

For: State and County Offices

Voluntary Termination of CRP Contracts Expiring on September 30, 2022

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Exceptional circumstances are shaping global food production in 2022, including potential global food supply challenges caused by the Russian invasion of Ukraine. In the public’s interest, USDA is waiving refunds and penalties for CRP participants who voluntarily request to terminate a CRP contract that is in its final year and set to expire on September 30, 2022. To be eligible for the waiver of refunds and penalties, the request for voluntary termination must be effective after the end of the 2022 Primary Nesting Season (PNS) for the applicable county and State. This waiver is only effective for FY 2022.

For this voluntary termination only, FSA will waive requirements to refund all or a portion of the payments with respect to the CRP contract, plus interest, and liquidated damages. Participants will receive the full annual rental payment after October 1, 2022, if all other eligibility requirements are met.

The National Office will send a notification letter to CRP participants with expiring contracts that includes information about this and other opportunities for their land that is expiring from the CRP contract. A list of participants that receive a letter will be provided to State Offices on the Conservation Division SharePoint site.

| Disposal Date | Distribution |
|----------------------|---|
| October 1, 2022 | State Offices; State Offices relay to County Offices and NRCS State Offices |

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1 Overview (Continued)

B Purpose

This notice provides:

- policy for implementing voluntary terminations of CRP contracts
- information about the Expiring CRP Contract with Voluntary Termination Letter and Recipient Report
- information about recording the voluntary termination
- letter to participants (Exhibit 1).

2 Expiring CRP Contract Letter and Recipient Report

A Expiring CRP Contract Letter

The National Office will mail letters (Exhibit 1) directly to participants with CRP contracts expiring on September 30, 2022. The letter does **not** include information about which of the options, if any, may apply to the expiring acreage. Each participant will receive a single letter for each county in which they have an expiring CRP contract(s) administered.

Letters will be mailed:

- without listing the unique CRP contract number(s)
- to each participant on the CRP contract
- with the administrative county mailing address shown as the return address.

Note: County Offices must use alternative participant notification measures, within 5 business days of receipt, for all returned letters.

Letters will not be mailed to participants with:

- accepted general CRP signup 58 offers
- a grassland CRP offer
- an approved continuous CRP offer

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2 Expiring CRP Contract Letter and Recipient Report (Continued)

B Mailing Recipient Report

The “2022 Expiring CRP Contract with Voluntary Termination Letter Mailing Recipient Report” is posted to SharePoint at https://usdagcc.sharepoint.com/sites/fsa-dafp/CEPD/county_office/Voluntary%20Termination%20Letters/Forms/AllItems.aspx. County Offices will click the link labeled “Expiring CRP Contract with Voluntary Termination Letter” to access the report of expiring contracts.

This recipient report will:

- inform County Offices which participants were sent a letter
- show all CRP contracts meeting the criteria listed in subparagraph 2 A.

3 Policy for Voluntary Termination

A Criteria for Voluntary Termination of Expiring CRP-1

All the following criteria must be met for voluntary terminations to be eligible for the waiver of refunds (including interest) and liquidated damages:

- CRP-1 is scheduled to expire on September 30, 2022
- all participants on the CRP-1 submit a written request to the County Office to voluntarily terminate all or a portion of the land under the CRP-1
- request to terminate is for land physically located in a county where the PNS has ended for FY 2022.

Note: The request to voluntarily terminate may be submitted by the CRP participant and approved by CED or COC before the end of the PNS; however, the termination is not effective and activity must not commence before the end of the PNS.

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3 Policy for Voluntary Termination (Continued)

B Terminating the CRP-1

County Offices must:

- complete the voluntary termination according to 2-CRP, subparagraph 573 A

Exception: Do not cancel the automated CRP-1. If only a portion of CRP-1 is voluntarily terminated, follow 5-CRP, paragraph 80 to complete the contract division. Do not terminate either CRP-1 in CCMS.

- not require refunds or inform the participants that they are ineligible to receive future CRP payments for the acreage terminated.

