



SUSTAINABLE AGRICULTURE COALITION

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NATION COALITION POINTS TO NEW GAO REPORT AS JUSTIFICATION FOR 'SODSAVER' IN NEXT FARM BILL

Washington, D.C. September 18, 2007 – The U.S. Government Accountability Office (GAO) released a report today that suggests farm program payments may have a strong influence on landowners' decisions to convert native grassland to cropland and diminish conservation programs' impact to preserve this valuable ecosystem. It calls upon the U.S. Department of Agriculture to comprehensively track native grassland conversion to cropland and to study the extent to which farm program payments and conservation programs are working at cross purposes.

“Native grassland conversions to cropping have been highly dependent on the availability of the public-provided safety net,” said Ferd Hoefner, policy director for the Sustainable Agriculture Coalition. “The time has come to stop forcing the taxpayer to subsidize the conversion of a precious grazing and biodiversity resource.”

Over the last three centuries, half of the native grassland making up 1 billion acres of land in the U.S. has been converted to human usage, most of which has been to cropland. Despite this trend and the significant value of native grasslands, there is no comprehensive data on grassland conversion to cropland or the amount of farm program payments related to newly converted cropland. The GAO researchers highlighted data from South Dakota showing that between 1997 and 2006 the average net crop insurance payments per acre for the 16 counties with the highest rate of grassland conversion to cropland was nearly twice as high as the average payments for all other counties in the state (\$13 per acre compared with \$7 per acre).

The GAO study also suggests that farm program payments may be working at cross-purposes with conservation programs, limiting the programs' overall impact on grassland preservation. Land retirement programs such as the Conservation Reserve Program and Grasslands Reserve Program are intended to protect marginal land, but the study finds that farm program payments, growing ethanol demand, new technology, and GMO crops have driven farmers to convert more marginal land into cropland, increasing their annual allowance from commodity payments. These incentives, added to lowered risks from crop insurance and commodity program payments have made it profitable for farmers to farm on marginal or previously unsuitable farmland while raising the overall costs of farm payments to U.S. taxpayers.

“Current policy has one foot on the accelerator and one foot on the brake,” responds Hoefner. “We subsidize conversion of grassland to cropping and then attempt to offset the loss through the Conservation Reserve and Grassland Reserve. As good as those conservation programs are, they have trouble keeping up with the subsidies and force the taxpayer to pay a second time to try to preserve the resource. Then when the subsidized new cropping on marginal land fails to produce, the taxpayer is called upon a third time to provide disaster payments. It is time to make our policies more consistent, and passing ‘Sodsaver’ as part of the 2007 Farm Bill is a way to start.”

Since the Food Security Act of 1985, the ‘Sodbuster’ conservation compliance program has required producers receiving farm program payments to apply a soil conservation system that does not allow a

substantial increase in soil erosion on land converted from native grassland to cropland and was determined by USDA to be highly erodible land (HEL). The GAO study finds that ‘Sodbuster’ has had little success in conserving sensitive grassland habitat because much of the grassland in the Northern Plains is not considered highly erodible land and therefore does not come under payment restrictions. Moreover, the report quotes USDA county-level officials who say that for lands under the HEL protection, the cost of controlling soil erosion is low relative to the potential profits from converting land to cultivation.

The Sustainable Agriculture Coalition suggests that the ‘Sodbuster’ conservation compliance section should be extended in the 2007 Farm Bill to include a new ‘Sodsaver’ provision that denies farmers who convert previously uncropped grasslands to crop production, commodity program, crop insurance, disaster, or conservation subsidies. Landowners would still be free to plow up their grassland, but would know in advance that they could not do so to reap taxpayer-provided subsidies on that land.

“The Senate overwhelmingly approved Sodsaver in 2002, only to see the provision stripped from the bill by House conferees,” Hoefner reports. “This time, the House has adopted a limited version of ‘Sodsaver,’ and the pending draft Senate conservation title includes a full blown ‘Sodsaver’ provision. We call upon the Senate to adopt the full blown proposal and to insist on its inclusion in the final bill.”

-- 30 --

The Sustainable Agriculture Coalition represents grassroots farm, rural, and conservation organizations from across the country that advocate for public policies supporting the long-term economic and environmental sustainability of agriculture, natural resources and rural communities.