

Regional Equity: Vital To Northeast Conservation

Increasing Working Lands Conservation in the Northeast

While the Northeast produces a rich variety of agricultural products, its farms and farmers have been underserved by federal farm policies focused largely on commodities grown in other regions and conservation programs aimed at land retirement. Only three percent of all federal farm payments are distributed to the Northeast. And despite the challenges of farming in a region with a population density four times the national average, only 8% of Northeast farms receive conservation payments, compared to nearly 22% of farms nationally.

The 2002 Farm Bill included a provision vital to the Northeast—one that makes more funding available to protect the region's rapidly vanishing farmland and to help farmers reduce soil erosion and pesticide use, improve water quality, maintain wildlife habitat, and conserve water and energy. This provision, known as "regional equity," essentially provides every state a minimum base allocation of \$12 million annually in federal working lands conservation program funding, provided there are approved applications for those programs in the state. *The regional equity provision has provided an additional \$215 million since 2002 to farmers and ranchers in 13 states, primarily in the Northeast, to help fund farmland protection projects and on-farm conservation practices.*

The following are the current "regional equity" states, the net increase in federal conservation funding to each of those states in FY06 and FY07 as a result of the regional equity provision, and each state's rank among states in federal funds received for working lands stewardship programs and for commodity programs in 2005.

Regional Equity Funding and State Rankings for Allocations

REGIONAL EQUITY STATE	FY06 NET FUNDING INCREASE DUE TO REGIONAL EQUITY *	FY07 NET FUNDING INCREASE DUE TO REGIONAL EQUITY*	STATE RANK: WORKING LAND STEWARDSHIP PROGRAMS	STATE RANK: COMMODITY PAYMENT PROGRAMS
Alaska	\$4,683,533	\$5,487,305	43	50
Connecticut	\$4,918,979	\$4,529,104	48	44
Delaware	\$334,601	\$1,171,513	42	40
Hawaii	\$3,754,689	\$4,328,846	40	48
Maine	\$429,487	\$1,121,808	39	42
Massachusetts	\$3,761,218	\$3,180,270	45	45
Nevada	\$2,526,962	\$2,067,171	41	43
New Hampshire	\$6,451,019	\$5,088,594	46	47
New Jersey	\$2,486,608	\$1,639,412	44	41
Rhode Island	\$8,002,631	\$6,879,036	47	49
Vermont	\$4,789,888	\$4,089,454	49	39
West Virginia	\$2,968,080	\$1,868,281	50	46

Source: USDA, AFT

* Funds received pursuant to the regional equity provision, in addition to base program allocations received by each state under EQIP, FRPP, WHIP and GRP. USDA has only fully implemented the provision once, in FY05; none of the above states received a minimum of \$12 million in conservation funding in FY06.

Administration Proposes to Eliminate Regional Equity; House Subcommittee Proposes Increase to \$15 million

The Administration's 2007 Farm Bill recommendations propose to eliminate regional equity, calling the provision an "inefficient allocation of resources." Instead, the Administration proposes the use of "merit-based, quantitative program allocation and ranking processes." The Administration has provided no details as to how these "merit-based" allocations would be devised, or what impact this change would have on conservation funding for "regional equity" states. In the opening action on the 2007 Farm Bill, the House Agriculture Committee's Subcommittee on Conservation has not only rejected the Administration's proposal but increased the regional equity target to \$15 million, mirroring recommendations in the Farm, Nutrition and Community Investment Act (S.1424; H.R. 2144) and the Healthy Farms, Food and Fuels Act (S.919; H.R.1551).

Why is Regional Equity So Important?

Adequate conservation funding is essential in areas of high population density, where farming in close proximity to non-farm neighbors presents additional challenges for farm operators and where competition for land, labor and construction materials means significantly higher conservation project costs.

- All but three of the Northeast states have population densities above 200 people per square mile; the national average is below 80.
- On average, the median cost per unit to implement the most common conservation practices under the Environmental Quality Incentives Program (EQIP) is 22% higher in the Northeast than nationally.
- In 2005, 6 Northeast states had farm real estate values of over \$7500/acre, while the national per acre farm real estate value was \$1,510.

Demand for programs subject to regional equity, including EQIP, the Farm and Ranch Lands Protection Program (FRPP), Grassland Reserve Program (GRP) and the Wildlife Habitat Incentives Program (WHIP), is strong. The following chart shows the FY06 backlog for some of these programs in regional equity states.

Total FY06 Unfunded Applications in Regional Equity States For WHIP, EQIP, and FRPP

STATES	UNFUNDED APPLICATIONS	UNFUNDED APPLICATIONS (\$M)
Alaska	55	\$3.9
Connecticut	43	\$7.4
Delaware	86	\$11.4
Hawaii	25	\$3.6
Maine	685	\$15.7
Massachusetts	130	\$8.1
Nevada	47	\$5.8
New Hampshire	174	\$5.5
New Jersey	116	\$10.4
Rhode Island	45	\$6.6
Vermont	225	\$10.9
West Virginia	900	\$32.5
Total	2,531	\$121.8

Source: USDA

For more information about American Farmland Trust's farm policy campaign, "Farm and Food Policy for All—Farmers, Citizens and Communities," please visit AFT's Web site at www.farmland.org or send an email to info@farmland.org.