



United States
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Agriculture

Farm Service Agency

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Fact Sheet

Conservation Reserve Program

Montana State Producer Handbook



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.

2006 marks the 20th anniversary of the implementation of the first CRP contracts. Through those 20 years, CRP has made impressive achievements. In Montana alone, tons of soil are saved from erosion each year, which means Montanans 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 incentive payments for certain activities, 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, 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 1996 through 2001 (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 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, maintenance payments and cumulative 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, CREP 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.

Managed Haying and Grazing

The 2002 Farm Bill authorized Managed Haying and Grazing under CRP. Before the new Farm

Bill, emergency haying and grazing of CRP acreage was permitted during droughts or similar weather-related disasters if authorized by the Secretary of Agriculture.

If managed haying and grazing provisions were included in a conservation plan of operations that was approved prior to September 26, 2006, the following provisions apply:

- CRP participants cannot perform managed haying and/or grazing of CRP acreage during the primary nesting and broodrearing season which is May 15 – July 15
- Managed haying is allowed once every 5 years on the same acreage between July 16th and October 13th. No more than 50 percent of a field or contiguous fields may be hayed at one time.
- Managed grazing is allowed once every 3 years on the same between July 16th and November 12th.

If managed haying and grazing provisions were included in a conservation plan of operations that was approved on September 26, 2006 or later, the following provisions apply:

- CRP participants cannot perform managed haying and/or grazing of CRP acreage during the primary nesting and broodrearing season which is May 15 – August 1
- Managed haying is allowed once every 10 years on the same acreage between August 1st and October 13th. No more than 50 percent of a field or contiguous fields may be hayed at one time.
- Managed grazing is allowed once every 5 years on the same acreage between August 1st and November 12th.
- Managed grazing shall not exceed 75 percent of the calculated stocking rate.

These provisions are temporary and may change depending on the

results of an Environmental Impact Statement being performed over the next two years.

Managed Haying and Grazing Criteria

- Producers may not hay and graze the same acreage in the same year,
- Haying is limited to 1 cutting per season,
- For CRP contracts already in effect, 2003 was considered as year 1 of the managed haying and grazing cycle.
- For new CRP contracts, year 1 of managed haying and grazing will begin 12 months after the cover is fully established.
- For existing CRP contracts, managed haying and grazing can begin only after the conservation plan has been modified to include managed haying and grazing.

Producer Responsibilities

Producers must:

- Obtain a modified conservation plan to the CRP contract from FSA to include the managed haying or grazing provisions, if not already done;
- Identify the acreage to be hayed or grazed on an aerial photograph,
- Record the intended acreage and use on the DF-21 form,
- Have all participants sign the "Terms and Conditions for Managed Haying and Grazing" agreement before managed haying or grazing begins;
- Receive notification of approval from the FSA county committee in writing before managed haying or grazing can begin; and
- Livestock producers, who rent or lease acreage from the CRP participant, shall sign a statement agreeing not to sublease the CRP acreage, receive notification of approval from the FSA county

committee, and provide a copy of the notification to the CRP participant.

- Remove all hay by October 13th
- Remove all livestock when the calculated AUM's are utilized, but no later than the date established by the FSA State Committee.

Payment Reduction

The annual rental payment shall be reduced by the number of acres actually hayed or grazed, times the CRP per acre annual rental payment, times 25 percent.

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>