

**STRENGTHENING THE
REGIONAL CONSERVATION PARTNERSHIP PROGRAM
FOR THE CHESAPEAKE BAY REGION**

A summary of program issues faced by Chesapeake Bay Watershed stakeholders who participated in the program between 2014 and 2017

Background

Since 1983, the federal government has been an important partner in the effort to restore the Chesapeake Bay. Agricultural conservation investments through USDA programs have been critical and significant in this effort. In 2014, Congress established the Regional Conservation Partnership Program (RCPP) in an effort to both prioritize conservation resources and create a mechanism to attract and leverage new private sector partners and resources. The stand-alone Chesapeake Bay Watershed Program was rescinded in this process, and in statute the goals of the new program specifically promised “*to accomplish the functions of the Chesapeake Bay Watershed Program.*” Other program goals include *furthering conservation, restoration, and sustainable use of soil, water, wildlife on a regional or watershed scale, and encouraging partner groups to work with producers in meeting or avoiding the need for national, state, and local natural resource regulatory requirements.*

Unfortunately, implementation of the statute has not lived up to these promises. Overall the number of partnerships and allocated federal resources for the Chesapeake Bay Watershed have been lower than anticipated. According to USDA statistics, the first four installments of funding (from FY2014 – FY2017) for water quality improvement total \$51.7 million over roughly four years, which equates to around \$13 million annually. By contrast, the former Chesapeake Bay Watershed program invested an average of \$50 million annually. Because these investments leverage at least 1:1 in additional investment, this decline in funding represents a significant loss for the region.

The next Federal Farm Bill provides policymakers an opportunity to make adjustments to ensure the program performs as intended in this region. To aid in this effort, this document presents a summary of the issues faced by Chesapeake Bay Watershed stakeholders who have participated in the RCPP along with potential solutions to address those issues and advance more effective conservation efforts. These stakeholders include: Alliance for the Chesapeake Bay, the Chesapeake Bay Foundation, Maryland Department of Agriculture, Maryland Association of Soil Conservation Districts, and The Nature Conservancy.

ISSUE AREA: APPLICATION PROCESS

The RCPP application process is two-tiered: Partners submit a pre-proposal and, if approved, are invited to submit a full proposal. Stakeholders have experienced the following issues in this process:

- NRCS communication and feedback to applicants during the application process has been inconsistent.
 - Applications that advanced through the pre-proposal phase were denied at the full proposal stage, with little feedback from the Service on insufficiencies identified in the pre-proposal that could have improved the full proposal or without fulsome explanation after denial of the full proposal.
 - In the initial years of the program, applicants did not know how much NRCS Technical Assistance (TA) could be requested or for what it could be used.

Although this situation has improved, there is still inconsistency among the state offices in the amount of NRCS assistance requested and a lack of transparency for how those dollars are to be spent.

- The criteria for ranking proposals are not consistent with Congressional intent.
- NRCS has not provide clarity regarding which funding pools were most appropriate for project proposals.
- The application process is cumbersome (e.g., including multiple technical glitches) and lengthy.

Recommendations:

- Clarify NRCS and partner roles with respect to the application process and make the RCPP application process clear, consistent, and customer-service oriented.
 - Clarify NRCS’s role and obligations to partners at the application stage so partners will know what to expect from NRCS when developing project proposals and the relationship model is consistent across all states. NRCS could host meetings with current and potential partners to facilitate the development of project proposals, encourage collaboration, and provide guidance as to which funding pool would be most appropriate.
 - Provide more information and feedback throughout the application process, including
 - better feedback on pre-proposals to set expectations for how the full proposals can be improved; and
 - detailed feedback on all proposals which cleared the pre-proposal phase but were rejected in the final phase.
 - Build a less cumbersome and more streamlined application process. For example, review the proposal template and questions, then remove overlap and redundancies. Simplify the spreadsheets for partner contribution. For example, it is unclear why there is a “lead for outreach and education” but the template doesn’t have a category for partner “outreach” as a contribution.
 - Ensure project screening criteria supports prioritizes partner-driven projects, consistent with congressional intent¹.

ISSUE AREA: TECHNICAL ASSISTANCE (TA) & OUTREACH

Technical assistance and outreach is only briefly mentioned in statute. NRCS has used authorities in another statute to provide a legal rationale for using RCPP as a source of funds to pay for its own administrative and technical assistance costs. Stakeholders have experienced the following issues in this area:

- In some instances, there is a lack of transparency in how NRCS technical assistance funds are used to support the partnership project.

¹ See Section 1271.B (d)(4)

- Processes for partnership re-imburement for technical assistance are cumbersome and inflexible. For example, post-implementation reimbursement of technical assistance does not work within the financial and billing systems of many partners.
- There is lack of clarity on what is eligible for partner re-imburement, how it is to be reported, and what the re-imburement rate is. In addition, there are inconsistencies across states in these areas. Some partners with projects that have been operating for 2-3 years have still not been reimbursed for TA.
- In some instances, NRCS has put a lower priority on contracting potential projects generated by private technical assistance providers, effectively excluding the private sector from the process.
- Partners currently must rely on NRCS to handle all contracting with producers, causing a significant burden to NRCS technical staff and a potential backlog in contracting.

