

Questions & Answers

Regarding the 16th CRP Sign-Up

1) Q: When will the next general sign-up be held?

A: The 16th sign-up period will be conducted from October 14 through November 14, 1997.

2) Q: When will program information be available in local FSA offices?

A: State and local FSA and Natural Resources Conservation Service (NRCS) employees will be trained early in September. Detailed program information is scheduled to be available in local FSA offices by mid-September.

3) Q: Will any existing CRP contracts be extended?

A: No. The 1997 agriculture appropriations act effectively precluded the extension of any CRP contracts. No contracts will be extended.

4) Q: Since existing CRP contracts cannot be extended upon expiration, will the acreage still be eligible to be re-offered under the 16th Sign-Up?

A: Yes, if the acreage is otherwise eligible for enrollment.

5) Q: What are the land eligibility requirements for new CRP contracts?

A: Eligible cropland is defined as land that has been planted or considered planted to an agricultural commodity 2 of the 5 most recent crop years and must be physically and legally capable of being planted to an agricultural commodity. Also, marginal pasture land is eligible if it is either in the last year of a Water Bank Program contract or will be devoted to a riparian buffer to be planted to trees.

Eligible cropland must also meet one of the following criteria to be offered for enrollment in the CRP:

- Be considered highly erodible land according to the conservation compliance provisions (portions of a field must have a weighted average Erosion Index of 8 or higher);
- Be considered a cropped wetland;
- Be subject to scour erosion;
- Be located in a national or state CRP conservation priority area; or

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- Be cropland associated with non-cropped wetlands.

6) Q: Are there any producer eligibility requirements?

A: Yes. Land must have been owned or operated for at least 12 months prior to close of the sign-up period unless the: (1) new owner acquired the land as a result of death of the previous owner; (2) only ownership change occurred due to foreclosure where the owner exercised a timely right or redemption in accordance with State law; or (3) circumstances of the acquisition present adequate assurance to the CCC that the new owner did not acquire the land for the purpose of placing it in CRP. If a tenant, the tenant must be a participant with an eligible owner or operator.

Producers should contact their local FSA Service Center for more information.

7) Q: What will be the duration of CRP contracts?

A: Contracts will be for a term of not less than 10 years. However, for land devoted to practices such as riparian buffers, filter strips, restoration of cropped wetlands, hardwood trees, shelter belts, restoration of rarer declining habitat, windbreaks, or wildlife corridors, contracts may be for a term of not less than 10 or more than 15 years.

8) Q: How are CRP rental rates determined?

A: The rental rate is based on county average dryland cash or cash rent equivalent rental rates adjusted for site-specific soils-based productivity factors. The same rates used for Sign-Up 15 will be used for Sign-Up 16. An additional amount, not to exceed \$5 per acre, is provided as an incentive to perform maintenance obligations. Producers will know in advance what the maximum rental rate will be for the acreage being offered and may offer whatever rate they choose. A producer can offer less than the maximum rental rate to increase the likelihood of acceptance through the competitive environmental benefits index.

9) Q: If a producer does not agree with the maximum payment rate, can the rate be appealed?

A: While most program decisions made by USDA officials can be appealed, appeal of a CRP maximum payment rate is restricted. Only the soil types and related soil type acreage determinations made by the NRCS may be appealed. The payment rate formula and the individual soil rental rates used in the formula are uniformly applicable to all CRP applicants and may not be appealed.

10) Q: What is the Environmental Benefits Index (EBI)?

A: When an offer is submitted, NRCS collects data for each of the EBI factors based upon the relative environmental benefits for the land offered. Offers are then ranked in comparison to all other offers, and selections are made from that ranking. Rankings are based on potential environmental benefits derived from enrolling the acreage in the CRP, taking into consideration the cost to the taxpayer.

11) Q: What are the EBI factors?

A: The EBI factors are: (1) wildlife habitat benefits which encourage covers on contract acreage that will be most beneficial to wildlife; (2) water quality benefits from reduced erosion, runoff, and leaching; (3) on-farm benefits of reduced erosion; (4) enduring benefits which recognize that certain practices such as trees will provide environmental benefits beyond the contract period; (5) air quality benefits from reduced wind erosion; (6) benefits of enrollment in conservation priority areas where enrollment would contribute to the improvement of identified adverse water quality, wildlife habitat, or air quality; and (7) cost.

12) Q: Have any changes been made to the EBI for this sign-up, compared to that used in the 15th Sign-Up held last March?

A: Yes. The following revisions have been made to the EBI to better protect America's natural resource base:

- The wildlife habitat cover benefits factor was modified to recognize the improved wildlife benefits attributable to certain covers. Wildlife species, both game and non-game, benefit most from vegetation when it is planted specifically to address their habitat needs.
- The air quality factor was changed to more accurately reflect wind speed, moisture conditions, particle size, organic material, volcanic and organic soils, and proximity to designated agricultural areas that contribute to the non-attainment of air quality standards or effect Class 1 pristine air quality areas such as National parks.
- An additional subfactor was added to the cost factor to further encourage the CRP's cost competitiveness.

Other minor revisions were also made for clarity and to facilitate administration.

13) Q: What does this mean to producers bidding for contracts?

A: The EBI has been revised to better measure the relative environmental benefits on any particular offer. Achieving an acceptable EBI rating of 259 in sign-up 15 is no guarantee of obtaining a contract in the 16th sign-up.

14) Q: When will contracts selected for enrollment become effective?

A: For sign-up 16, new contracts for acreage under contracts scheduled to expire on September 30, 1997, could be effective the month following the date of approval. New contracts for all other acreage become effective October 1, 1998.

15) Q: If a producer has more than one CRP contract expiring in 1997, must all acreage be offered for re-enrollment?

A: No. A producer may offer any eligible acreage for the CRP.

16) Q: May land rejected when offered for an earlier sign-up be re-offered during a later sign-up?

A: Yes. Land that meets basic eligibility criteria may be offered during any CRP sign-up even if it was not accepted previously. The likelihood of acceptance could be increased by offering less than the maximum payment rate for the acreage or by enhancing the environmental benefits of the offer.

17) Q: If a CRP contract has expired and the acreage is not enrolled under a new contract, must the producer follow a conservation plan to maintain farm program eligibility if the acreage is farmed?

A: If the acreage meets the highly erodible land (HEL) definition, a conservation plan will be required to retain eligibility for certain other USDA farm programs.

18) Q: What are the producer's obligations if the CRP contract has expired and the acreage is not accepted for a new contract?

A: For acreage subject to a CRP contract only, all CRP obligations cease when the contract expires. Some current CRP acreage is subject to easements which are in effect for up to 30 years.

19) Q: May land not accepted in CRP be returned to crop production?

A: Some producers will wish to return their less-fragile CRP land to crop production as contracts expire if there is no easement on the acreage. Acreage that had been enrolled in CRP, for which crop acreage base has been preserved, may be eligible to enter into a production flexibility contract.

20) Q: Will bases, allotments, and quotas continue to be reduced as a condition of enrollment in CRP?

A: As a result of the 1996 Farm Bill, crop acreage bases no longer exist. However, the Food Security Act of 1985, as amended, requires a reduction as a condition of enrollment in CRP. Therefore, only quota and acreage allotments for tobacco and peanuts will be subject to reduction.

21) Q: For cropped wetlands eligible for CRP, must the wetland's functions and values be fully restored when the acreage is enrolled?

A: The level of restoration is determined by the participant. However, for restoration of the hydrology of the site, a one-time incentive payment is available in addition to the normal cost-share payment. Restoration of the wetland will increase the likelihood that the contract will be accepted, due to enhanced environmental benefits.

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