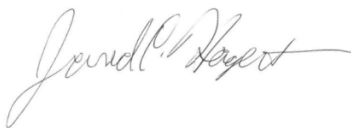


**For:** State and County Offices

### Virtual Fencing on Grassland CRP

**Approved by:** Deputy Administrator, Farm Programs



## 1 Overview

### A Background

Following a review of conservation benefits, technical feasibility, and available NRCS payment scenarios, virtual fencing is now authorized as an eligible C/S component under Grassland CRP. Use of virtual fencing is an additional option for producers.

**Note:** Virtual fencing is **not** an authorized C/S component under any other CRP enrollment type.

Virtual fencing is a non-physical containment system that compliments, but does not replace, the need for perimeter fencing. While it can reduce the need for interior cross-fencing, the system functions through GPS-enabled collars worn by adult livestock. These collars communicate with a producer's computer or smartphone via cellular service or a satellite base station. When livestock approach a virtual fencing boundary, the collar generates an audio cue followed by a mild electrical stimulus to encourage the animal to remain within the designated area. Base stations and transmitters may be installed on trailers when a portable configuration is needed.

Virtual fencing serves as an effective adaptive management tool, providing ongoing conservation benefits beyond its initial function. When appropriate for the operation, this technology enables flexible forage and water management without creating physical barriers that may limit wildlife movement.

### B Purpose

This notice provides the following for virtual fencing:

- eligibility
- C/S
- conservation planning.

| Disposal Date    | Distribution                                                                |
|------------------|-----------------------------------------------------------------------------|
| February 1, 2027 | State Offices; State Offices relay to County Offices and NRCS State Offices |
| 8-19-26          | Page 1                                                                      |

## 2 Policy Provisions

### A Virtual Fence Eligibility

Virtual fence may be authorized when all of the following criteria are met.

- Virtual fence is needed to address an identified plant health resource concern by managing grazing distribution, frequency, and duration according to an approved Grazing Management Plan.
- Virtual fence offers measurable financial advantages to USDA by reducing capital costs, minimizing long-term maintenance obligations, or enabling land management outcomes that would otherwise require substantial infrastructure investment.
- The operation manages at least 125 head, and the CRP acreage under contract must be sufficient to support those grazing animals wearing collars for the average number of grazing days.

**Note:** Requests for virtual fence on operations managing less than 125 head must be justified and submitted to DAFP for approval.

If the land under contract would benefit from a combination of fence types, select the lowest-cost option based on the land evaluated.

For existing grassland CRP contracts, the COC may modify the approved conservation plan to authorize C/S for virtual fence when it is reasonable, feasible and necessary to address a grazing distribution resource concern, provided no CRP C/S has previously been issued for interior fencing.

**Important:** Virtual fencing does not replace the need for boundary fencing. Boundary fencing must be in place before a virtual fencing system is approved.

### B Eligible Livestock for Virtual Fence

Virtual fence collars are only suitable for some livestock and will depend on the manufacturer the producer chooses.

Eligible livestock generally include adult:

- cattle (can include weaned calves over 440 lbs.)
- sheep
- goats.

Ineligible livestock:

- calves, lambs, and kids (not recommended due to rapid growth and the need for frequent collar adjustments)
- horses, donkeys, mules, and other equids (movement patterns, size, and behavior make them less responsive to audio training)
- pigs and swine (require different containment and training methods).

### C Applicable Signups

Virtual fence is authorized for all Grassland CRP effective with this notice.

## Notice CRP-1096

### 2 Policy Provisions (Continued)

#### D C/S Components

States must create C/S components in program provisioning as provided in the following table. **No additional virtual fence component codes are authorized.**

