

Uncertainty may prod crop program

Lack of bonus payments slows interest, but some look to the future

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The lack of a bonus payment appears to have dampened some interest in the latest signup for the Conservation Reserve Program (CRP), but that may be countered by uncertainty about future program funding.

The CRP legislation calls for signups to be conducted over a five-year period but funding was allocated for only the first two years, which ends Oct. 1. Separate appropriations will be required to fund the last three years of the signup.

"The program has been well-received and is expected to continue but there is no certainty on funding," said Roger Mussetter, state resources conservationist with the Soil Conservation Service (SCS). He noted the odds are good that there will be future signups.

HOWEVER, THE possibility that this could be the last signup in the two-year period is generating some additional interest, county officials report.

That factor was cited by SCS Conservationist James Wolfe as the cause of a higher-than-expected interest in Howard County. Wolfe's office has received about 70 requests for determining eligibility and at least 20 bids have been submitted to the Agricultural Stabilization and Conservation Service (ASCS) office.

The same concern has generated a

"steady interest" in Franklin County, according to SCS Conservationist Chuck Kiepe. About 8,000 of the 40,000 eligible acres have been enrolled to date.

Mussetter hopes at least 300,000 acres are enrolled in Iowa in this fifth signup, which opened Monday and continues through July 31.

More than 1 million acres were enrolled in the February 1987 signup when a \$2 per acre bonus was offered on corn acreage. Bonuses were paid in generic commodity certificates.

NATIONALLY, 10.57 million acres were enrolled in that signup, with \$340 million in bonuses paid on about 1.89 million corn acres. In Iowa, 1,029,762 acres were enrolled with \$122.7 million paid in bonuses on 594,000 corn acres.

These figures are still tentative as final paper work and contracts have not yet been completed.

The bonus paid was \$2 times the historic yield on the number of acres the landowner's crop base was reduced.

In Iowa, where about 11 million acres are considered eligible, 1.4 million acres have been enrolled. Nationally, the figure is 18.8 million acres.

The goal of the CRP is to take 45 million acres of highly erodible land out of production. Landowners submit bids for rental to be paid for 10 years.

The highest rental bid accepted in the nation is \$90 per acre. In Iowa, 27

counties accepted that figure including Mitchell, Floyd, Hardin, Butler and Franklin. The top bid accepted in other counties is \$85 per acre.

LANDOWNERS also are eligible for 50 percent cost sharing to establish a cover crop on the land.

At the end of 10 years, the land cannot be brought back into production unless an approved conservation plan is being applied. Failure to have such a plan will make landowners ineligible for federal farm program benefits.

No more than 25 percent of the cropland in a county can be enrolled. However, the respective county ASCS committees can request a waiver of that restriction. No Iowa county has yet met that limit.

Bill Hawks, program specialist with the state ASCS office, said many counties are receiving numerous requests to determine eligibility of land, with as many as 100 requests received in one county.

Interest is strongest in the southern counties, Hawks said, adding he was somewhat surprised by the interest when no bonus is being offered.

Winneshiek had 369 bids accepted in the February signup, the highest number for any county in the state.

SCS CONSERVATIONIST Jack Storkjamp said interest for this signup is higher than what he had anticipated without a bonus. By Wednesday, he'd received 60 re-

quests for determining eligibility and about a dozen bids had been submitted.

Winneshiek enrolled 8,000 acres in the first three signups and more than 32,000 acres in the fourth. Storkjamp estimates 75 percent of the 225,000 acres of cropland in the county are eligible for the program.

SCS Conservationist Roy Campbell sees "very limited interest" in Black Hawk County and he admits he's disappointed.

"This has to be the best alternative (landowners) have to get highly erodible land out of production. First, there is the economic advantage of a fixed income; secondly, we see the need for trees and wildlife habitat that this would produce," Campbell said.

"I don't think any farmer, if you look at the type of acres at which the program is aimed, can make \$85 an acre in profit or rent. The economic sense is there as well as meeting the requirement of the (1986 Food Security Act) for conservation compliance," Campbell noted.

THOSE REGULATIONS require farmers to have a conservation plan in place for highly erodible land by 1990 in order to retain eligibility for federal farm program benefits.

About 1,000 of the estimated 40,000 eligible acres in the county have been enrolled to date, with no applications yet received in this signup period. Only 85 acres were enrolled in the first three signups.