

For: NY, NC, OH, PA, KS, and OK State and Project Area
County Offices

BCAP Area Expansion and Enhancement Sign Up for FY 2015

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

On September 30, 2013, BCAP authorization expired.

On February 7, 2014, BCAP was reauthorized under the 2014 Farm Bill with mandatory annual funding of \$25 million for each FY 2014 through 2018. Funding requirements mandated that not less than 10 percent, nor more than 50 percent, of the annual funding be used for collection, harvest, storage, and transportation payments (BCAP matching payments).

The BCAP final rule was published in 7 CFR Part1450, or FR 10569-10575, February 27, 2015, and provides:

- that BCAP will effectively restart on May 28, 2015
- funding would be set at an annual mandatory amount of \$25 million.

However, the Consolidated and Further Continuing Appropriations Act, 2015, capped new BCAP obligation authority in FY 2015 at \$23 million.

A total of \$11.5 million or 50 percent of the \$23 million was allocated to BCAP matching payments and a remaining \$8 million was allocated for project area activity.

Because of the time remaining in FY 2015, BCAP project area was determined to be limited to enhancing and expanding only existing project areas, and opening up a Request for Proposals of new project area submission period.

A review of the status of existing project areas determined that of the 11 existing project areas, 4 would be the targeted for expansion and enhancement. Those 4 project areas include areas 5, 7, 10, and 11.

Disposal Date	Distribution
March 1, 2016	Above State Offices; State Office relay to County Offices

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1 Overview (Continued)

B Purpose

This notice advises State and County Offices:

- about general provisions related to the BCAP project area expansion and enhancement for project areas 5, 7, 10 and 11 in FY 2015
- about the policy and procedures for submission, review, and approval of producer applications for project areas 5, 7, 10 and 11 in FY 2015
- to update BCAP project area State Handbook Supplements with any changed establishment payment rates and any limitations on project area eligible crops
- that up to \$8 million has been allocated for the project area expansions and enhancements in project areas 5, 7, 10 and 11 for FY 2015 and the specific eligible crops in each project area
- about general information related to this targeted BCAP project area expansion and enhancement for FY 2015
- about policy and procedures for submitting BCAP-23 for eligible producers for FY 2015 signup and approval process for BCAP-24
- to follow guidance in this notice for BCAP project area expansion and enhancement sign up in project areas 5, 7, 10 and 11 in FY 2015.

2 BCAP Project Area Expansion and Enhancement for FY 2015

A Overview of BCAP Project Area Expansion and Enhancement for FY 2015

The following provides FY 2015 BCAP project area expansion and enhancement activity:

- \$8 million is allocated for the enrollment of up to a total targeted 10,500 acres in 4 existing BCAP project areas for the remainder of FY 2015
- the 4 selected existing project areas for producer sign up are 5, 7, 10 and 11
- the expansion and enhancement producer sign up will be limited to the already designated geographic boundaries of each existing project area
- eligible crops are limited to the previously approved crops for each project area, with the exception of project area 11 where the only previously approved crop that will be eligible is switch grass
- establishment of payments will be provisioned on a “not to exceed” rate level set by the FSA National Office and recorded in project area BCAP State Handbook Supplements.

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2 BCAP Project Area Expansion and Enhancement for FY 2015 (Continued)

A Overview of Project Area Expansion and Enhancement for FY 2015 (Continued)

The following table provides the timeline for sign in the selected 4 BCAP project areas for expansion and enhancement in FY 2015.

Signup Category	Application Location	Dates
Review of Existing 11 Project Areas, followed by Selection for Expansion and Enhancement and Sign Up Targets	National FSA office.	May 29, 2015, through July 30, 2015
Eligible Producer Application for BCAP Contract Acreage	County Office where the land is located or County Office where the farm records exist.	August 19, 2015, through September 25, 2015 <u>1/</u>

1/ The September 25, 2015, signup end date is subject to the availability of funding. All contract approvals must be executed in the software system by September 30, 2015.

3 Project Area Sign Up, Acreage Targets, Rates and Eligible Crops Overview for FY 2015

A Project Areas Sign Up Overview

Beginning August 19, 2015, through COB September 25, 2015, producer applications will be accepted at County Offices, according to 1-BCAP, Part 4, Sections 2 through 8 with Exhibits and 1-BCAP State Supplements.

