

For: State and County Offices

CRP 1-Year Contract Extensions

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

On May 29, 2015, the Secretary announced that certain CRP participants with CRP contracts that are scheduled to expire on September 30, 2015, may modify all or part of that contract to extend the expiration date for a 1-year period at the same per acre payment rate. A general signup is scheduled to begin December 1, 2015.

CRP contracts on about 1.9 million acres are currently scheduled to expire on September 30, 2015.

A 1-year extension signup is authorized beginning June 22, 2015, through August 28, 2015, for certain eligible general signup CRP contracts expiring on September 30, 2015. Continuous signup and CREP expiring contracts are not eligible for a 1-year extension.

B Purpose

This notice provides:

- policy for contract modifications to extend the expiration date for certain eligible general signup contracts for 1 year
- policy for early land preparation
- an example of CRP-1F Addendum (Exhibit 1)
- an example of the letter, mailed by the National Office, to CRP participants with contracts expiring September 30, 2015, (Exhibit 2).

C Extension Signup Period

Participants may submit requests to extend the expiration date of certain general signup CRP contracts by filing CRP-1F Addendum from June 22, 2015, through August 28, 2015.

Disposal Date	Distribution
January 1, 2016	State Offices; State Offices relay to County Offices, NRCS Offices, and State CREP Partnering Agencies

Notice CRP-787

2 Voluntary Modification to the CRP Contract

A General Provisions

All participants with CRP contracts scheduled to expire September 30, 2015, will receive a letter (Exhibit 2) that the National Office will mail informing them of the opportunity to extend certain expiring CRP contracts.

The following provisions apply to CRP contract modifications to extend the expiration date for 1 year.

- All signatories on CRP-1, or their duly-appointed representative, shall sign CRP-1F Addendum (Exhibit 1). CRP-1F Addendum requires continuing the terms and conditions of the CRP-1. COC is authorized to accept late-filed CRP-1F Addendum's through September 30, 2015, only in occurrences when CRP-1F Addendum is also approved by September 30, 2015.

Exception: COC may determine **not** to require a tenant's signature on CRP-1F Addendum if the tenant:

- no longer has a right in interest to the land, such as a written lease for the time period of CRP-1F Addendum or a maintenance agreement (not necessarily written) with the landlord
- is not otherwise involved in farming other acreage on the farm.

When the tenant's signature is **not** required on CRP-1F Addendum, the full rental payment may be made to the landowner.

- The 1-year modification is only available to certain participants on acreage under a general signup CRP contract that expires on September 30, 2015.
- Eligible participants may extend all or a portion of the acreage under a general signup CRP contract expiring on September 30, 2015; however, no new acreage may be added.

Notes: If only a portion of a contract will be extended, the contract must be divided in the Conservation Contract Maintenance System (CCMS) before the extension is completed.

Offices will need to process all pending 2015 Farm Records reconstitutions and CCMS revisions before loading the contract extension.

2016 producer changes shall not be processed until after October 1, 2015, after the extension has been loaded.

- In no case shall CRP-1F Addendum be approved that would have the effect of a contract with a duration, in the aggregate, exceeding 15 years.
- Participants must obtain a modified conservation plan.

Notice CRP-787

2 Voluntary Modification to the CRP Contract (Continued)

B No Liquidated Damages

Participants may cancel the 1-year modification agreement on or before September 30, 2015, without assessment of liquidated damages. Agreements terminated after this date are considered contract terminations and are subject to standard termination policy in 2-CRP, paragraph 571.

3 Provisions for Contracts Not Eligible for Extensions

A Re-Enrollment or Early Land Preparation

CRP participants with CRP contracts that are **not** eligible for the 1-year extension may:

- offer the land expiring from CRP on September 30, 2015, for re-enrollment under continuous signup criteria, provided all other eligibility requirements are met according to 2-CRP, paragraph 181
- beginning July 1, 2015, for certain eligible general contracts scheduled to expire September 30, 2015, destroy the cover on certain acreage before the CRP-1 expiration to prepare a seedbed for fall-seeded crops according to 2-CRP, paragraph 637.

Notes: CRP participants who perform early land preparation in the last year of the CRP contract or have destroyed their cover are **not** eligible to extend their CRP contract.

Participants who perform early land preparation after submitting an offer to extend their CRP contract will void the extension offer and may be considered in violation of the CRP contract.

B HEL and WC Requirements

Land that is enrolled under a CRP contract scheduled to expire September 30, 2015, which is **not** extended or re-enrolled under continuous signup, may be subject to HELC and WC **provisions** in 6-CP.

FSA is **not** responsible for environmental compliance in cases where the land is no longer enrolled under CRP and, therefore, not subject to CRP requirements.