| Field                                                                             | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                |                              |                                                      |            |                |              |                                                                                   |             |
|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------------------|------------------------------------------------------|------------|----------------|--------------|-----------------------------------------------------------------------------------|-------------|
| States                                                                            | Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                |                              |                                                      |            |                |              |                                                                                   |             |
| Category                                                                          | Select "Livestock or Wildlife Exclusion/Inclusion" from the drop-down menu.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                |                              |                                                      |            |                |              |                                                                                   |             |
| Sub Category                                                                      | Select "Fencing" from the drop-down menu.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                |                              |                                                      |            |                |              |                                                                                   |             |
| Component Code                                                                    | <p>Enter Component Code as follows:</p> <table border="1"> <thead> <tr> <th>Description</th><th>Component Code <sup>1/</sup></th></tr> </thead> <tbody> <tr> <td>Base Cost (includes base station and 2 transmitters)</td><td>XXVFBASE##</td></tr> <tr> <td>Animal Collars</td><td>XXVFCOLLAR##</td></tr> <tr> <td>Additional Transmitters (only authorized when more than 2 transmitters necessary)</td><td>XXVFTRANS##</td></tr> </tbody> </table> <p><sup>1/</sup> When creating the authorized virtual fence components, States <b>must</b> replace the "XX" with the 2-character state abbreviation and "##" with the FY of applicability. For example, when creating the base cost component, the Wyoming State Office must enter WYVFBASE26.</p> | Description    | Component Code <sup>1/</sup> | Base Cost (includes base station and 2 transmitters) | XXVFBASE## | Animal Collars | XXVFCOLLAR## | Additional Transmitters (only authorized when more than 2 transmitters necessary) | XXVFTRANS## |
| Description                                                                       | Component Code <sup>1/</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                              |                                                      |            |                |              |                                                                                   |             |
| Base Cost (includes base station and 2 transmitters)                              | XXVFBASE##                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                |                              |                                                      |            |                |              |                                                                                   |             |
| Animal Collars                                                                    | XXVFCOLLAR##                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                              |                                                      |            |                |              |                                                                                   |             |
| Additional Transmitters (only authorized when more than 2 transmitters necessary) | XXVFTRANS##                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                |                              |                                                      |            |                |              |                                                                                   |             |
| Descriptive Title                                                                 | Enter description.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                |                              |                                                      |            |                |              |                                                                                   |             |
| Unit of Measure                                                                   | <p>Select the unit of measure as follows.</p> <table border="1"> <thead> <tr> <th>Component Code</th><th>Unit of Measure</th></tr> </thead> <tbody> <tr> <td>XXVFBASE##</td><td>Contract</td></tr> <tr> <td>XXVFCOLLAR##</td><td>Head</td></tr> <tr> <td>XXVFTRANS##</td><td>Each</td></tr> </tbody> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                           | Component Code | Unit of Measure              | XXVFBASE##                                           | Contract   | XXVFCOLLAR##   | Head         | XXVFTRANS##                                                                       | Each        |
| Component Code                                                                    | Unit of Measure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                |                              |                                                      |            |                |              |                                                                                   |             |
| XXVFBASE##                                                                        | Contract                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                |                              |                                                      |            |                |              |                                                                                   |             |
| XXVFCOLLAR##                                                                      | Head                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                |                              |                                                      |            |                |              |                                                                                   |             |
| XXVFTRANS##                                                                       | Each                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                |                              |                                                      |            |                |              |                                                                                   |             |
| Rate Type                                                                         | Select "Percent of Cost – Not to Exceed" from the drop-down menu.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                |                              |                                                      |            |                |              |                                                                                   |             |
| Average Actual Unit Cost (\$)                                                     | Enter the applicable STC or COC approved average actual unit cost.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                |                              |                                                      |            |                |              |                                                                                   |             |
| Average Unit Cost for SDA                                                         | Enter the same value used in "Average Actual Unit Cost (\$)". If the "Average Actual Unit Cost (\$)" exceeds \$1,500, enter \$1,500. This field is required, but the value entered is not used for CRP C/S purposes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                |                              |                                                      |            |                |              |                                                                                   |             |
| Effective Start Date (MM/dd/yyyy)                                                 | Enter the effective start date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                |                              |                                                      |            |                |              |                                                                                   |             |
| Effective End Date (MM/dd/yyyy)                                                   | Enter the effective end date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                |                              |                                                      |            |                |              |                                                                                   |             |
| Regular Cost Share Percentage                                                     | Enter "50".                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                |                              |                                                      |            |                |              |                                                                                   |             |
| Lim Res, Soc Dis (NG), Beg Fmr Cost Share Percentage                              | Enter "50".                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                |                              |                                                      |            |                |              |                                                                                   |             |

## 2 Policy Provisions (Continued)

### D C/S Components (Continued)

States and counties must establish C/S rates according to 2-CRP, paragraph 495. All virtual fence components and C/S rates must be approved before they are included in any conservation plans or contracts.

### E C/S Approvals

Requests for virtual fence on operations managing less than 125 head must be submitted to DAFP for approval.

The following table provides approval authority for virtual fencing systems.

| IF C/S amount per contract, per virtual fencing system is..... | THEN approval authority is... |
|----------------------------------------------------------------|-------------------------------|
| \$20,000 or less                                               | COC.                          |
| \$20,001 to \$40,000                                           | STC.                          |
| More than \$40,000                                             | DAFP.                         |

**Important:** If the C/S amount for a contract's virtual fencing system requires STC or DAFP approval, the FSA-848 must **not** be approved in the Cost Share System until that review is completed and approval is authorized.

## 3 Conservation Planning

### A Timing of Installation

When authorized, virtual fence must be purchased and installed as soon as reasonably possible, but no later than 36 months from the:

- contract effective date for grassland CRP signup 208 and subsequent contracts
- date the conservation plan is modified and approved.

### B Producer Suitability

Virtual fence will not be a suitable solution for all producers and has benefits, challenges, and special considerations depending on the operation. If a producer chooses to install virtual fence and later determines it does not work for their operation, they will **not** receive additional CRP C/S to install physical fence as a replacement. The producer is responsible for maintaining the virtual fence system, including purchasing any necessary replacement equipment, annual collar lease fees or data subscriptions (not required by all vendors).

For benefits, challenges, and key considerations associated with virtual fencing see the NRCS Virtual Fence Systems Fact Sheet at [https://www.nrcs.usda.gov/sites/default/files/2024-11/NRCS\\_Virtual%20Fence%20Systems%20for%20Managi....](https://www.nrcs.usda.gov/sites/default/files/2024-11/NRCS_Virtual%20Fence%20Systems%20for%20Managi....)

**4 Action**

**A County Office**

County Offices will:

- follow provisions of this notice
- provide this notice to NRCS County Offices
- contact the State Office with questions.

**B State Office**

State Offices will:

- ensure County Offices follow the provisions of this notice
- provide this notice to NRCS State Offices
- contact Patrick Lewis, Grassland Program Manager, with questions about this notice.