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REVIEW OF MAINTENANCE OF FEDERALLY ASSISTED/CONSERVATION STRUCTURES AND MEASURES IN IOWA / DEPARTMENT OF AGRICULTURE

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5-17-77

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Report to Senator Dick Clark, pursuant to his request, on our review of whether selected conservation structures and measures installed with Federal cost-sharing assistance under the Department of Agriculture's Agricultural Conservation Program have been eliminated by the original or subsequent owners of the farm properties. We were to determine whether the removal of conservation practices is becoming a problem, especially after farms are sold to new owners.

We reported that we had visited about 165 farms in three Iowa counties and found that, although some conservation practices had been eliminated or modified, there did not appear to be a serious problem. We also discussed certain weaknesses in the reviews performed by the Department to determine whether federally cost-shared conservation practices were being maintained.

Department officials agreed to correct these weaknesses.

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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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MAY 17 1977

RELEASED

The Honorable Dick Clark
United States Senate

Dear Senator Clark:

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Your letter of September 17, 1976, expressed concern that some conservation measures and structures installed with Federal cost-sharing assistance under the Department of Agriculture's Agricultural Conservation Program have been eliminated by the original or subsequent owners of the farm properties. You asked us to determine, in Iowa, whether the removal of conservation practices is becoming a problem, especially after farms are sold to new owners.

In a meeting with your office on March 2, 1977, we stated that we had visited about 165 farms in Iowa and found that some conservation practices had been eliminated or modified but that there did not appear to be a serious problem. We also discussed certain weaknesses in the reviews which were made to determine whether federally cost-shared conservation practices were being maintained. Department officials agreed to correct these weaknesses.

SCOPE OF REVIEW

The program is administered by the Agricultural Stabilization and Conservation Service. We reviewed applicable Federal regulations and records and held discussions with Department of Agriculture officials and some farm operators. We selected the conservation practices to review by asking State Agricultural Stabilization and Conservation Service officials and State Soil Conservation Service officials to identify the practices that they believed would most likely be eliminated or not properly maintained. The Soil Conservation Service provides the technical assistance for installing cost-shared conservation practices. We then selected the counties to visit by analyzing various Agricultural Stabilization and Conservation Service reports in Des Moines, Iowa, to determine where such conservation practices were widely used. The following were included in our review.

- Vegetative cover (Clarke County)
- Liming (Clarke County)
- Sod waterways (Adair County)
- Terraces (West Pottawattamie County)

In each county, we selected and visited a sample of farms that had benefitted from Federal cost-sharing assistance in recent years for the specified practice. We included in our sample all, or nearly all, farm units that had been sold to a new owner or operator after the specified practice was installed.

MAINTENANCE OF CONSERVATION PRACTICES

Agricultural Stabilization and Conservation Service regulations do not require county offices to designate a lifespan for any conservation practice. County offices may specify a lifespan or, after determining that a practice has been eliminated or improperly maintained, may compute a lifespan for that practice and determine whether the landowner should be required to refund part or all of the cost-sharing assistance provided. Under Federal regulations a new owner cannot be held liable for eliminating practices installed by a previous owner. Vegetative cover in Clarke County was the only conservation practice in our review which had a specified lifespan.

The results of our review are discussed below.

Vegetative cover

According to the Department of Agriculture, vegetative cover is a conservation practice used to protect land from erosion and to reduce water and air pollution. Federal cost sharing is available for establishing new cover on unprotected land and for reestablishing existing cover. The Clarke County Agricultural Stabilization and Conservation Service office specified that vegetative cover established under 1973 and 1974 funding could not be removed for 4 years after installation and that vegetative cover established under 1975 and 1976 funding must be maintained for 6 years.

During the 1973 through 1976 programs, 274 farm operators in Clarke County received Federal cost-share payments of \$100 or more to install vegetative cover. We visited 22 of the farms that had not changed ownership and all 18 farms that had changed ownership since the vegetative cover was installed. We observed that the cover was being maintained by the 22 original owners but had been removed from about 60

acres in 4 of the 18 cases where the ownership had changed. The county director said he could not take action to recover part of the Federal payments in the four cases because new owners are not responsible for maintaining cost-shared conservation practices installed by previous owners.

Liming

Agricultural Stabilization and Conservation Service guidelines provide that cost-sharing assistance may be used for liming farmland that will be planted in legumes or perennial grasses to help prevent soil erosion. The Clarke County office has adopted Federal guidelines which suggest that the eligible cover remain on the land for 2 consecutive crop years after the lime is applied.

During the 1975 and 1976 programs, 94 operators received Federal cost-share payments for liming practices in the county. We visited nine of these farms and found that all of the applicable fields were being maintained in vegetative cover as required.

Sod waterways

Sod waterways are installed on farmland to dispose of excess water without causing erosion. The Soil Conservation Service is responsible for determining farmers' waterway needs, designing the waterways, and determining that the waterways are constructed to specifications. The Adair County Agricultural Stabilization and Conservation Service office has not established an estimated lifespan for sod waterways.