Notes: NRCS may be obligated to perform an environmental review in certain cases including, for example, converting cover on HEL to crop production or other use.

Producers may want to maintain the conservation benefits accrued during the life of the CRP contract. Producers should be informed of other FSA, NRCS, and USDA conservation programs that may assist the producer's transition to agricultural production systems that will protect the natural resources.

Notice CRP-787

3 Provisions for Contracts Not Eligible for Extensions (Continued)

C Base Acre Reductions for Expiring Contracts

Base acres may have been reduced at the time the land was enrolled in CRP. CRP participants must contact their local County Office to request re-instatement of those base acres, if applicable.

Note: Base acres cannot be restored until the beginning of the next fiscal year.

4 Expiring Contract Reports and Letters

A Expiring CRP Contract Letters

The National Office will mail letters directly to participants with CRP contracts scheduled to expire September 30, 2015. The same letter will be sent for each of the following expiring contracts:

- general signup CRP contracts generally eligible for the 1-year extension
- general signup CRP contracts **not** eligible for the 1-year extension
- continuous signup contracts generally eligible for re-enrollment under the continuous signup.

The letter will **not** include information about which of the 3 categories may apply to the expiring CRP contract. Each participant will only receive 1 letter for each county in which they have expiring CRP contracts administered.

Letters will be mailed:

- without listing the unique CRP contract number information for each participant on the letter
- for each participant with a share greater than zero, for up to the first 5 participants with the highest shares on each applicable CRP contract
- with the administrative county mailing address shown as the return address. County Offices must use alternative participant notification measures **promptly** for all returned letters.

Notice CRP-787

4 Expiring Contract Reports and Letters (Continued)

B Reports

The “2015 Expiring CRP Contract Letter Mailing Recipients” list will be posted on the CRP SharePoint site at <https://sharepoint.fsa.usda.net/states/cepd/crp/default.aspx> by June 17, 2015.

This list will:

- allow County Offices to know when participants received a letter
- show all contracts expiring on September 30 and contain a column for “1 year Extension Eligible” with a “Yes” or “No” for each contract.

For participants requesting early land preparation before letters are available, County Offices may use the lists to inform the participant if they are eligible for a contract extension.

5 Action

A State Office Action

State Offices shall:

- forward copies of this notice to NRCS State Offices
- ensure that County Offices follow the provisions of this notice.

B County Office Action

County Offices shall:

- follow the provisions of this notice
- review the list provided through the CRP SharePoint site at <https://sharepoint.fsa.usda.net/states/cepd/crp/default.aspx> for all CRP participants with contracts eligible for this extension that were notified
- print CRP-1F Addendum for 1-year extensions from the forms web site at <http://fsaintranet.sc.egov.usda.gov/dam/ffasforms/currentforms.asp>
- process 1-year extensions in CCMS according to Section 10, 1-Year Extensions, in the CCMS User Guide by September 18, 2015
- process all Farm Records reconstitutions and CRP contract modifications before processing the extension.

CRP-1F Addendum

The following is an example of CRP-1F Addendum.

<p>This form is available electronically.</p>			
<p>CRP-1F Addendum (06-10-15)</p>		<p>U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation</p>	
<p align="center">CRP-1 MODIFICATION TO EXTEND THE CONTRACT EXPIRATION DATE FOR 1 YEAR</p>		1A. State Code	1B. County Code
		2. Contract Number	
		3. Farm Number	
<p>4. TERMS TO EXTEND EXPIRATION DATE OF THE CRP-1 CONTRACT</p>			
<p>This contract modification is entered into by the Commodity Credit Corporation (CCC) and the undersigned participant(s) of the Conservation Reserve Program (CRP) under the contract in Item 2 above.</p> <p>By signing this contract modification, the participant(s) and CCC agree:</p> <ul style="list-style-type: none"> to extend the expiration date of the CRP contract identified in Item 2 above to September 30, 2016. to continue to comply with the terms and conditions of the cited contract as contained in the corresponding CRP-1, CRP-1 Appendix, and any addendum thereto. to extend the lifespan of all CRP practices established for the contract identified in Item 2 above for 1 year longer than indicated on AD-245, page 2 or for 1 year longer than was agreed to under other extension provisions, whichever results in the later date. 			
<p>It is so agreed and understood.</p>			
4A. Participant's Name (Printed)	4B. Participant's Signature (By)	4C. Title/Relationship of the Individual Signing in the representative capacity	4D. Date (MM-DD-YYYY)
4E. Participant's Name (Printed)	4F. Participant's Signature (By)	4G. Title/Relationship of the Individual Signing in the representative capacity	4H. Date (MM-DD-YYYY)
4I. Participant's Name (Printed)	4J. Participant's Signature (By)	4K. Title/Relationship of the Individual Signing in the representative capacity	4L. Date (MM-DD-YYYY)
4M. Participant's Name (Printed)	4N. Participant's Signature (By)	4O. Title/Relationship of the Individual Signing in the representative capacity	4P. Date (MM-DD-YYYY)
5A. Signature of CCC Representative		5B. Date (MM-DD-YYY)	6A. County FSA Office Name and Address (Including ZIP Code)
			6B. Telephone No. (Including Area Code):
<p>NOTE: <i>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a – as amended). The authority for requesting the information identified on this form is 7 CFR Part 1410, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine eligibility for a modification to extend an existing CRP contract. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for a modification to extend an existing CRP contract.</i></p> <p><i>This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title II, Subtitle G, Funding and Administration). The provisions of criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</i></p> <p><i>The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the basis of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited basis will apply to all programs and/or employment activities.) Persons with disabilities, who wish to file a program complaint, write to the address below or if you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint, please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish).</i></p> <p><i>If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter by mail to U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. USDA is an equal opportunity provider and employer.</i></p>			

