

FACT SHEET

December 2009

South Dakota Conservation Reserve Enhancement Program

Overview

The Conservation Reserve Enhancement Program (CREP) is a federal-state natural resources conservation program that addresses state and nationally significant agricultural related environmental concerns. Through CREP, program participants receive financial incentives from USDA's Commodity Credit Corporation (CCC) to voluntarily enroll in the Conservation Reserve Program (CRP) in contracts of 10 to 15 years. Participants remove cropland and marginal pastureland from agricultural production and convert the land to native grasses, trees and other vegetation. CRP is authorized by the Food Security Act of 1985, as amended. USDA's Farm Service Agency (FSA) administers CRP and CREP on behalf of CCC.

The South Dakota CREP is a partnership between USDA and the state of South Dakota. The program seeks to enroll 100,000 acres of eligible cropland or marginal pastureland in 10 to 15 year contracts within the James River watershed which is within the Prairie Pothole National Conservation Priority Area. The project will restore the hydrology and upland buffers of prairie pothole wetlands and establish permanent vegetation along drainages leading into the James River. The primary goals of

the project are to improve water quality, soil erosion, flood control, and to enhance wildlife habitat through the establishment of permanent vegetative cover.

General Benefits

The South Dakota CREP provides for the establishment of riparian buffers, grass plantings, forbs, shrubs, and trees to improve and enhance water quality in the James River watershed by reducing soil runoff, increasing ground water absorption, and reducing stream sedimentation and nutrient loading into South Dakota's waterways. Additional benefits will accrue through habitat restoration for plant and animal species and wetland restoration.

Goals

South Dakota CREP will seek to achieve the following objectives:

- Restore the environmental functions on 60,000 acres of wetlands and associated buffers, and reduce peak flooding.
- Establish 25,000 acres of permanent vegetation to serve as natural filters for pollutants and sediment and to create prime nesting cover for migratory and resident wildlife species.

- Establish 15,000 acres of buffers for riparian areas and filter strips.
- Provide a reduction of sediment pollution, phosphorus, and nitrogen on agricultural land previously utilized for row crops which will in turn reduce the amount of sediments and nutrients entering waterways from adjacent land due to runoff.
- Produce an additional 285,000 pheasants annually.
- Contribute an additional 60,000 ducks to the fall flight annually
- Provide an additional 85,000 acres of breeding habitat to increase the survivability of wetland and grassland dependent species.

Land Eligibility Requirements

Following are some of the eligibility requirements producers and their land must meet in order to be enrolled in South Dakota CREP.

A minimum total block size of at least 40 acres for any one offer and contract is required to participate. The 40 acre minimum block requirement may be waived on a case by case basis, and for those producers who are considered either a Socially Disadvantaged Farmer or Rancher, Beginning Farmer or Rancher, or Limited Resource Farmer or Rancher. The block requirement may be met by offering non CREP acres under a wildlife agreement with South Dakota Game Fish and Parks through their State Walk-in-Agreement.

- The acreage enrolled in CREP must also be enrolled in the South Dakota Game, Fish and Parks Walk-In Area Program for hunting and fishing access.
- At least 51 percent of all land under each offer and contract must be located within the James River watershed.

In addition, cropland must meet cropping history criteria and be physically and legally capable of being cropped in a normal manner. Marginal pastureland along streams, watercourses, and certain upland areas may also be eligible for enrollment.

Other requirements may apply. Interested producers should contact their local FSA service center for specific information regarding their eligibility for CREP.

Sign-up and Contract Duration

Local FSA service centers and the state of South Dakota will begin CREP sign-up on November 23, 2009. Sign-up will continue until enrollment goals are met and as long as there is statutory authority for such enrollments. Land enrolled in the program will remain under contract for a minimum of 10 years, but no more than 15 years for all practices except CP4D & CP10 which are limited to 10 year contracts, as specified in the contract.

Approved Conservation Practices

- CP4D (Permanent Wildlife Habitat) (cropland only)
- CP10 (Vegetative Cover-Grass-Already Established) (cropland only)
- CP21 (Filter Strips) (cropland only)
- CP22 (Riparian Buffer) (Cropland and Marginal Pastureland)
- CP23 (Wetland Restoration, 100 Year Floodplain) (cropland only)
- CP23A (Wetland Restoration, Non-floodplain) (cropland only)
- CP29 (Marginal Pastureland Wildlife Habitat Buffer) (cropland and marginal pastureland)
- CP30 (Marginal Pastureland Wetland Buffer) (cropland and marginal pastureland)
- CP37 (Duck Nesting Habitat Initiative) (cropland only)

USDA Payments

South Dakota CREP participants will be eligible for the following types of USDA payments subject to contract terms and certain limitations:

- Annual Rental Payment: The maximum annual rental rate is based on posted CRP rental rates and is calculated as follows:
 - For enrolled CREP acres, CCC will determine the base rental payment per acre using the weighted average soil rental rates for the three predominant soils, plus
- A per-acre incentive payment as provided under normal continuous CRP rules.
- Signing Incentive Payment: A one-time incentive payment of \$100 per acre for land enrolled in practices CP21, CP22, CP23, CP23A, CP29, CP30, and CP37. This payment is made after the contract has been signed and approved.
- Practice Incentive Payment: A one-time incentive payment equal to 40 percent of the eligible reimbursable cost for the establishment of practices CP21, CP22, CP23, CP23A, CP29, CP30, and CP37.
- Cost-share assistance: 50 percent cost-share of eligible reimbursable costs to install approved conservation practices.
- Cost-share assistance: Up to 50 percent for approved management activities according to normal CRP rules.

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State of South Dakota Payments

The state of South Dakota will provide the following payments, subject to contract terms and certain limitations:

- An annual rental payment equal to 40 percent of the weighted-average rental rate for acres enrolled in CREP issued by USDA.
- A payment of 10 percent as the cost share for all reimbursable costs to install approved conservation practices.

CRP Enrollment

CREP enrollment is another option that farmers may select for enrollment under CRP. Applicants may still enroll eligible land in the general CRP or continuous sign-up CRP. However, CREP provides additional benefits and economic incentives not available through general and/or continuous sign-up, including payment, through the State public recreation access program.

Haying and Grazing

Haying and grazing are not permitted during the CRP contract period except for emergency or managed haying and grazing purposes, if authorized.

For More Information

For more information about FSA and its programs, visit a local FSA or USDA Service Center, or the FSA website at http://www.fsa.usda.gov.

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