

Farm Service Agency

Conservation Reserve Enhancement Program – MARYLAND CHESAPEAKE BAY

FACT SHEET
April 2018

Overview

The U.S. Department of Agriculture (USDA) and the State of Maryland have partnered in implementing a voluntary Conservation Reserve Enhancement Program (CREP) to enroll up to 100,000 acres of agricultural land situated in Maryland. The Maryland Chesapeake Bay CREP is intended to improve water quality, reduce soil erosion, reduce the amount of sediment, phosphorous and other pollutants entering waterbodies, improve wildlife habitat and restore wetlands.



Background

CREP is part of the USDA Conservation Reserve Program (CRP). CRP is a federally funded voluntary program that contracts with agricultural producers so that environmentally sensitive agricultural land is not farmed or ranched, but instead used for conservation benefits. CRP participants establish permanent, resource-conserving plant species, such as approved grasses or trees (known as “covers”) to control soil erosion, improve water quality and develop wildlife habitat. In return, the Farm Service Agency (FSA) provides participants with rental payments and cost-share assistance. CRP is authorized by the Food Security Act of 1985 and was reauthorized by the Agricultural Act of 2014.

With CREP, high-priority conservation goals are identified by the state, and then federal funds are supplemented with non-federal funds to achieve those goals.

Through the Maryland Chesapeake Bay CREP, federal and state resources are made available to program participants to voluntarily enroll in CRP for 10-year to 15-year contracts. Participants remove cropland and marginal pastureland from agricultural production and convert the land to native grasses, trees and other vegetation or restore wetlands. This will improve water quality by reducing soil runoff, increasing ground water absorption and reducing stream sedimentation and nutrient loading from crop fields. It will also enhance and restore plant and wildlife habitat and wetlands.



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Goals

The goals of the Maryland Chesapeake Bay CREP are to:

- Reduce the amount of sediment, nitrogen, phosphorous and other pollutants from reaching the Chesapeake Bay and its tributaries;
- Restore and protect wetlands; and
- Improve wildlife habitat within the project area.

Eligible Conservation Practices

The following specific CRP conservation practices are available:

CP1	Establishment of Permanent Introduced Grasses and Legumes
CP2	Establishment of Permanent Native Grasses;
CP3	Tree Planting
CP3A	Hardwood Tree Planting
CP4D	Permanent Wildlife Habitat, Non-Easement
CP9	Shallow Water Areas for Wildlife
CP21	Filter Strips
CP22	Riparian Buffer
CP23	Wetland Restoration
CP23A	Wetland Restoration, Non-Floodplain
CP25	Rare and Declining Habitat
CP29	Marginal Pastureland Wildlife Habitat Buffer
CP30	Marginal Pastureland Wetland Buffer

Enrollment and Eligibility Requirements

Enrollment for the Maryland Chesapeake Bay CREP is on a continuous basis. To be eligible, land must be located in the project area and be either cropland or marginal pastureland. Cropland must meet cropping history criteria and be physically and legally capable of being planted in a normal manner to an agricultural commodity. Marginal pastureland along streams may also be eligible for enrollment. Land adjacent to channelized intermittent streams and infield constructed drainage ditches may also be eligible if devoted to a grass filter strip.

Payments

Under the Maryland Chesapeake Bay CREP, eligible participants may receive the following payments:

- An annual rental payment based on the land offered and the practice installed. The annual rental payment consists of:
 - A base soil rental payment determined by the three predominant soils of the land offered;
 - A maintenance payment determined by the practice offered; and
 - An incentive payment, as a percentage of the base soil rental rate, based on the practice offered (see table below).

