### Farm Service Agency



Fact Sheet July 2007

# **Emergency Forestry Conservation Reserve Program**

#### Overview

USDA Farm Service Agency's (FSA) Emergency Forestry
Conservation Reserve Program (EFCRP) helps eligible landowners and operators restore and enhance forestland damaged by 2005 hurricanes Dennis, Katrina, Ophelia, Rita and Wilma. Trees planted through EFCRP will help reduce flood effects, protect water sources, decrease soil erosion and improve wildlife habitat.

On May 25, 2007, President Bush signed into law the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act). The 2007 Act reauthorized EFCRP for 2007. USDA held the first EFCRP signup in 2006 following enactment of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror and Hurricane Recovery, 2006. The law changed some terms of the program and provided an additional \$100 million. Public Law 109-148 originally authorized EFCRP at a level of \$404 million. EFCRP regulations are contained at 7 CFR Part 1410.12.

#### **Eligible Counties**

To be eligible for EFCRP, landowners must have suffered tree loss in one of 261 counties receiving primary presidential or secretarial disaster designations caused by calendar year 2005 hurricanes. EFCRP assistance is unavailable for contiguous counties.

A list of the eligible counties, located in Alabama, Florida, Louisiana, Mississippi, North Carolina and Texas, is available online in the "Counties Eligible for 2005 Crop and Livestock Hurricane Assistance Programs" fact sheet found online at: http://www.fsa.usda.gov/Internet/FSA\_File/hurrcounties06.pdf.

#### Eligible Land

To be eligible for EFCRP, merchantable timber must have a pre-hurricane trunk diameter of at least 6 inches measured at a point at least 4.5 feet above the ground.

#### Eligible Loss

To be eligible for EFCRP, a producer must be located in one of the 261 counties and have experienced at least a 35 percent loss to merchantable timber on private non-industrial forestland. The loss must be directly related to one of the five 2005 hurricanes.

Owners who are principally engaged in the primary processing of raw wood products are ineligible for EFCRP.

#### Sign-up

Producers may submit offers to participate in EFCRP at local FSA offices Aug. 6, 2007 through Dec. 31, 2007. A forester will collect eligibility and other data. FSA will select producers for enrollment on a continuous basis determined by a benefit index used for ranking offers. Periodically, FSA will pick the highest ranked offers for development of both a conservation plan and a contract.

#### Ranking Offers

Under EFCRP, FSA evaluates and ranks offers based on their potential contribution to:

- Preventing soil erosion;
- Improving water quality;
- Enhancing wildlife habitat; and
- Mitigating economic losses caused by the 2005 hurricanes.

The ranking of offers will accord equal weight to softwoods and hardwoods, with additional points awarded for tree species and planting densities that benefit wildlife. FSA will prioritize offers that are suitable for the site.

#### Ranking Periods

After the forester provides necessary eligibility and other data, FSA will evaluate offers through Sept. 30, 2007 and quarterly thereafter.

Eligible offers not selected for a particular ranking period will be rolled over to the next ranking period.

#### Conservation Plans

After FSA evaluates and accepts offers, foresters work with the landowner to develop a forestry conservation plan. The plan will include provisions to:

- Conserve soil:
- Improve water quality;
- Restore wildlife habitat; and
- Restore the land by preparing the site and planting prehurricane similar species or other native species.

The plan will also include maintenance requirements such as weed control, tree thinning and prescribed burns, as appropriate.

#### **Contract Conditions**

EFCRP participants may not harvest standing timber from enrolled land during the term of the contract period, except when FSA permits it as part of normal forest maintenance.

#### **Contract Duration**

Enrolled land remains under contract with USDA's Commodity Credit Corporation (CCC) for 10 years. FSA administers EFCRP on behalf of CCC. Contracts will become effective the first day of the month following the month of contract approval. EFCRP contracts expire 10 years later at the end of each month correlating to the month of the effective date.

#### **Payments**

EFCRP participants receive up to 50 percent cost-share assistance to prepare sites and replant or restore tree stands. Participants also receive either 10 years of annual rental payments or a lump sum rental payment.

FSA issues annual rental payments one year from the effective date of the contract and then every 12 months thereafter for a total of 10 years. Amounts are based on:

- The average rental rate for CRP contracts in the county where the land is physically located; or
- Where a county has no CRP contracts, the CRP rate applicable to a nearby similarly-situated county.

Participants selecting a lump sum will receive the payment within 30 days after the contract becomes effective. Lump sum payments equal the present value of 10 years of rental payments based on a five-percent discount rate.

Landowners and operators may receive a maximum of \$50,000 per "person" per year in EFCRP benefits.

#### Payment Example

A producer who enrolls 10 acres in a county with a rental rate of \$30 per acre would receive:

- 50 percent cost-share assistance; and either
- Lump sum payment of \$2,317 within 30 days after the start of the contract; or
- Annual rental payments of \$300 per year beginning

one year after the start of the contract and continuing for nine consecutive years thereafter.

#### Funding From Other Programs

Producers cannot receive EFCRP cost-share funding for land on which they have or will receive funding from any other federal program that covers the same expenses.

## EFCRP and Conservation Reserve Program (CRP) Acreage

Acreage enrolled in EFCRP does not count toward:

- The per-county number of acres eligible for CRP; or
- CRP's maximum acreage enrollment authority.

#### For More Information

For more information about FSA and its programs, visit the agency's Web site, http://www.fsa.usda.gov or your local FSA Service Center.

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