Participant Notification Letter

The following is an example of the letter the National Office is mailing to CRP participants with contracts expiring on September 30, 2015.

<p>Farm and Foreign Agricultural Services</p> <p>Farm Service Agency</p> <p>Office of the Administrator</p> <p>1400 Independence Ave, SW Stop 0501 Washington, DC 20250-0501</p>	<p style="text-align: center;">USDA <small>United States Department of Agriculture</small></p> <hr/> <p>June 17, 2015</p> <p>Dear CRP Participant:</p> <p>The purpose of this letter is to inform you that one or more of your Conservation Reserve Program (CRP) contract(s) expires on September 30, 2015. Secretary Tom Vilsack recently announced that CRP participants with contracts scheduled to expire on September 30, 2015, will be offered the following options for your expiring contract(s):</p> <ol style="list-style-type: none"> 1. 1-Year Extension. If you have an expiring general CRP contract that is 14 years or less, you may submit a request to extend the expiration for an additional year under the same terms and conditions as your expiring contract(s), including the rental rate per acre. General sign-up contracts which are already 15 years in length are not eligible for an extension, but may be eligible for a combination of the other options described below. The sign-up for the 1-year extension is June 22, 2015, through August 28, 2015. Also, please note that a general sign-up is scheduled for December 1, 2015, through February 26, 2016, for contracts that will begin October 1, 2016. 2. Continuous Enrollment. If you have an expiring CRP contract, all or a portion of your acreage may be eligible to be enrolled in a new 10- to 15-year continuous CRP contract. Even if you plan to return a portion of your land to production, important conservation benefits may still be achieved by re-enrolling sensitive acres such as buffers or pollinator habitat. If you are interested in re-enrolling your acreage or entering other land into a new continuous contract, please submit an offer at your local Farm Service Agency (FSA) office no later than September 4, 2015. 3. Transition Incentive Program (TIP): If you have an expiring contract and are not planning to farm the land yourself, TIP may provide you two additional annual rental payments on the condition you sell or rent your land to a beginning farmer or rancher or a member of an underserved group. New landowners or renters are required to use sustainable grazing or farming methods as they return the land to production. TIP offers a way to create new farming opportunities while continuing conservation efforts. If you are interested in TIP, contact your local FSA office no later than September 4, 2015. 4. Contract Expiration. If you do nothing, your CRP contract will expire. You will receive your final payment in October of 2015. You may plant, graze or hay the acreage after September 30, 2015. Since CRP land typically does not have a recent history of pesticide or herbicide application, the land may be valuable for organic production without a transition period. Prior to contract expiration, you should visit with your local FSA office and review the current crop acreage base re-instatement provisions. Before planting, check with FSA or Natural Resources Conservation Service (NRCS) to see if your land may be subject to conservation and wetland compliance provisions. 5. Conservation Easements or Working Lands Programs. CRP land may transition into conservation easements to provide longer term benefits. NRCS's Agricultural Conservation Easement Program (ACEP) or state or private easement programs may be an option. If you are planning to convert your CRP land to agriculture use, the forthcoming CRP grasslands initiative, NRCS' working lands Conservation Stewardship Program (CSP), or the Environmental Quality Incentives Program may be available to address your resource needs. In many cases a combination of approaches can be taken on the same parcel. For example, riparian areas or other sensitive parts of a parcel may be enrolled in continuous CRP and the remaining land that is returned to farming can participate in CSP and even receive additional ranking points. <p>Please contact your local USDA Service Center, or visit http://www.fsa.usda.gov/crp to explore your options.</p> <p>Sincerely,</p> <p style="text-align: center;"></p> <p>Val Dolcini Administrator</p>
--	---

USDA is an Equal Opportunity Provider and Employer.