Practice	Incentive
CP1, CP2, CP3, CP3A and CP4D (CP4D limited to certain acreage)	80 percent
CP9, CP29 and CP30	100 percent
CP4D (limited to certain acreage), CP21 and CP25	150 percent
CP22, CP23 and CP23A	200 percent

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- A one-time signing incentive payment (SIP) of \$100 per acre for installing practices CP9, CP21, CP22, CP29 and CP30, or \$150 per acre for installing practices CP23 and CP23A. Example: 10 acres enrolled to be devoted to practice CP22 result in a \$1,000 (10 acres x \$100) SIP. This payment is made soon after the contract has been signed and approved.
- A one-time practice incentive payment (PIP) for installing practices CP9, CP21, CP22, CP23, CP23A, CP29 and CP30. The PIP is equal to 40 percent of the eligible reimbursable cost of installing the practice. Example: Producer's total eligible reimbursable cost for installing the practice is \$2,000. The PIP would be \$800 ($\$2,000 \times .40$).
- A cost-share payment of up to 50 percent of the eligible reimbursable cost to install the approved practice.

In addition, the State of Maryland provides the following payments to eligible participants:

- A one-time state incentive program payment of \$100 per acre for every acre enrolled or re-enrolled;
- A cost-share payment of 37.5 percent of the eligible reimbursable cost to install practices CP1, CP2, CP3, CP3A, CP21, CP22, CP23, CP23A and CP30; and
- All costs associated with the purchase of voluntary permanent easements.



Examples

A Caroline County producer elects to enroll 10 acres of land to be devoted to a grass filter strip (practice CP21) in a 10-year contract, including permanent fencing and a watering facility. The base soil rental rate for the land is \$90 per acre. The incentive payment is \$135 per acre ($\90×1.50). The annual maintenance payment is \$10 per acre. The producer's annual rental rate will be \$235 per acre ($\$90 + \$135 + \10), for a total annual payment of \$2,350 ($\235×10 acres). The producer will receive \$23,500 in annual rental payments over the 10-year term of the CRP contract. In addition, the producer will receive the following payments:

- A one-time SIP of \$1,000 (10 acres x \$100);
- Cost-share payments equal to 87.5 percent (50 percent from the Commodity Credit Corporation (CCC) and 37.5 percent from Maryland) of the eligible reimbursable costs to install the practice;
- A one-time PIP equal to 40 percent of the eligible reimbursable costs to install the practice; and
- \$1,000 from the State of Maryland.

A Queen Anne's County producer elects to enroll 15 acres of land to be devoted to a restored wetland (practice CP23) in a 15-year contract. The base soil rental rate for the land is \$135 per acre. The incentive payment is \$270 per acre ($\135×2.0). The producer's annual rental rate will be \$405 per acre ($\$135 + \270), for a total annual payment of \$6,075 ($\405×15 acres). The producer will receive \$91,125 in annual rental payments over the 15-year term of the CRP contract.

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In addition, the producer will receive the following payments:

- A one-time SIP of \$2,250;
- Cost-share payments equal to 87.5 percent (50 percent from CCC and 37.5 percent from Maryland) of the eligible reimbursable costs to install the practice;
- A one-time PIP equal to 40 percent of the eligible reimbursable costs; and
- \$1,500 from the State of Maryland.

Note: The preceding are examples only.

Enrollment Options

CREP is another option under CRP that farmers and ranchers may select for their land. Eligible producers may still enroll eligible land in CRP through general or continuous signup; however, the Maryland Chesapeake Bay CREP provides additional benefits not available through general and/or continuous signup. Under the Maryland Chesapeake Bay CREP, producers receive higher incentive payments and have flexibility to extend the duration of their CRP contracts that increases the total amount of rental payments received.



Haying and Grazing

Haying and grazing are not allowed during the CRP contract period unless authorized by USDA. Contact your local FSA office for more information about authorized haying and grazing activities.

For More Information

This fact sheet is provided for informational purposes only; other restrictions or requirements may apply. For more information on CREP, contact your local FSA office. To find your local FSA county office, visit <http://offices.usda.gov>. To learn more about FSA conservation programs, visit www.fsa.usda.gov/conservation.