



United States
Department of
Agriculture

FARM SERVICE AGENCY

Montana State
Producer Handbook

July 2008

Fact Sheet Conservation Reserve Program-

According to the 2008 Farm Bill



Authorization

The Conservation Reserve Program was initiated in the 1985 Farm Bill and allowed farmers and ranchers to enter into contracts and plant grasses and trees on highly erodible cropland to prevent erosion.

2008 marks the 22nd anniversary of the implementation of the first CRP contracts. Through those 22 years, CRP has made impressive achievements. In Montana alone, tons of soil are saved from erosion each year, which means Montanan's have fresher air and cleaner, safer water for drinking, recreation and wildlife habitat.

The 2002 Farm Bill amended the Conservation Reserve Program (CRP) to include the Managed Haying and Grazing option.

Overview

CRP is a voluntary program that offers annual rental, and cost-share assistance to establish approved cover on eligible cropland.

The program encourages farmers to plant long-term resource-conserving covers to improve soil, water quality, and wildlife resources. Cost-share assistance is available in an amount equal to not more than 50 percent of the eligible costs of establishing approved practices. Contract duration is between 10 and 15 years.

CRP is administered by FSA. The Natural Resources Conservation Service, Cooperative State Research and Education Extension Service, state forestry agencies, and local soil and water conservation districts provide technical support.

Eligible Land

To be eligible for placement in CRP, land must be:

- Cropland that is planted or considered planted to an agricultural commodity during four out of the six crop years from 2002 through 2007 (including field margins),
- and which is physically and legally capable of being planted in a normal manner to an agricultural commodity.

Additional Requirements for Cropland

In addition to the eligible land requirements, cropland must meet one of the following:

1. Have a weighted average Erosion Index (EI) of 8 or higher or be considered highly erodible land according to the conservation compliance provisions;
2. Be considered a cropped wetland;
3. Be subject to scour erosion;
4. Be located in a national or state CRP conservation priority area;

5. Be cropland associated with or surrounding noncropped wetlands.

Ranking Criteria

General Signup

Offers for CRP contracts are ranked according to the Environmental Benefits Index (EBI).

Data is collected for each of the EBI factors, based upon the relative environmental benefits for the land offered. Each eligible offer is ranked nationally in comparison to all others and selections are made from that ranking. General sign-ups are anticipated to be held each year from 2006 through 2010.

EBI Factors:

1. Wildlife habitat benefits resulting from covers on contract acreage;
2. Water quality benefits from reduced erosion, runoff, and leaching;
3. On-farm benefits of reduced erosion;
4. Benefits that will likely endure 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 is calculated at the national level.

Producer Eligibility Requirements

A producer must have owned or operated the land for at least 12 months prior to close of the general signup period, unless:

- The new owner acquired the land as a result of death of the previous owner;
- The only ownership change occurred due to foreclosure where the owner exercised a timely right of redemption in accordance with state law; or
- The circumstances of the acquisition present adequate assurance to CCC that the new owner did not acquire the land for the purpose of placing it in CRP. Only the national FSA office can approve such a waiver.

Rental Rates

The rental rates are based on the relative productivity of soils within each county and the average dryland cash rent or the cash-rent equivalent.

The soil rental rates for each county have recently been updated and are available at your local county FSA office. The maximum CRP rental rate for each offer is calculated in advance of enrollment.

Producers may offer land at that rate or may offer a lower rental rate to increase the likelihood that their offer will be accepted.

Payment Limitation

The total CRP annual payment (including annual rental payments, signing incentive payments, practice incentive payments,) for an eligible "person" shall not exceed **\$50,000** per fiscal year. The total CRP annual payment is a combined total of all CRP programs, which includes general CRP, continuous CRP, Conservation Reserve Enhancement Program, Farmable Wetlands Program and FWP.

Other Payments

The restoration of wetlands is encouraged by offering a one-time incentive payment equal to 25 percent of the cost of restoring the hydrology of the site. This is in addition to the 50-percent cost share provided to establish approved cover.

Producer Responsibilities

All participants subject to a CRP contract must agree to the following, but are not limited to:

1. Carry out the terms and conditions of such CRP contract.
2. Implement the conservation plan in accordance with the schedule of dates included in such conservation plan.
3. Not allow unauthorized grazing, harvesting or other commercial use of any crop from the cropland subject to such contract.
4. Establish and maintain the required vegetative or water cover and the required practices.
5. Comply with noxious weed laws of the State of Montana or local jurisdiction on such land.
6. Control all weeds, insects, pests and other undesirable species to the extent necessary to ensure that the establishment and maintenance of the approved cover is adequately protected and to provide such maintenance as necessary, or may be specified in the CRP conservation plan, to avoid an adverse impact on surrounding land, taking into consideration water quality, wildlife, and other needs.

Mid-Contract Management Activity

All CRP participants with contracts effective beginning with signup 26

are required to perform management activities as part of their approved conservation plan. These management activities shall be designed to ensure plant diversity and wildlife benefits, while ensuring protection of the soil and water resources. Management activities are site specific and are used to enhance the wildlife benefits for the site. Management activities **must** be completed before the end of year 6 for contracts with a 10 year contract length, or before the end of year 9 for contracts with a 15 year contract length. In no case should management activities occur during the last 3 years of the CRP contract.

Continuous Signup

For detailed information on the CRP Continuous Signup, see FSA Fact Sheet: "*CRP Continuous Signup*" included in this handbook.)

For More Information

Additional information may be obtained at local FSA offices or through the Montana FSA Web site at <http://www.fsa.usda.gov/mt>

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