



Food, Conservation and Energy Act of 2008

Helping People Help the Land



Environmental Quality Incentives Program

Reauthorized until 2012

Forest Management is specifically referenced

Expanded to include energy conservation benefits associated with conservation practices

Places a priority on reduction of water use or no new lands irrigated



EQIP Key Points

Broader scope of conservation payments to include:

- ✓ Specific Planning activities beyond CNMP
- ✓ Build on management intensity concepts of CSP enhancements
- ✓ Payments fit Green Box for WTO

Air quality practices \$37.5 million per year (2009-2012)



EQIP Key Points

For organic producers:

Specific section on assistance with conservation practices utilized for organic production and transition

Payments for practices with organic production benefits limited to not more than \$20,000 per year; \$80,000 in 6 years



EQIP Key Points

\$300,000 payment limit per person over a six-year period

For limited resource, socially disadvantaged and beginning farmers or ranchers:

- ✓ Up to 90 percent cost share
- ✓ Advance payments to cover up to 30% of the cost of materials to install conservation improvements



EQIP Funding

Fiscal Year	Dollar Amount
2008	\$1,200,000,000
2009	\$1,337,000,000
2010	\$1,450,000,000
2011	\$1,588,000,000
2012	\$1,750,000,000



Conservation Innovation Grants

Program reauthorized

Emphasis on efficient and effective transfer of innovative technologies and approaches and increased participation of specialty crop producers



Wildlife Habitat Incentives Program (WHIP)

\$85 million authorized each year for 2008 through 2012

For private agricultural land, non-industrial private forestland, and tribal lands

Annual payment limits to a person or legal entity of not more than \$50,000



Agricultural Management Assistance (AMA)

Adds Hawaii

Annual payment limit of \$50,000 per person

\$15 million for each of fiscal years 2008 through 2012

Requires a percentage breakout of funding rather than a dollar amount:

- ✓ NRCS 50 percent
- ✓ Agricultural Marketing Service 10 percent
- ✓ Risk Management Agency 40 percent



Farm and Ranch Lands Protection Program (FRPP)

Reauthorizes FRPP through 2012

Changes role from acquisition of an interest in easements to providing cost-share to eligible entities

Removes any present or future interest in easements from the Secretary

No statutory payment limit.



FRPP Key Points

Changes the minimum entity contribution to 25 percent of the easement acquisition price from 25 percent of the appraised fair market value

Allows the entity to designate the terms and conditions of its deed and to choose the appraisal methodology, subject to approval by the Secretary

Allows the Secretary to certify eligible entities

Specifies a minimum agreement length of 5 years for certified entities

Non-certified entities shall have agreement lengths of 3-5 years



FRPP Funding

Fiscal Year	Dollar Amount
2008	\$97,000,000
2009	\$121,000,000
2010	\$150,000,000
2011	\$175,000,000
2012	\$200,000,000



Grassland Reserve Program (GRP)

Additional 1,220,000 acres in the period of fiscal years 2009 through 2012

Removes dollar cap

Limits rental agreement options to 10-, 15-, and 20-years

Annual \$50,000 payment limitation per person for rental agreements and an annual \$50,000 payment limitation per person for restoration agreement payments

No statutory payment limit for easements



GRP Key Points

Allows entities to write, own, and enforce easements with a 50 percent match through a cooperative agreement

Uses an easement valuation requirement similar to Wetlands Reserve Program

Requires a grazing management plan

Includes contingent right language that would limit Federal rights in entity-secured easements



Healthy Forest Reserve Program (HFRP)

Assists landowners restore and protect forest land resources and at risk species

\$9,750,000 each of fiscal years 2009 through 2012

Enrollment options:

- ✓ Permanent easements
- ✓ 30-year easements
- ✓ 30-year contracts rather than agreements for Indian tribes

Limits funding to

- ✓ 40 percent for 10-year cost-share agreements
- ✓ 60 percent for easements



Conservation Reserve Program (CRP)

Removes marginal croplands from production and encourages environmental enhancement on those lands

Provides new Wildlife Habitat program initiative

Reauthorizes and expands the flooded farmlands component of CRP

\$50,000 per person annual payment limit



CRP Acre Limit

32,000,000 acres beginning 2010

CRP Wildlife

\$100,000,000 during 2009-2012

CRP Transition

\$25,000,000 during 2009-2012



Wetlands Reserve Program (WRP)

Reauthorized through 2012

Overall Program Acreage Cap 3,041,200 acres (adds 766,200 acres)

Limits enrollment to private or Tribal lands

Enrollment Options:

- ✓ Permanent easements
- ✓ 30-year easements
- ✓ 30-year contract option for Tribes
- ✓ Restoration cost-share agreements

Prohibits easements where ownership has changed during the previous 7 years for the purposes of enrolling in the WRP



WRP Key Points

Changes easement compensation to the lowest of the following:

Fair market value of the land enrolled based on a

Uniform Standards of Professional
Appraisal Practices appraisal, or a

Market survey

Geographic cap established by the Secretary, or

Landowner offer

These changes will be implemented on the date of enactment



WRP Key Points

Annual payment limit on restoration cost-share agreement payments of \$50,000 per person

Easements of less than \$500,000 may be made in up to 30 payments

Easements greater than \$500,000 may be made in at least 5 and no more than 30 payments