During the 1970 through 1976 programs, 332 sod waterways were installed in Adair County with cost-sharing assistance of \$100 or more. We observed 67 of these waterways on 62 farms and found that sections or all of 5 waterways had been eliminated, sections or all of 13 waterways had been narrowed by 6 to 18 feet from their original design, and 3 waterways in pasture fields had been badly eroding. Two-thirds of the waterways that were not properly maintained were on farms that had been sold to new owners after the waterways were installed. Overall, about 18 percent of the 94,500 feet of waterways reviewed was not properly maintained. Regarding the elimination of sections of sod waterways:

--One farmer believed the bottom area had leveled out enough so that part of it was not needed.

--A second farmer planted a section because the drainage runoff that used to flow through that part of the

waterway was now flowing around it.

--In a third case the sod had never taken hold and the waterway had become silted.

--In a fourth case the section had never been seeded.

--A fifth farmer believed the sections were not needed because he had recently installed terraces above them.

Most of the farmers who had narrowed sections of their waterways said that they had unintentionally encroached on the waterways when plowing the land around them. Some of the farmers were not aware of the specific width to which their waterway was designed and constructed. This information was not included in the form which the farmers signed to obtain cost-sharing assistance.

Three waterways were in heavily grazed areas and were badly eroded. In two cases, the farmers said that the waterways, constructed in 1970 and 1972, had eroded before they could be seeded and they were never reshaped or seeded. In the other case, the farmer said the waterway eroded due to a neighbor's uncontrolled runoff.

The Adair County Agricultural Stabilization and Conservation Service director is planning to ask the operators who eliminated waterways to repair and resod them. He is also considering sending letters to the operators who have narrowed or badly eroded waterways, emphasizing the importance of maintaining the waterways at their designed width and in good condition and requesting a written response from each operator as to his plan of action. Soil Conservation Service officials told us that the effectiveness of sod waterways could diminish if they are not maintained as designed.

Terraces

Terraces are constructed on farmland where water runoff needs to be retarded or controlled to conserve water and prevent soil erosion. The Soil Conservation Service has technical responsibility for designing the terraces. The West Pottawatomie County Agricultural Stabilization and Conservation Service office has not established an expected lifespan for the terraces.

During the 1971 through 1976 programs, 329 terrace systems were cost-shared in the county. We observed 55 terraces on 53 farms and found that they were all being maintained.

The owner or operator had changed since the terraces were installed on 24 of the farms.

CONTROLS OVER MAINTENANCE
OF CONSERVATION PRACTICES

Agricultural Stabilization and Conservation Service regulations require that a sample of at least 5 percent of the conservation practices funded in the current year are to be reviewed to establish whether they have been installed and maintained. The regulations also require that, when such reviews are made, all previous cost-shared practices on the farm be checked to see that they are being properly maintained.

We reviewed the files at the Agricultural Stabilization and Conservation Service offices in the three Iowa counties. The files for Clarke and Adair counties did not identify any maintenance problems with the conservation practices we reviewed. Officials in Adair County told us that they checked to see that sod waterways were established but did not determine whether they were maintained to their designed length and width. They said they generally were not provided such information. The Adair County director said that future reviews will include a determination of whether sod waterways are being maintained to their designed dimensions.

In West Pattawattamie County three cases are pending where collection action is being considered because vegetative cover was not maintained. A county official told us that farms had been visited to check on recently installed practices but not to determine whether practices installed in prior years were still being maintained. He said that all future reviews will include such a determination.

Department of Agriculture headquarters officials agreed to remind county officials of the need to perform all required reviews. They also agreed to remind county officials to make farmers aware of the design specifications for maintaining waterways.

CONTROLS FOR RECOUPING COST-SHARE FUNDS

Agricultural Stabilization and Conservation Service officials in the three Iowa counties told us that when a farmer who received cost-sharing assistance fails to properly maintain a conservation practice, a county committee reviews the circumstances to determine whether and how much of a refund should be requested.

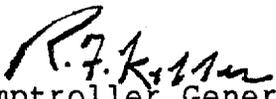
Our review of county office collection records revealed the following.

<u>County</u>	<u>Period reviewed</u>	<u>Number of collections</u>	<u>Total amount</u>
Clarke	7/1/75 - 9/30/76	4	\$171
Adair	7/1/70 - 9/30/76	6	443
West Pottawattamie	7/1/71 - 9/30/76	3	133

These collections were the result of either overpayments to the farmers, or voluntary refunds by the farmers for practices not installed. None of the collections were attributed to disclosures made while performing reviews to determine whether conservation practices were being maintained although, as mentioned above, three cases in West Pottawattamie County are currently under consideration.

We trust the information furnished in this report will serve your needs.

Sincerely yours,


 ACTING Comptroller General
 of the United States