Recommendations:

- Clarify NRCS and Partner Roles with respect to Technical Assistance and Outreach
 - Specify in statute the roles and funds available for technical assistance within RCPP, including expectations for NRCS to report this information to partners, who need to understand what they should receive for NRCS services and what should be credited to partners.
 - Explore options for technical assistance re-imburement that provide more flexibility and will allow greater partner participation.
 - Develop technical assistance guidance for partners that is consistent across states and programs.
- Improve program administration so technical specialists can provide more technical assistance and do less paperwork
 - Explore hiring more entry-level administrative staff (or find alternative arrangements) to manage contracting paperwork, so that specialized, technical NRCS staff can more efficiently and effectively use their time.
 - Allow TA funds to go directly to conservation district staff rather than creating additional administrative burden by requiring funds to flow from NRCS through the lead partner to district staff.

ISSUE AREA: PROJECT REPORTING AND IMPLEMENTATION

Congress clearly stated in statute that partners, not NRCS, are responsible for assessing and reporting to USDA the progress of a partnership. It also asked USDA to lay out how partners are to monitor and report out success. However, there are no national guidelines for the type of data partnerships should collect, where and how the information should be reported, and ultimately what USDA will do with it. At the same time, stakeholders in the Bay watershed are investing significant resources into project administration, implementation and reporting. Stakeholders have experienced the following issues in this area:

- The administrative burden on lead partners is high.
 - Reporting obligations on partners are overly burdensome. For example, partners are asked to report implementation of NRCS practices to NRCS.
 - Reporting requirements keep changing and are inconsistent across states.
- In developing the cooperative agreement, NRCS requires specificity in the types of projects that will be contracted during the RCPP. Anticipating these needs is very challenging for partners. In addition, the process to modify budget items and deliverables to reflect actual projects that are identified is difficult and lengthy.
- In some instances, NRCS does not work with partners on screening and ranking criteria for conservation program contracts. As a result, contracts that have been developed with producers by the RCPP Project partners and address RCPP Project partners' desired outcomes may not be prioritized for funding.

Recommendations:

- Streamline the reporting process to reduce the administrative burden on project leaders.
 - NRCS should track contract enrollment and practice implementation, rather than partner leads having to report this information from local NRCS offices to the national NRCS office.
 - NRCS should develop a consistent and simple template for partner reporting requirements, and this should be agreed to in advance of signing the RCPP agreement.
- Allow partners to seek re-imbursement for administrative costs.
- Develop guidelines for monitoring progress towards a desired outcome.
- Consistently work with partners on screening and ranking criteria for project-related conservation program contracts.
- Exempt RCPP projects from the National Ranking questions requirement (e.g., for EQIP), so that funding can be directed to projects that will best achieve RCPP goals.
- Provide more flexibility and a more streamlined process to amend the project deliverables.

ISSUE AREA: CRITICAL CONSERVATION AREAS

Within RCPP, USDA may establish geographic areas where there is a “critical” conservation concern. Congress provided additional resources to support partnership projects that address issues of concern. The Chesapeake Bay Watershed was established as a critical conservation area. In fact, most of the geography of the United States was given this “critical” designation and qualifies for these additional resources. Stakeholders have experienced the following issues with the CCA program:

- There is more demand for conservation practices in Critical Conservation Areas (CCAs) than current dollars available.
- CCAs can require higher value and therefore more expensive conservation practices for

improved outcomes.

- For example, a partner's desire to prioritize geographies and practices leading to greater outcomes for a critical resource may conflict with NRCS's desire to relieve backlogs in producer demand for assistance. Prioritizing versus addressing backlogs may require a higher level of effort, but it is consistent with the congressional intent that conservation should be partner-driven.
- Innovative conservation techniques and technologies that address the critical resource concerns may not be reimbursable.
- Some projects are funded even though they do not create outcomes that benefit the critical resource concern.
- There are no consistent national guidelines for CCA outcomes data.
- NRCS does not report CCA outcomes data to Congress.

Recommendations:

- Ensure that partnerships are consistent with National, Regional and State Priorities, and generate outcomes that address Critical Resource Concerns.
- Strengthen partnerships for positive outcomes by
 - Requiring that CCA projects address critical resource concerns, such as 303d listings, waterways with existing Total Maximum Daily Loads, endangered species, or watershed plans, consistent with congressional intent.
 - Prioritizing partnerships that meet outcome goals for national, state and local resource plans and regulatory liability.
 - Creating national guidelines for CCA outcomes data and reporting CCA outcomes data to Congress.
- Create room for creativity and innovation in achieving outcomes alongside underlying programmatic authority (e.g., EQIP, CSP, ACEP).
- Create incentives for NRCS staff to assist with CCA projects.
- Simplify the "3 pots of funding" to better support stated National, Regional and State priorities, perhaps by eliminating the National pool, increasing the State pool and giving credit in the State pool for multi-state initiatives.

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