stakeholder groups were invited to participate. In addition, NRCS organized 5 workshops to obtain feedback on CSP and its implementation from producers and NRCS field staff. Following these