Eligible material owner applications will be accepted at the County Offices closest to 1 of the following:

- where the field or CLU is located and on which the collection or harvest takes place
- Federal lands, unless otherwise previously designated in a specific county
- County Office where records already exist.

Note: The signup end date of September 25, 2015, is subject to the availability of funding.

B Project Areas Acreage Targets, Rates, and Eligible Crops Selected for Signup

The 4 project areas selected for expansion and enhancement have pre-selected acreage targets, establishment payment rates, and eligible crops. The establishment payment rates meet the new 50 percent or cap of \$550/acre and cap of \$750/acre for socially disadvantaged farmers and ranchers limits provided in BCAP authorization under the 2014 Farm Bill.

These acreage targets, rates, and named eligible crops must be used, unless otherwise noted.

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3 Project Area Sign Up, Acreage Targets, Rates and Eligible Crops Overview for FY 2015 (Continued)

B Project Areas Acreage Targets, Rates and Eligible Crops Selected for Signup (Continued)

The following table provides the project area acreage targets, establishment payment rates, and eligible crops by project area.

Project Area # and State	Counties	Targeted Acreage Sign Up FY 2015	Eligible Crop	Length of Contract	Establishment Cost Share (\$/acre) are not to Exceed <u>1/</u>
Project Area 10 (NY)	Clinton, Essex, Franklin, Herkimer, Jefferson, Lewis, Oneida, Oswego, St. Lawrence	2,500 acres	Shrub Willow	11 years	Not to exceed \$500/acre
Project Area 11 (NC)	Bladen, Cumberland, Duplin, Greene, Johnston, Jones, Lenoir, Onslow, Pender, Sampson, Wayne	2,000 acres	Switch grass (only)	5 years	Not to exceed \$203/acre
Project Area 5 (OH/PA)	OHIO - Ashtabula, Geauga, Lake, Trumbull PENNSYLVANIA - Erie, Crawford, Mercer	3,000 acres	Miscanthus Giganteus Illinois Clone	5 years	Not to exceed \$500/acre
Project Area 7 (KS/OK)	KANSAS - Grant, Haskell, Morton, Seward, Stevens OKLAHOMA - Texas	3,000 acres	Warm Season grasses	5 years	Not to exceed \$150/acre

1/ Socially disadvantaged farmers and ranchers are eligible to receive up to \$750/acre when cost per acre at 50 percent exceeds \$500/acre.

Rates are identified on an acre basis limit and will be further broken down by component costs in 1-BCAP State Supplements, on a project area-by-project area basis.

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4 Additional Sign Up Qualifications

A Background

Generally, an approved conservation plan must be completed and signed before a BCAP-24 form may be approved. However, in an effort to maximize BCAP limited sign-up time remaining in FY 2015, and because BCAP funding for FY 2015 expires on September 30, 2015, interim conservation plans are authorized for the approval of BCAP-24.

Note: See Exhibit 2 for a sample of the interim conservation plan.

To be determined to qualify for contract acreage, before BCAP-24 is approved, the producer **must** present an Interim Conservation Plan Addendum (Exhibit 1) and Interim Conservation Plans (Exhibit 2).

The interim conservation plan must contain:

- NRCS job sheets
- NRCS-approved technical practice codes applicable to the agricultural residue collection or harvest.

County Offices must ensure that all data entries on the interim conservation plan are completed. The Interim Conservation Plan and Interim Conservation Plan Addendum must be signed by the BCAP-24 participant and CED no later than COB September 28, 2015.

Note: The specifications for all applicable practices shall be included in the final conservation plan. County Offices must reproduce the Interim Conservation Plan Addendum (Exhibit 1) and the Interim Conservation Plan (Exhibit 2) locally.

B Final Conservation Plan Completed

A final conservation plan must be completed no later than COB December 18, 2015. The NRCS National Office has agreed with this deadline. For approved BCAP-24's, a final conservation plan is the approved conservation plan completed after an interim plan has been in effect for BCAP-24.

