



Farm Service Agency

Soil Health and Income Protection Program (SHIPP) Pilot

FACT SHEET
March 2020

Overview

On February 20, 2020, the Farm Service Agency (FSA) announced a Soil Health and Income Protection Program (SHIPP) Pilot. The SHIPP pilot allows for a maximum of 50,000 acres to be enrolled in the prairie pothole states of Iowa, Minnesota, Montana, North Dakota, and South Dakota.

Program at a Glance

SHIPP is a voluntary program that allows contracts with agricultural producers for a contract term of 3, 4, or 5 years. Recently expired CRP acres are not eligible for enrollment and participants must plant the lowest practical cost perennial cover for a conservation use. The 2018 Farm Bill authorizes a maximum of 50,000 acres for SHIPP. The Food Security Act of 1985, as amended, authorized SHIPP and is governed by regulations published in 7 CFR Part 1410.

Eligible Land

Eligible land must meet the following criteria to enroll in SHIPP:

- be less productive land on the farm
- have been planted (and not in CRP) in crop years 2017, 2018, and 2019, and
- have a total of no more than 15 percent of the eligible land per farm enrolled in SHIPP.

Who is Eligible

To be eligible for SHIPP, land must be located in one of the prairie pothole states of Iowa, Minnesota, Montana, North Dakota, or South Dakota.

Payments

Annual rental payments will be made at 50 percent of the weighted average soil rental rate for the SHIPP offer, using the county average rental rate for the applicable county; the rate for beginning, limited resource, socially disadvantaged, and veteran farmers and ranchers will be 75 percent. Cost-share is only available to beginning, limited resource, socially disadvantaged, and veteran farmers and ranchers for practice establishment.

Land may be hayed or grazed outside the primary nesting season with no reduction, provided adequate stubble height of the cover is maintained to protect the soil as specified in the conservation plan. In exchange for a 25 percent reduction to the annual rental payment, and not being eligible to be insured or reinsured under the Federal Crop Insurance Act, the land may also be harvested for seed outside the primary nesting season as specified in the conservation plan.

How to Apply

Producers may apply for this limited time SHIPP pilot at their local FSA office from March 30 – August 21, 2020.

More Information

For more information about FSA and its programs, visit www.fsa.usda.gov or contact your local FSA office. For local USDA Service Center information, visit farmers.gov/service-locator.

