

For: State Offices and Service Centers

Letter for CRP Participants and Signup 20 Fact Sheet Mailed by KCMO

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

For previous general signups, Service Centers were required to run a CRP name and address query to print labels and to mail a letter to CRP participants with expiring CRP-1's. This notice informs State Offices and Service Centers that the letter provided in Exhibit 1 has been mailed by KCMO to all participants with CRP-1's that are scheduled to expire on September 30, 2000. One letter was sent to each participant for every administering county with 1 or more of these CRP-1's.

Land enrolled in CRP, which expires September 30, 2000, may be eligible to be offered for re-enrollment under signup 20 provided that all eligibility criteria are met. A Signup 20 Fact Sheet has been developed that provides information about signup 20, EBI, and how a producer may increase the acceptability of an offer. Copies of this fact sheet, a copy of which is provided in Exhibit 2, were included with the letters mailed to these participants by KCMO.

B

Purpose

This notice provides a copy of the following:

- the letter (Exhibit 1) mailed by KCMO to all CRP participants with CRP-1's that are scheduled to expire on September 30, 2000
- the Signup 20 Fact Sheet (Exhibit 2) mailed with the letter in Exhibit 1, which is also to be provided by Service Centers to all CRP participants that submit an offer during signup 20.

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| <p>Disposal Date</p> <p>March 1, 2000</p> | <p>Distribution</p> <p>State Offices; State Offices relay to Service Centers and NRCS State Offices; FS, 80; CSREES, 5</p> |
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Notice CRP-356

2 Action

A Service Center Action

Service Centers shall:

- review the letter and Signup 20 Fact Sheet with the local NRCS staff
 - provide each producer submitting an offer for signup 20 a copy of the Signup 20 Fact Sheet
 - retain a file copy of this notice in the Service Center's general CRP folder.
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Letter to CRP Participant



United States
Department of
Agriculture

Farm and
Foreign
Agricultural
Services

Farm Service
Agency

Dear CRP Participant:

In the next few weeks, you must make important decisions about your Conservation Reserve Program (CRP) contract that expires September 30, 2000. In making those decisions, I urge you to think about how you can preserve the conservation gains you have made over the past ten years. These improvements in soil, water, and air quality and enhanced wildlife habitat account for much of the program's widespread popularity.

The CRP's twentieth signup period will be open from January 18, 2000, through February 11, 2000. During this signup, you can offer all or part of the acreage you currently have under contract that expires September 30, 2000, or other land if it meets the new eligibility requirements. Before making decisions about planting or participating again in the CRP, I strongly urge you to find out the facts about all the different ways CRP can enhance your land, water, and wildlife.

You may consider putting back into production some or all of your expiring CRP land or offering different land into the CRP. I strongly encourage you to consider devoting areas of your land to high conservation-valued practices, such as grassed waterways; filter strips; contoured buffer strips; riparian buffers, including marginal pastureland to be devoted to riparian buffers; field windbreaks; shelter belts; or similar practices. The Farm Service Agency (FSA) will cost share with you to establish and maintain these practices. They are also considered CRP continuous signup practices, making them eligible to be enrolled at any time and without having to submit a competitive offer in general twentieth signup.

If you wish to offer cropped wetlands, cropland near wetlands, or land that is highly erodible and subject to the conservation compliance program into the CRP, you must do so during the designated CRP signup period. In submitting your CRP offer, make sure to choose the best type of cover for your land to ensure the highest conservation value. Your offer stands a better chance of getting accepted into the CRP if it contains high quality practices and cover to benefit water quality and wildlife and reduce soil erosion. Again, keep in mind that FSA will cost share with you to establish high quality cover and similar practices.

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Letter to CRP Participant (Continued)

As you make these important decisions regarding your CRP acreage, please use the expertise available with the Department of Agriculture (USDA) and the local conservation districts. FSA staff can answer many of your questions. Natural Resources Conservation Service and conservation district personnel can consult with you about your land's eligibility for CRP, where certain practices or other programs might be used on your farm or ranch, and how to achieve maximum conservation benefits. Cooperative Extension Service specialists can provide advice on economic and agronomic questions relating to CRP participation. If you have access to the Internet, you can access the FSA Home Page at www.fsa.usda.gov for more information about the CRP.

For land that is leaving the CRP and returning to production, I urge you to meet with FSA staff before the expiration of your contract to discuss your eligibility for enrolling in the farm program and your obligations under the conservation and wetland compliance program provisions.

Sincerely,



Keith Kelly
Administrator
Farm Service Agency

Signup 20 Fact Sheet

Farm Service Agency

Fact Sheet

October 1999



**Conservation Reserve Program
20th Sign-Up Period
January 18 - February 11, 2000**

Background

The Conservation Reserve Program (CRP) is a voluntary program that offers annual rental payments and cost-share assistance to establish long-term resource-conserving covers on eligible land.

