

Eliminate the Conservation Reserve Program

SAVINGS IN MILLIONS OF DOLLARS

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-2020	2016-2025
\$2,005	\$1,888	\$1,795	\$1,742	\$1,892	\$1,979	\$1,911	\$2,004	\$2,104	\$1,924	\$9,322	\$19,244

Heritage Recommendation:

Eliminate the Conservation Reserve Program. This proposal saves \$19.2 billion over 10 years.

Rationale:

The Conservation Reserve Program pays farmers not to farm. In return for not farming allegedly environmentally sensitive land, farmers receive annual payments, courtesy of taxpayers; contracts last for 10 to 15 years. Much of this land could be highly productive land if it were used.

By taking land out of production, there is less land that could be used to meet important agricultural needs and increase the supply of important commodities. The reduced supply of land can drive up real-estate prices making it more difficult for farmers to expand operations and for new farmers to get a start in agriculture in the first place.

Additional Reading:

- Brian M. Riedl, “How Farm Subsidies Harm Taxpayers, Consumers, and Farmers, Too,” Heritage Foundation *Backgrounder* No. 2043, June 20, 2007, <http://www.heritage.org/research/reports/2007/06/how-farm-subsidies-harm-taxpayers-consumers-and-farmers-too>.
- Patrick Sullivan et al., “The Conservation Reserve Program: Economic Implications for Rural America” U.S. Department of Agriculture *Agricultural Economic Report* No. AER-834, October 2004, <http://www.ers.usda.gov/publications/aer-agricultural-economic-report/aer834.aspx>.

Calculations:

Savings based on CBO projections of program cost as found on page 26 of “CBO’s April 2014 Baseline for Farm Programs,” April 14, 2014, <http://www.cbo.gov/sites/default/files/cbofiles/attachments/44202-2014-04-USDA.pdf>. The CBO’s estimates provide projected costs for 2013–2024. Because the costs do not follow any particular trend, Heritage analysts used an average of the 2016–2024 period as the 2025 value.