

driven) soil erosion, and the quantity of agricultural pollutants available to reach water bodies and impair water uses. Reduced wind erosion provides air quality benefits. The additional 2.8 million acres will reduce estimated annual erosion 21 million tons compared with 1997 erosion rates: sheet and rill and wind erosion will be reduced by about 10 million tons and 11 million tons, respectively. Carbon sequestration, the storage of carbon in soils and vegetation, will increase by an estimated 1.3 million metric tons per year.

While comprehensive estimates of changes in wildlife populations are not generally available, expanded and enhanced wildlife habitat should result in substantial increases in the abundance of game and non-game species. Many CRP practices are specifically or primarily directed toward improving wildlife habitat. Almost 10 million acres are currently enrolled in conservation priority areas, selected for wildlife habitat enhancement purposes. Over 3 million acres of specific wildlife practices, including wildlife corridors, shallow water areas for wildlife, riparian buffers, and wetland restoration, currently provide critical wildlife habitat benefits. In addition, 1.4 million flood-prone and riparian area acres and 3.4 million cropped wetland and wetland complex acres are currently enrolled. Wildlife benefits are further enhanced by establishment of 374,000 acres of rare and declining habitats, 2.3 million acres of permanent wildlife habitat, and enrollment of 92,000 acres of former water bank land. Many of these wildlife-enhancing practices will be included in the 2.8 million acres enrolled under the selected option.

Comprehensive measures of environmental benefit values obtained from enrolling environmentally sensitive land in CRP do not currently exist. Published estimates of CRP benefits, based on currently and previously enrolled acreage, using indirect measures or secondary sources generally provide regional estimates of benefits per acre enrolled or per ton erosion reduction. Using these derived estimates enrolling the additional 2.8 million acres is estimated to provide environmental benefits of \$129 million per year. These benefits include: \$11 million from improved soil productivity, \$19 million from improved surface water quality, \$41 million from enhanced wildlife viewing opportunities, \$57 million in small game and migratory waterfowl hunting benefits, and \$2 million in air quality benefits. Many major benefit categories

are not yet quantified, including benefits from numerous recreational activities, big game hunting, flood-control, wetland restoration, groundwater quality, improved human health from improved water and air quality, fishing, and carbon sequestration.

With about 350 million acres typically in crop production annually, idling an additional 2.8 million acres under CRP (less than 1 percent of plantings) will have minimal impacts on crop production, crop prices, and farm income. Net crop sector income is estimated to increase \$307 million per year (1 percent) during the 2003–2012 crop years, due to the additional CRP enrollment. This increase is a result of larger estimated market-based net returns (\$349 million per year), decreased commodity program payments (\$186 million per year), and increased net CRP payments (\$144 million per year) over the 10-year period. Underlying these changes is a 900,000 acre estimated decline in combined wheat, feed grains, and soybean plantings per year over the period. As a result of these reduced plantings, crop prices are estimated to increase on average \$0.02 per bushel for wheat, \$0.02 for corn, \$0.01 to \$0.02 for other feed grains, and \$0.06 for soybeans per year.

Total CRP outlays are estimated to increase \$1.5 billion, while commodity program outlays are estimated to decline about \$1.7 billion during FY 2003 through 2012, primarily due to a \$1.5 billion counter-cyclical payment decline. The additional 2.8 million-acre enrollment is estimated to decrease combined CRP and commodity program outlays by \$208 million annually during the 10-year period.

Total estimated impacts for the additional CRP enrollment, including \$326 million annual economic losses due to higher crop prices and reduced crop supplies (buyers' loss) and estimated average annual economic benefits (increased farm incomes and environmental benefits), results in estimated net economic benefits of \$131 million per year. This amount probably understates the net impacts to society because many of the environmental benefits are not included.

List of Subjects in 7 CFR Part 1410

Administrative practices and procedures, Agriculture, Conservation plan, Contracts, Environmental protection, Natural resources, Soil conservation, Water resources, and Wildlife.

■ Accordingly, 7 CFR part 1410 is revised to read as follows:

PART 1410—CONSERVATION RESERVE PROGRAM

Sec.

- 1410.1 Administration.
- 1410.2 Definitions.
- 1410.3 General description.
- 1410.4 Maximum county acreage.
- 1410.5 Eligible persons.
- 1410.6 Eligible land.
- 1410.7 Duration of contracts.
- 1410.8 Conservation priority areas.
- 1410.9 Conversion to trees.
- 1410.10 Restoration of wetlands.
- 1410.11 Farmable Wetlands Program.
- 1410.12–1410.19 [Reserved]
- 1410.20 Obligations of participant.
- 1410.21 Obligations of the Commodity Credit Corporation.
- 1410.22 CRP Conservation Plan.
- 1410.23 Eligible practices.
- 1410.24–1410.29 [Reserved]
- 1410.30 Signup.
- 1410.31 Acceptability of offers.
- 1410.32 CRP contract.
- 1410.33 Contract modifications.
- 1410.34–1410.39 [Reserved]
- 1410.40 Cost-share payments.
- 1410.41 Levels and rates for cost-share payments.
- 1410.42 Annual rental payments.
- 1410.43 Method of payment.
- 1410.44 Adjusted Gross Income
- 1410.45–1410.49 [Reserved]
- 1410.50 Enhancement programs.
- 1410.51 Transfer of land.
- 1410.52 Violations.
- 1410.53 Executed CRP contract not in conformity with regulations.
- 1410.54 Performance based upon advice or action of the Department.
- 1410.55 Access to land under contract.
- 1410.56 Division of payments and provisions about tenants and sharecroppers.
- 1410.57 Payments not subject to claims.
- 1410.58 Assignments.
- 1410.59 Appeals.
- 1410.60 Scheme or device.
- 1410.61 Filing of false claims.
- 1410.62 Miscellaneous.
- 1410.63 Permissive uses.

Authority: 15 U.S.C. 714b and 714c; 16 U.S.C. 3801–3847.

§ 1410.1 Administration.

(a) The regulations in this part will be implemented under the general supervision and direction of the Executive Vice President, Commodity Credit Corporation (CCC), the Administrator, Farm Service Agency (FSA), or a designee, or the Deputy Administrator, FSA. In the field, the regulations in this part will be implemented by the FSA State and county committees ("State committees" and "county committees," respectively).

(b) State executive directors, county executive directors, and State and county committees do not have the authority to modify or waive any of the provisions in this part unless