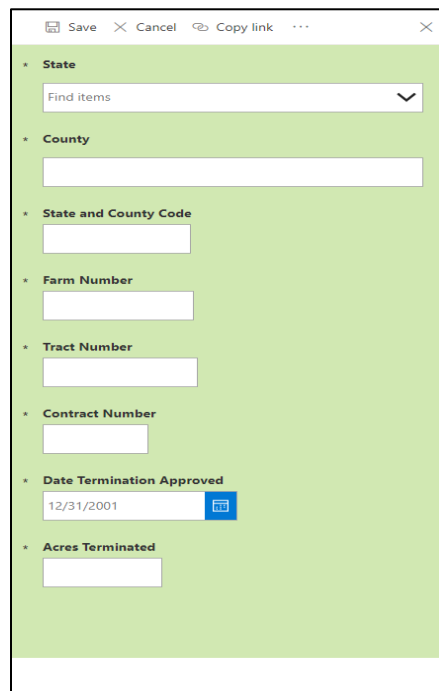
Note: Full annual rental payments will be issued after October 1, 2022, if all other eligibility is met.

4 Recording the Voluntary Termination

A How to Record the Voluntary Termination

After the voluntary termination is approved, County Offices must record the manually approved CED or COC CRP-1 termination at https://usdagcc.sharepoint.com/sites/fsa-dafp/CEPD/county_office/Lists/Voluntary%20Termination%20Approvals/AllItems.aspx

Select “New” and the following fields display:



The screenshot shows a SharePoint form with a light green background. At the top, there are buttons for 'Save', 'Cancel', and 'Copy link'. The form contains several input fields, each with a small 'x' icon to its left:

- State:** A dropdown menu with 'Find items' and a downward arrow.
- County:** A text input field.
- State and County Code:** A text input field.
- Farm Number:** A text input field.
- Tract Number:** A text input field.
- Contract Number:** A text input field.
- Date Termination Approved:** A date picker showing '12/31/2001' and a calendar icon.
- Acres Terminated:** A text input field.

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4 Recording the Voluntary Termination (Continued)

A How to Record the Voluntary Termination (Continued)

Fill in the required fields using the following instructions.

| Field | Instructions |
|---------------------------|--|
| State | Select the administrative State. |
| County | Enter the administrative county. |
| State and County Code | Enter the administrative ANSI State and county code. Example: “20201”. |
| Farm Number | Enter the Farm number of CRP-1 being terminated. |
| Tract Number | Enter the Tract number of CRP-1 being terminated. |
| Contract Number | Enter CRP-1 contract number being terminated. |
| Date Termination Approved | Enter the date CRP-1 termination was approved by CED or COC. |
| Acres Terminated | Enter the number of acres voluntarily terminated. |

5 Action

A State Office Action

State Offices will:

- follow the provisions of this notice
- ensure that County Offices follow the provisions of this notice
- submit policy questions to Beverly Preston, CRP Program Manager, Conservation Division, by e-mail to **beverly.preston@usda.gov**
- submit automation questions to Brandon Soldner, Agriculture Program Specialist, Program Delivery Division, by e-mail to **brandon.soldner@usda.gov**.


B County Office Action

County Offices will:

- follow the provisions of this notice
- announce the provisions of this notice through all available media outlets
- submit questions about this notice to their respective State Office CRP specialist responsible for CRP.

Expiring CRP Contract with Voluntary Termination Letter Example

Following is an example of the Expiring CRP Contract with Voluntary Termination Letter.



United States Department of Agriculture

Farm
Production
and
Conservation

Farm
Service
Agency

1400 Independence
Ave, SW
Washington, DC
20250
Mail Stop 0513

May 24, 2022

Dear CRP Participant:

Thank you for being part of the Conservation Reserve Program (CRP). Farm Service Agency records show that one or more of your CRP contract(s) scheduled to expire on September 30, 2022, have not currently been accepted for re-enrollment under any CRP signup type. Therefore, you may be eligible for the following options:

Voluntary Contract Termination. Exceptional circumstances are shaping global food production in 2022, including the potential global food supply challenges caused by the Russian invasion of Ukraine. In the public interest, USDA will consider written requests from CRP participants who voluntarily seek to terminate a CRP contract set to expire September 30, 2022. However, USDA will NOT approve such request for termination prior to the end of the Primary Nesting Season (PNS) in the state/county in which your CRP contract acreage is physically located. For voluntary termination of a CRP expiring September 30, 2022, USDA will waive the requirements to refund all, or part of the payments made by the Commodity Credit Corporation (CCC) with respect to the CRP contract, plus interest, and liquidated damages.