Note: CED's shall **not** approve BCAP-24 until the signature is obtained on the Interim Conservation Plan Addendum and Interim Conservation Plan.

Participants must be notified that starting an establishment practice before approval of BCAP-24 is at their own risk. Establishment payments will only be paid for eligible practices that are approved under the interim and final plan.

The specifications for all applicable establishment practices shall be included in the final conservation plan, consistent with procedure in 1-BCAP, and applicable State Supplements.

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5 Action

A State Office Action

State Offices shall update project area 1-BCAP State Supplements and ensure that applicable County Offices follow the provisions of this notice.

B County Office Action

County Offices shall:

- immediately publicize the producer sign up, and sign up ending date for BCAP Project Areas 5, 7, 10 and 11
- **not** approve BCAP-24 for BCAP Project Areas 5,7,10,and 11 if received **after** September 25, 2015
- enter and approve all applications in the **system** no later than September 30, 2015.

Interim Conservation Plan Addendum

Following is the Interim Conservation Plan Addendum.

BIOMASS CROP ASSISTANCE PROGRAM FY 2015 BCAP MATCHING PAYMENT CONTRACTS
INTERIM CONSERVATION PLAN ADDENDUM

NAME

FARM NUMBER

TRACT NUMBER

FIELD NUMBER(S)

The attached interim conservation plan is general in nature, but is intended to allow your contract period to begin upon approval of the BCAP-24 while a final plan is developed for your land for the Biomass Crop Assistance Program (BCAP) contract for that land. It may be that your interim plan requires nothing more than continuing certain practices, or your interim plan may require you to take certain additional conservation measures prior to any harvest or collection, land preparation, planting or production in furtherance of your BCAP participation. You need to check the plan (attached) and call any questions to the attention of your local Natural Resources and Conservation Services (NRCS) or Technical Service Provider (TSP).

Personnel from the Department of Agriculture’s NRCS or TSP will conduct a field visit and develop site specific requirements unique to your BCAP offer no later than **December 18, 2015**. An on-site field visit and evaluation of the existing field conditions will determine the present condition. In addition, NRCS or TSP will identify any site specific requirements or treatments required to meet the selected BCAP practice and related technical specifications. Modification of the interim plan and BCAP-24 contract will be made after the on-site evaluation.

The requirements, shown in the attached interim conservation plan, may be revised when the final plan is completed after the field visit; however, you will be required to comply with the interim plan as a condition for being considered eligible for payments for the BCAP in this interim period. Specifically, you will be eligible for payment no later than 30 days following the date of the County Committee approves your contract, including this interim plan, provided you comply with all the terms and conditions of the contract. The final plan will be consistent with the interim plan and with the terms of the BCAP contract to which you have agreed. Matching payments during this interim period may only be paid for those current crop year materials which are approved in connection with the interim plan. Matching payments under the final plan will only be paid for those materials which occur after the final plan has, in fact, been finalized and agreed to.

If you are not comfortable with the interim plan, contact your local NRCS office or TSP to ask that they work with you immediately on a detailed (final) plan. However, the timeline for final plan development is dependent on field office workload that may otherwise delay the beginning of your contract term. In these cases, it is unlikely a contract could be approved prior to the September 28, 2015 deadline.

Accordingly, by signing below, the participant acknowledges receipt of this interim conservation plan addendum including the attached NRCS Interim Conservation Plan and agrees to comply with the terms and conditions hereof as well as the terms and conditions of the BCAP-24 contract.

Eligible Material Owner Signature

Signature of CCC Representative

Date

Date

Attachment: Plan map with fields and acres identified.

Interim Conservation Plan Example

Following is an example of the Interim Conservation Plan.

U.S. Department Of Agriculture						
Interim Conservation Plan						
Name	County	State	Contract Agreement No.	Total Acres Under Contract		
Attached <input type="checkbox"/> Conservation Plan Addendum <input type="checkbox"/> Terra Output						
Field	FSA Conservation Practice Code	NRCS Technical Code(s)	Estimated Amount A acres)	Cost Basis \$ (Cols)	Cost Share or Payment Rate Percent (if applicable)	Completion Schedule and Estimated Cost-Share or Payments by Year (if applicable) 2015

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