

For: State and County Offices

**CRP Tree Thinning Incentive First Batching Acceptances
and Announcement of Second Batching Period**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The Agricultural Act of 2014 provided authority to offer incentives to eligible CRP participants to encourage tree thinning and other practices to improve the condition of resources, promote forest management, or enhance wildlife habitat on CRP acreage.

Notice CRP-816 provided direction and guidance for processing CRP participant requests for CRP tree thinning incentives. In the first batching period priority was given to eligible tree thinning and prescribed burning of CRP forestry conservation practice acres completed between October 22, 2015, and December 31, 2016.

B Purpose

This notice

- provides:
 - incentive eligibility information
 - first batching period requests accepted for approval
 - instructions for incorporating tree thinning into conservation plans as needed
- announces the second batching period.

Disposal Date April 1, 2018	Distribution State Offices; State Offices relay to County Offices, NRCS Offices, and State CREP Partnering Agencies
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2 Administration

A CRP Tree Thinning Incentive Eligibility

The CRP tree thinning incentive is limited to authorized CRP conservation practices identified in 2-CRP, paragraph 627 (CP3, CP3A, CP4D, CP11, CP22, CP31, CP36, CP38A, CP38C, CP38D, and CP38E) where eligible customary forestry activities will be implemented in an integrated conservation system with the frequency to accomplish desired objectives.

CRP tree thinning incentives are further restricted to eligible CRP participants who have implemented approved tree thinning or prescribed burning consistent with their conservation plans since October 22, 2015.

Note: CRP participants are required to perform a minimum of one management activity during the CRP contract. For CRP forestry conservation practice contracts, this required management activity receives a cost share payment only. To receive the incentive on those additional tree thinning or prescribed burning beyond the minimum requirement, the activities must be implemented in an integrated conservation system.

B First Batching Period Acceptances

Requests accepted for approval for the CRP tree thinning incentive originating from the first batching period can be viewed on the conservation SharePoint site located at <https://sharepoint.fsa.usda.net/states/cepd/autogis/Tree%20Thinning%20Incentive%20Batching/Forms/AllItems.aspx>.

Allocations have been made by OBF against each of the accepted CRP contracts listed. County Offices are authorized to notify CRP participants of their approvals made by the COC or designated FSA representative.

Requests not approved during the first batching period remain in the CRP tree thinning incentive survey document and will be considered in subsequent batching periods.

Note: See Notice CRP-816 for example producer acceptance and non-acceptance letters.

The conservation SharePoint site will be maintained to highlight approved CRP tree thinning requests, pending requests not yet accepted for approval loaded into the survey document; and total CRP tree thinning incentive activity for audit purposes.

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2 Administration (Continued)

C Conservation Plan of Operations (CPO)

It is imperative that tree thinning of CRP forests results in stand densities that are beneficial for wildlife habitat, allowing sunlight to reach the forest floor to permit a diverse understory to become established. Frequent prescribed burning to retain plant species diversity, composition, and structure providing habitat for featured wildlife species is just as important. Due to the complex and critical nature of these management activities, compliance is a priority to ensure that the technical practices are implemented in an integrated conservation system as prescribed in the conservation plan so that wildlife resource concerns are being adequately addressed as per Congressional intent.

Applicable tree thinning and prescribed burning activities must be included in an existing or modified conservation plan or schedule of operation agreed to by the CRP participant according to 2-CRP, paragraph 429. If the activities for which CRP tree thinning incentive payments are authorized and already described in the CPO, no modifications to the CPO are needed for the CRP participant to be approved for CRP tree thinning incentive payments. In cases where an existing CPO does not include technical practices being implemented in an integrated conservation system, and the CRP participant wishes to now do so with the availability of incentives, a CPO modification is needed to incorporate tree thinning and prescribed burning activities.

3 CRP Tree Thinning Incentive Submissions

A Second Batching Period

The second batching period for the CRP tree thinning incentive will close May 31, 2017. County Offices must have all appropriate information necessary for approvals to be made by DAFP loaded into the survey document by June 9, 2017.

B Request for CRP Tree Thinning Incentive

FSA County Offices will use the CPO and a manual FSA-848, describing planned management activities, to document CRP participant's request for the CRP tree thinning incentive and facilitate obligation of CRP tree thinning incentive funds.

Note: Participant signature and date on the manual FSA-848 are the basis upon which CRP tree thinning incentive funds will be allocated to a CRP contract.

The CRP tree thinning incentive will be paid following practice completion and certification by the producer and technical service provider as meeting technical specifications. Financial obligations are mandatory before a CRP tree thinning incentive payment can be made.

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3 CRP Tree Thinning Incentive Submissions (Continued)

C Completing the Manual FSA-848

The County Office shall manually complete the FSA-848 according to the following table.

Item	Instructions
	In the top margin of the form, ENTER “For CRP TTI Purposes” .
1	Enter the State and county codes.
2	Enter the County Office name, address, and telephone number.
5	Enter the CRP contract number.
6	Record if CRP contract location is within a Wildlife Priority Zone (N1c) and/or if located within an approved SAFE project area.
10A	Enter the farm number.
10B	Enter the tract number.
10C	Enter the field number.
10D	Enter the eligible CRP conservation practice (e.g., CP3).
10E	Enter the technical practice from the TTI Menu (e.g., TTI-666 Tree Thinning/Forest Stand Improvement).
10F	ENTER “acres”.
10G	Enter contract acres.
10H	Enter the acres for that activity for which TTI incentives are requested.
10I	Enter the requested TTI amount (Item 10H times the appropriate incentive rate in subparagraph 3, D).
10J	Enter the total amount of TTI requested.
11A	Enter the participant’s name, address, and contact telephone number.
11F	The participant shall sign request.
11G	Enter title/relationship, if applicable.
11H	The participant shall enter date of request.