Continuous Signup: All or a portion of your CRP contract acres may be eligible for reenrollment in CRP through continuous CRP signup. If you plan to return a portion of your land to production, important conservation benefits may still be achieved by reenrolling sensitive acres such as buffers or wetlands. Expiring water quality practices such as filter strips, grass waterways, and riparian buffers may be eligible to be reenrolled under the Clean Lakes, Estuaries, and Rivers (CLEAR) and CLEAR 30 options under CRP.

Offers for continuous enrollment meeting the minimum thresholds for the particular practice will be approved after a review and will be accepted **through August 5, 2022**. FSA also partners with states and other partners on local targeted Conservation Reserve Enhancement Program (CREP) projects. If FSA accepts your offer for enrollment, you will be eligible to receive a 10- to 15-year CRP, CREP, or for CLEAR30, a 30-year contract, that will become effective on **October 1, 2022**. You will be required to develop and have approved a new conservation plan and meet other eligibility requirements before the new contract can be approved.

Natural Resources Conservation Service (NRCS) Programs. Land currently under a CRP contract may be eligible to transition into conservation easements to provide long-term conservation benefits. USDA's NRCS' Agricultural Conservation Easement Program (ACEP), or state or private easement programs, may be such an option. If you are planning to convert your CRP land to agriculture use, NRCS' programs, including Conservation Stewardship Program (CSP) or Environmental Quality Incentives Program (EQIP), may be available to address your resource needs. In many cases, a combination of approaches can be taken on the same parcel. For example, riparian areas or other sensitive parts of a parcel may be enrolled in continuous CRP and the remaining land that is returned to farming can participate in CSP or EQIP and may be eligible to receive additional ranking points.

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Expiring CRP Contract with Voluntary Termination Letter Example (Continued)

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Transition Incentives Program (TIP): If you are not planning to farm the land from your expiring CRP contract, TIP may provide you two additional annual rental payments after your contract expires on the condition that you sell or rent your land to a beginning or veteran farmer or rancher or a member of a socially disadvantaged group. New landowners or renters are required to use sustainable grazing or farming methods as they return the land to production. TIP offers a way to create new farming opportunities while continuing conservation efforts. If you are interested in TIP, contact your local FSA office no later than **August 5, 2022**.

Conservation or Land Improvements: During the final year of the CRP contract, owners or operators of the land may also make certain conservation or land improvements for economic use that facilitate maintaining protection of the land after contract expiration. Activities such as installing fence, ponds, wells, pipeline, water developments, and wildlife enhancements may be authorized. Participants must file a request to perform the activity, agree to maintain the existing cover after the contract expiration, and obtain a modified conservation plan. Activities are not permitted during the PNS. There is a 5-year prohibition on reenrollment in the CRP and a pro-rated payment reduction will apply for conducting the activity.

If you choose not to reenroll, terminate, or conduct conservation or land improvement activities, your CRP contract will expire on September 30, 2022, as planned. You will receive your final payment in **October of 2022**. Since CRP land typically does not have a recent history of pesticide or herbicide application, the land may be valuable for organic production. Prior to your CRP contract expiration, you should visit your local FSA office and review the current crop acreage base re-instatement provisions. Before planting, check with FSA or NRCS to see if your land may be subject to conservation and wetland compliance provisions.

Please contact your local FSA Office or visit <http://www.fsa.usda.gov/crp> for more information about CRP.

Sincerely,



W. Scott Marlow,
Deputy Administrator for Farm Programs