No statutory limitation on easement payments

A waiver may be allowed for special circumstances



Wetlands Reserve Enhancement Program (WREP)

Special Wetland Programs with States, Tribes, or NGO's
Reserved Rights Pilot Program

Flooded Cropland or Grassland (used for production prior to natural
overflow of closed basin or prairie pothole)



Conservation Security Program

Conservation Security Program—

Continues funding for current contract holders for signups
conducted during fiscal years 2004 through 2008

No new enrollments

No new modifications



Conservation Stewardship Program (CSP)

The new **Conservation Stewardship Program (CSP)** will focus on:

- Incentivizing new conservation
- Rewarding producers for high levels of additional stewardship
- Addressing local priority resource concerns



CSP Key Points

Authorized 2009 through 2017

12,769,000 acres may be enrolled each year

Average \$18/acre nationally (FA and TA)

Acres will be allocated based on eligible acres in a state

Applicants must account for stewardship activities covering their entire agricultural operation



CSP Key Points

Applications will be competitively ranked based on:

- ✓ Present and proposed conservation activities
- ✓ Number and extent of resource concerns addressed
- ✓ Cost effectiveness of the expected environmental benefits

A person or legal entity cannot receive CSP payments exceeding \$200,000 during any five-year period



CSP Key Points

Eligible producers must initially meet the stewardship threshold for one resource concern and be willing to achieve the threshold for at least one additional priority resource concern by the end of their five-year contract

CSP payments will be paid in the fiscal year after the improvements and activities are completed

Program written to be available in every watershed, every year



Conservation Programs

NEW INITIATIVES

Chesapeake Bay Watershed Program

Voluntary Public Access and Habitat Program (Open Fields)

Environmental Services Markets

Cooperative Conservation Partnership Initiative



Chesapeake Bay Watershed Program

Provides assistance to producers to minimize nutrient and sediment loading

Special consideration and evaluation of applications in the Susquehanna, Shenandoah, Potomac and Patuxent River Basins

Funds to be utilized through existing Farm Bill conservation programs and are available until expended.

FY 09: \$23 million - FY10: \$43 million - FY11: \$72 million - FY12: \$50 million.



Voluntary Public Access and Habitat Incentive Program (Open Fields)

Establishes a voluntary public access program 2009 - 2012

States and Tribes may apply for grants to encourage owners and operators of privately held farm, ranch, and forest land to make that land available for wildlife-dependent recreation

The program does not preempt State or tribal government laws, including liability laws

Provides \$50,000,000 in mandatory funds for this program

Includes a 25 percent reduction for the total grant amount to an entity if the opening dates for migratory bird hunting in the State are not consistent for residents and non-residents



Environmental Services Markets

Establishment of science-based technical guidelines to measure environmental service benefits. Creation of a registry to collect, record, and maintain benefits.



Cooperative Conservation Partnership Initiative

Directs 6 percent of funds and acres from Farm Bill Conservation Title programs, except CRP, WRP, FRPP, and GRP, be used for targeted conservation activities and areas

Projects will be selected through a competitive process of applications submitted by partners

Projects will be implemented through existing program authorities and procedures

Funds and acres are directed at the State level (90 percent) and nationally (10 percent)



Conservation Access

Assistance to Certain Farmers and Ranchers to Improve Their Access to Conservation Programs:

- ✓ Ten percent funding set aside for Beginning and socially disadvantaged farmers or ranchers
 - ✓ 5% funding set-aside for each group in EQIP
 - ✓ A 5% acreage set-aside for each group in CSP
- ✓ Funds or acreage not obligated during a fiscal year would be returned to the general EQIP and CSP programs



Adjusted Gross Income Limitation

For conservation programs, persons or legal entities are eligible if—

- ✓ *The average non-farm AGI is less than \$1,000,000, unless*
 - 2/3 of the average total AGI is from farming, ranching, or forestry*
- ✓ *The limitation may be waived on a case-by-case basis if:*
 - *Environmentally sensitive land of special significance would be protected*

Not in effect until FY2009



Regional Equity and Flexibility

Increases the funding trigger from \$12 million to \$15 million

Considers respective demand in each program in each state



Streamlining Provisions

Section 2702--Authority to Accept Contributions to Support Conservation Programs

- Provides authority to accept non-federal funds to administer conservation programs under this Title.



Authorizations vs. Allocations(Historic Reductions in mandatory spending)

- From 2002 through 2007, the appropriators limited a total of \$2.23 billion dollars from conservation programs.
- In 2007, the NRCS programs in Title II were limited to 71.7 percent of their authorized funding levels.



Conservation Compliance

Review of Good Faith Determinations Related to Highly Erodible Land Conservation and Wetland Conservation

- ✓ Good faith exemption maintained but second-level review is required
 - Compliance Decisions by FSA State Director with technical concurrence by NRCS State Conservationist
 - Compliance Decisions by FSA District Director with technical concurrence by NRCS Area Conservationist
- ✓ The amendment allows for **graduated penalties for HEL Violations** based on the severity of the compliance violation.



Rule Making for FY2009

Most rules to be completed in 90 days



United States Department of Agriculture
Natural Resources Conservation Service

For More Information, visit:

- ✓ Your local USDA Service Center
- ✓ Your local conservation district
- ✓ <http://www.pa.nrcs.usda.gov>