Annual rental payments are made based on the agriculture rental value of the land and cost-share assistance is provided in an amount equal to not more than 50 percent of the participant's costs in establishing approved practices.

The duration of contracts is from 10 to 15 years.

Sign-Up 20 of the CRP will be held for a 4-week period beginning January 18 and ending February 11, 2000. This is the fourth general CRP sign-up since enactment of the Federal Agriculture Improvement and Reform Act of 1996.

Eligible Land

To be eligible to be placed in CRP, land must be:

1. Cropland that has been planted or considered planted to an agricultural commodity 2 of the 5 crop years from 1995 to 1999 that is also physically and legally capable of being planted in a normal manner to an agricultural commodity; or

2. Certain marginal pastureland enrolled in the Water Bank Program.

In addition to basic cropland eligibility requirements, at least one of the following conditions must be met. Land must:

1. Be considered highly erodible land according to the conservation compliance provision or, if a portion of a field, have a weighted average Erosion Index of 8 or higher;
2. Be considered a cropped wetland;
3. Be subject to scour erosion;
4. Be located in a national or State CRP conservation priority area; or,
5. Be cropland associated with non-cropped wetlands.

Ranking Criteria

Under Sign-Up 20, all eligible offers will continue to be evaluated and ranked using an Environmental Benefits Index (EBI) based on the environmental benefits expected to accrue if the land is enrolled in the CRP.

The Sign-Up 20 EBI is very similar to the EBI for Sign-up 18, except that the Federal or state-listed threatened and endangered species subfactor of the wildlife habitat component has been strengthened and clarified. The 5-point category was eliminated. In some states water quality area designations have been modified, and a few additional state conservation priority areas may have been approved.

Use of the EBI ensures that only the most environmentally sensitive lands are selected and that all offers are considered fairly and equitably.

Data are collected for each of the EBI factors based upon the relative environmental benefits for the land offered. Offers are then ranked in comparison to all other offers, and selections made from that ranking.

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Signup 20 Fact Sheet (Continued)

Fact Sheet

*Conservation Reserve Program
20th Sign-Up Period
January 18 - February 11, 2000*

EBI factors are:

- Wildlife habitat benefits;
- Water quality benefits from reduced erosion, runoff, and leaching;
- On-farm benefits of reduced erosion;
- Enduring benefits;
- Air quality benefits from reduced wind erosion;
- 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
- Cost.

Payment Rates

Maximum CRP payments will be determined based on the average of the past 3 years of local dryland cash or cash-rent equivalent rental rates adjusted for site-specific, soil-based productivity factors. CRP payments can include an additional amount, not to exceed \$5 an acre a year, as an incentive to perform certain maintenance obligations.

The maximum CRP payment 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 acceptable.

Producer Eligibility Requirements

- A producer must have owned or operated the land for at least 12 months prior to close of the sign-up 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 provide adequate assurance to the Farm Service Agency that the new owner did not acquire the land for the purpose of placing it in the CRP.

Producers should contact their local USDA Service Center for more information.

When and Where

The sign-up period begins Tuesday, January 18, 2000, and runs through Friday, February 11, 2000.

Offers are accepted only during that period at the local offices of the USDA's Farm Service Agency (FSA). These are usually listed in local telephone directories under "United States Government, U.S. Department of Agriculture."

What will the EBI cutoff be for Sign-Up 20?

Decisions on the EBI cutoff will be made after Sign-Up 20 is concluded. The CRP is a highly competitive program. Landowners who have met previous EBI thresholds are not guaranteed a contract under this sign-up.

NOTE: The sign-up period does not apply to participation in certain high-priority environmental practices such as filter strips, riparian buffers, etc. (For more details, see FSA Farm Program Fact Sheet: Conservation Reserve Program - Continuous Sign-Up for High-Priority Practices.)

How to Make a CRP Offer More Competitive

The demand to enroll land in the CRP is much greater than the amount that can be accepted (CRP enrollment authority is 36.4 million acres and there are over 350 million acres of U.S. cropland).

To be more competitive, consider only offering the most environmentally sensitive land, enhancing covers for the benefit of wildlife, and accepting a lower payment rate than the maximum amount FSA is willing to offer.

The United States Department of Agriculture (USDA) prohibits discrimination in its programs on the basis of race, color, national origin, sex, religion, age, disability, political beliefs and marital or familial status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact the USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint, write the Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C., 20250, or call 1 800-245-6340 (voice) or (202) 720-1127 (TDD).

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