

Cash for conservation

The dust on the 2002 Farm Bill has settled. The bill includes more livestock programs than ever before — including a whopping \$17.1 billion for conservation. Many of the programs will reward those producers who truly are stewards of the land, which is good news for grazing lands and cattle producers.

"This Farm Bill represents the single most significant commitment of resources toward conservation on private lands in our nation's history," says Agriculture Secretary Ann Veneman.

Program highlights

Previous programs like the Conservation Reserve Program (CRP) and the Environmental Quality Incentives Program (EQIP) will continue to be available. But the livestock industry is also buzzing with excitement over new programs like the Grasslands Reserve Program (GRP) and the

Conservation Security Program (CSP).

As in the past, the Natural Resources Conservation Service (NRCS) and the Farm Service Agency (FSA) will administer these programs. Final rules for most Farm Bill provisions have not yet been confirmed, but here are some highlights on what they'll offer:

Grasslands Reserve Program (GRP) — This new, voluntary program offers landowners financial

incentives to restore and protect grasslands. To participate, private grassland owners who enroll in the program agree to place 10-, 15-, 20- or 30-year rental contracts or 30-year or permanent easements on their land. These agreements would still allow permit grazing and haying on the land, but prohibit any cropping or development activity that disturbs the soil surface.

In return, landowners receive annual payments equivalent to a portion of the land value. Proposed payment rates for the permanent easement would be fair market value of the land less the grazing value; a 30year easement would pay 30% of the fair market value of the land less the grazing value during the easement; and the 10-, 15-, or 20-year rental payments would not be more than 75% of the grazing value.

Eligible land for the GRP program includes restored, improved or natural grassland, rangeland, pastureland and prairie in tracts of 40 acres or more. Common GRP practices include grazing management, prescribed burning, range seeding, fencing

and brush management.

The motivation for this program came from livestock industry concerns over urban encroachment on grasslands and native range. The Farm Bill authorizes up to 2 million acres to be enrolled in the program over the next four years, at a cost of up to \$254 million.

Conservation Security Program (CSP) — This new program is also designed to offer financial incentives to producers for adopting

and/or maintaining management, vegetative, and land-based structural practices that address soil, water, air and wildlife habitat resource concerns. Although it targets cropland practices, grazing, pasture and rangeland management practices are eligible as well.

The CSP program will provide a base payment rate (determined by a national rental rate for a given land use, and adjusted to regional rates) to producers for following approved conservation practices, including existing practices. Practices that may qualify pertain to nutrients, pests, irrigation, invasive species and grazing management, as well as contour farming, cover cropping and fish and wildlife habitat. Contracts are expected to be for five to 10 years, and payments will be based on how many conservation practices a farmer applies — up to \$20,000 per year for a Tier I contract, \$35,000 for Tier II and \$45,000 a year for Tier III. Lands with higher potential for soil erosion will be given higher priority.

The U.S. Department of Agriculture (USDA) will likely start the program in five to 10 states for two to three years to get CSP working before it goes nationwide.

Conservation of Private Grazing Land

(CPGL) — This program provides policy to ensure that technical, educational and related assistance is provided by Natural Resources Conservation Service (NRCS) staff for those who own private grazing lands. The CPGL programs call for specific funding for NRCS staff devoted to grazing lands. Although financial assistance is not available to landowners through CPGL, the technical assistance offered is aimed to promote such practices as better grazing land management, protecting soil from erosive wind and water, using more energyefficient ways to produce food and fiber, conserving water, and providing habitat for wildlife.

Several of the additional programs highlighted here are expected to enhance the CPGL effort by providing cost-share funds for conservation practices.

Conservation Reserve Program(CRP) — This well-known program was reauthorized through 2007 with an overall acreage cap of 39.2 million acres. Notable changes include: requires a cropping history of four of the last six years, provides for managed haying and grazing and construction of wind turbines, and expands the Farmable Wetland Program to be available nationwide.

Wildlife Habitat Incentives Program

(WHIP) — This program has been in place since 1998. It's a voluntary program that offers technical assistance and up to 75% cost-share for landowners who want to develop and improve wildlife habitat on private land. WHIP agreements are generally for five to 10 years, but 15-year contracts are eligible for higher cost-share coverage. And, the 2002 version of WHIP places greater emphasis on utilizing this program to help benefit habitat of threatened and endangered species. Land enrolled in CRP or Water Bank Protection programs is not eligible.

Wetland Reserve Program (WRP) — This existing program was also reauthorized and is designed to provide landowners with financial incentives for enhancing wetlands



reward producers for conservation efforts. in exchange for retiring marginal land from ag production. Through WRP, participants voluntarily limit future use of the land, but retain ownership and have the potential to develop wildlife and recreational opportunities on the land. There are options for a permanent or 30-year easement or a restoration cost-share agreement, which is generally for a minimum of 10 years. In all three options, cost-share funds are available for restoration practices and an annual rental payment is paid to the producer. Eligible lands include farmland that has become wetland due to flooding, riparian areas that link protected wetlands and other lands near protected wetlands.

Farmland Protection Program (FPP) -----Designed to help farmers and ranchers keep their land in agriculture, this voluntary program has helped protect more than 108,000 acres in 28 states since 2001. The program provides matching funds to state, tribal or local governments and nongovernment organizations to purchase conservation easements or other interest in land. Participating landowners agree not to convert their land to nonagricultural uses and to develop and implement a conservation plan for all highly erodible land. To enroll, producers must submit an application to an entity that has an existing farmland protection program. Thirty years is the minimum required for a conservation easement through this program, and preference is given to perpetual easements.

Environmental Quality Incentive Program (EQIP) — This popular program was introduced in 1996 and is geared to livestock producers. It provides 75%-90% cost-share funds for structural practices such as crossfencing, developing water sources, planting shelterbelts and even building animal waste management facilities. Previous versions of this program limited how much in cost-share funds could be paid out to a producer annually, required that eligible producers be in a "priority area," and made large, confined livestock operations ineligible, but those limitations have been removed with the 2002 legislation. Contracts can be for one to 10 years with a \$450,000 maximum payment limit per producer over the life of an EQIP contract.

To apply for any of these conservation incentives, start by talking with your local NRCS or FSA office about the program as it applies to your district. For more detailed information visit www.usda.gov/farmbill/ conservation_fb.html.