D Authorized Technical Practices, Incentive Rates, and Priorities

CRP tree thinning incentive payments will be approved and issued in addition to C/S for those practices eligible for both types of payments such as prescribed burning or pre-commercial thinning performed in addition to the minimum one required management activity.

Note: For those eligible non-commercial tree thinning and prescribed burning activities for which both CRP C/S and CRP tree thinning incentives are being paid to the CRP participant, the total payment may exceed 100 percent of the cost to implement the practices subject to payment limitation rules.

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3 CRP Tree Thinning Incentive Submissions (Continued)

D Authorized Technical Practices, Incentive Rates, and Priorities (Continued)

In many cases, tree thinning is likely to be performed on a commercial basis, whereby a timber buyer will pay the CRP participant for the timber that is removed by the tree thinning. In these cases, there is no cost to the participant; therefore, no C/S payment is earned by the CRP participant. The CRP tree thinning incentive may be authorized in these cases. The CRP tree thinning incentive may also be earned in addition to C/S on eligible management activities such as prescribed burning.

This table provides the national rates established for the CRP tree thinning incentive.

Technical Practice	Technical Practice Code	National Incentive
Tree Thinning and Burning	TTI-666/338/394	\$150/acre
Tree Thinning	TTI-666	\$75/acre
Prescribed Burning	TTI-338/394	\$25/acre for first burn \$35/acre for subsequent burns

Additional tree thinning and prescribed burning requirements, such as residual stand density or frequency of prescribed burning, may be established by the FSA STC following consultation with the State Technical Committee. As an example for pine savannah habitat, the FSA STC may decide that CRP tree thinning incentives will be limited to those CRP pine stands that are thinned to maintain residual stand densities between 50 and 70 square feet of basal area and prescribed burned every two years to provide suitable habitat for northern bobwhite.

Disking, chemical woody or herbaceous plant control and mechanical woody plant control may be eligible for mid-contract management cost-share, but are not eligible for the CRP tree thinning incentive.

E Fund Allocation Procedure

County Offices shall input CRP tree thinning incentive request data into the CRP tree thinning incentive survey document located on the CEPD SharePoint site at <https://sharepoint.fsa.usda.net/states/cepd/autogis/Lists/TTI/allitems.aspx>.

All data submitted using SharePoint will be evaluated by CEPD to determine if sufficient funds exist to honor all requests for the CRP tree thinning incentive. After evaluation, FSA State Offices will be notified of request status. Before incentive requests can be approved, appropriate fund allocations must be made. Upon fund allocation, County Offices shall notify the participant via letter of approval.

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4 Performance and Incentive Payment

A Performance Certification

The performance of each approved activity for which the CRP tree thinning incentive has been allocated and for which payment is requested, must be certified by the participant and NRCS, State forestry, State fish and wildlife, or authorized TSP representative on a manual FSA-848B.

Signature by COC or CED with designated authority on the manual FSA-848B is the basis upon which CRP tree thinning incentive funds will be obligated and upon which payment can be made. County Offices will follow procedure in making CRP tree thinning incentive payments using the Conservation Payments System.

Note: In addition to being limited to eligible CRP tree thinning incentive conservation practices and authorized technical practices, tree thinning and prescribed burning for which payment is requested must be completed in a manner consistent with the CPO and field office technical guides.

County Offices shall **not** use CSS to initiate and generate the FSA-848B. The County Office shall manually complete the FSA-848B according to the following table.

Item	Instructions
	In the top margin of the form, ENTER “For CRP TTI Purposes” .
1	Enter the State and county codes.
2	Enter the County Office name, address, and telephone number.
5	Enter program year of the approved TTI activity.
8	Enter the CRP contract number.
9A	Enter the farm number.
9B	Enter the tract number.
9D	Enter the practice.
9E	Enter the practice unit as “acres”
9F	Enter the practice extent approved that corresponds to items 9A through 9E.
9G	ENTER “yes”.
9H	Enter the acres served.
9I	Enter the approved TTI payment amount that corresponds to items 9A through 9F.
15A	The technical service provider and participant shall sign.
15B	Enter the date of the payment request.
15C	Enter the affiliation.
15D	Enter the practice.
15E	Enter the performance statement.
18A	The FSA representative shall sign to approve performance.
18B	Enter the date of FSA signature.
18C	Enter the total TTI payment amount for the activity.

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4 Performance and Incentive Payment (Continued)

B Issuing CRP Tree Thinning Incentive Payments

The CRP tree thinning incentive payment is made following each eligible technical practice performance.

CRP tree thinning incentive payments can be made throughout the CRP contract period following implementation of each eligible technical practice.

Note: The payment limitation for CRP rental payments and incentive payments is \$50,000 for the program year.

The Conservation Payments System User Guide:

- provides instructions for issuing CRP incentive payments
- can be found on the CEPD SharePoint site located at:
<https://sharepoint.fsa.net/states/cepd/userguides/default.aspx>.

The applicable alpha program code is XXCRPTTI and program accounting code is 3352.

5 Action

A State Office Action

State Offices shall:

- follow provisions of this notice and forward copies to the:
 - State NRCS office
 - State fish and wildlife agency office
 - State forestry agency office
- report second batching period CRP tree thinning incentive requests received to CEPD by **June 9, 2017**.

B County Office Action

County Offices shall follow the provisions of this notice.

C Contact

For questions about this notice, contact David Hoge by either of the following:

- email to david.hoge@wdc.usda.gov
- telephone at 202-720-7674.