

conducted as part of a scientifically sound research plan. NRCS is seeking comments on which assessment and evaluation projects would most benefit from the involvement of CSP participants and would be most useful for program evaluation.

To ensure that enhancement activities would provide the most value to the CSP participant and the public, NRCS proposes that State Conservationists, with concurrence by the Chief, will determine which enhancement activities would be available locally, given local priority natural resource concerns, eligible assessment and evaluation research projects, existing watershed or regional resource conservation plans, and other considerations. NRCS will make a list of such activities available to the public.

CSP applicants would select from the list of available enhancement for their location. While choosing to undertake enhancement activities is solely within the producers' discretion, NRCS may provide priority funding to producers who agree to undertake those enhancement activities NRCS believes would provide substantial environmental or programmatic benefits. Accordingly, NRCS is proposing to place such producers at a higher enrollment category consistent with the sign-up announcement.

Section 1469.23(d) proposes that State Conservationists, with input from the State Technical Committee and Local Work Groups, would determine the payments level for each enhancement activity that would be offered locally, based on average county costs of undertaking such activities. Projected environmental and programmatic benefits would be considered when establishing payment levels. Some management intensity activities do not impose a clear cost on the producers. For example, applying fertilizer in the Spring rather than in the Fall may not impose an additional cost in terms of labor or materials. NRCS is seeking comments on how to determine the appropriate payment rates for those types of enhancement activities where the payment is intended to encourage producers to change their mode of operation, but not necessarily to offset additional or more expensive activities.

#### *Section 1469.24 Contract Modifications and Transfers of Land*

This section provides provisions for modifying contracts.

#### *Section 1469.25 Contract Violations and Termination*

This section provides provisions when participants fail to fulfill the

terms of the contract. This regulation provides the NRCS State Conservationist the authority to determine the appropriate action based on the specific situations of the violation.

### **Subpart C—General Administration**

#### *Section 1469.30 Fair Treatment of Tenants and Sharecroppers*

This section allows tenants and landowners to receive appropriate payment shares based on their contributions to the conservation management and land stewardship as determined by them. Before NRCS will approve a contract, tenants and owners must agree to their interest in the payments for both parties as documented in the program contract.

Sections 1469.31 through 1469.36 provides standard language used within other conservation program rules related to appeals, compliance with regulatory measures, access to agricultural operations, performance based upon the advice or action of representatives of CCC, offsets and assignments, misrepresentation, and scheme or device.

#### **List of Subjects in 7 CFR Part 1469**

Administrative practice and procedure, Agriculture, Environmental protection, Reporting and recordkeeping requirements, Soil conservation, Water pollution control.

Accordingly, Title 7 of the Code of Federal Regulations is proposed to be amended by adding a new part 1469 to read as follows:

### **PART 1469—CONSERVATION SECURITY PROGRAM**

#### **Subpart A—General Provisions**

Sec.

- 1469.1 Applicability.
- 1469.2 Administration.
- 1469.3 Definitions.
- 1469.4 Significant resource concerns.
- 1469.5 Eligibility requirements and selection and funding of priority watersheds.
- 1469.6 Enrollment categories.
- 1469.7 Benchmark condition inventory and conservation security plan.
- 1469.8 Conservation practices.
- 1469.9 Technical assistance.

#### **Subpart B—Contracts and Payments**

- 1469.20 Application for contracts and their selection.
- 1469.21 Contract requirements.
- 1469.22 Conservation practice operation and maintenance.
- 1469.23 Program payments.
- 1469.24 Contract modifications and transfers of land.
- 1469.25 Contract violations and termination.

### **Subpart C—General Administration**

- 1469.30 Fair treatment of tenants and sharecroppers.
- 1469.31 Appeals.
- 1469.32 Compliance with regulatory measures.
- 1469.33 Access to agricultural operation.
- 1469.34 Performance based on advice or action of representatives of NRCS.
- 1469.35 Offsets and assignments.
- 1469.36 Misrepresentation and scheme or device.

**Authority:** 16 U.S.C. 3830 *et seq.*

### **Subpart A—General Provisions**

#### **§ 1469.1 Applicability.**

(a) This part sets forth the policies, procedures, and requirements for the Conservation Security Program (CSP) as administered by the Natural Resources Conservation Service (NRCS) for enrollment during calendar year 2003 and thereafter.

(b) CSP is applicable on private or Tribal lands in any of the 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 Mariana Islands.

(c) Through the CSP the Commodity Credit Corporation (CCC), by and through the NRCS, provides financial assistance and technical assistance to owners and operators for the conservation, protection, and improvement of soil, water, and other related resources, and for any similar conservation purpose as determined by the Secretary.

#### **§ 1469.2 Administration.**

(a) The regulations in this part will be administered under the general supervision and direction of the Chief, Natural Resources Conservation Service (NRCS), who is a Vice President of the CCC.

(b) The Chief may modify or waive a provision of this part if the Chief determines that the application of such provision to a particular limited situation is inappropriate and inconsistent with the goals of the program.

(c) The Chief determines fund availability to provide financial and technical assistance to participants according to the purpose and projected cost of contracts in a fiscal year. The Chief allocates the funds available to carry out CSP to the NRCS State Conservationist. Contract obligations will not exceed the funding available to the Agency.

(d) The State Conservationist may obtain advice from the State Technical Committee and local workgroups on the