

## USDA and North Carolina Expand CREP Program

### Overview

USDA's Commodity Credit Corporation (CCC) and the state of North Carolina have agreed on a plan to modify and expand their Conservation Reserve Enhancement Program (CREP) agreement. The North Carolina CREP agreement improves water quality by reducing sediment and nutrients, which protects drinking water supplies and further enhances fisheries and wildlife habitats.

North Carolina's original CREP agreement was signed in March 1999, and was developed to help protect the Albemarle-Pamlico Estuarine System (APES), including the Neuse, Tar-Pamlico, Chowan and Jordan Lake river basins. Prior to 1999, the APES experienced excessive nutrient and sediment loading. This revision to the original agreement will expand the CREP agreement to also include the White Oak, Cape Fear, Lumber, Yadkin-Pee Dee, Roanoke and Pasquotank river basins.

This voluntary program encourages producers to convert sensitive cropland and marginal pastureland to conservation practices through enrollment into Conservation Reserve Program (CRP) contracts under the CREP for 10 to 15 years. The Farm Service Agency (FSA) implements and manages the CRP on behalf of CCC.

### Program Targets

The program targets nine of North Carolina's 17 river basins: the Neuse, Tar-Pamlico, Chowan, Lumber, White Oak, Yadkin-PeeDee, Cape Fear (including Jordan Lake), Roanoke and Pasquotank. The CREP seeks to enroll up to 85,000 acres of riparian and 15,000 acres of non-riparian wetlands within the project basins.

### Program Responsibilities

For a total enrollment of 100,000 acres, the combined federal and state financial obligation will be approximately \$275 million over 15 years, with \$220 million coming from the federal government

and \$55 million coming from the state.

The state financial commitment amount will be not less than 20 percent of the total program costs and the federal financial commitment amount will not exceed 80 percent.

### Payments and Incentives

The annual rental payment is based on the soil rental rate as calculated by FSA. It includes an incentive payment based on the conservation practice installed. Incentive rates will be 70 percent for filter strips and 100 percent for riparian buffers, tree planting and wetland restoration.

The CREP partners will pay up to 50 percent of the cost of establishing conservation practices. The total of all cost-share payments will not exceed 100 percent of a participant's out-of-pocket expenses.

In addition, a one-time payment equal to 25 percent of the cost of restoring hydrology for practices CP23 and CP23A will be paid to eligible producers. For producers who enroll solely in a 10-year CREP contract, the state will pay 25 percent of the costs of establishing approved conservation practices. For producers who enroll solely in a contract greater than 10 or up to 15 years, the state will pay 30 percent of the costs of establishing approved conservation practices. For producers who enroll in an optional state 30-year conservation agreement for a CP3, CP3A, CP21, CP22 or CP31 practice, the state will pay 40 percent of the costs of establishing approved conservation practices and a one-time incentive payment of \$250 per acre for enrolled cropland and marginal pastureland. For producers who enroll in an optional state permanent agreement for a CP3, CP3A, CP22, CP23, CP23A or CP31 practice, the state will pay 50 percent of the costs of establishing approved conservation practices and a one-time incentive payment of \$1000 per acre for enrolled cropland or marginal pastureland, and any additional eligible existing non-CRP

forested buffer land voluntarily enrolled.

### Eligible Practices

Eligible CRP practices are:

- CP3, Tree Planting (shortleaf pines only)
- CP3A, Hardwood Tree Planting,
- CP21, Filter Strip
- CP22, Riparian Buffer
- CP23, Wetland Restoration
- CP23A, Wetland Restoration, Non-Floodplain
- CP31, Bottomland Timber Establishment on Wetlands

If land does not meet CREP criteria, producers may also offer eligible acreage for continuous CRP sign-up.

### For More Information

For more information, visit the FSA website at <http://www.fsa.usda.gov/crp> or your local USDA Service Center.

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