Conservation Reserve Program

October 1999

Authorization

The Food Security Act of 1985, as amended, authorizes the CRP, which is implemented through the Commodity Credit Corporation (CCC). The program is also governed by the regulations published in 7CFR part 1410.

Overview

The CRP is a voluntary program that offers annual rental payments, incentive payments for certain activities, and cost-share assistance to establish approved cover on eligible cropland.

The program encourages farmers to plant long-term resource-conserving covers to improve soil, water, and wildlife resources. CCC makes available assistance in an amount equal to not more than 50 percent of the participant's costs in establishing approved practices. Contract duration is between 10 and 15 years.

Eligible Land

To be eligible for placement in the CRP, land must be:

1. Cropland that is planted or considered planted to an agricultural commodity 2 of the 5 most recent crop years (including field margins), which 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.

Additional Requirements for Cropland

In addition to the eligible land requirements, cropland must:

1. Have an Erosion Index (EI) of 8 or higher or be considered highly erodible land according to the conservation compliance provisions (redefined fields must have a weighted average EI of 8 or higher);

2. Be considered a cropped wetland;

3. Be devoted to any of a number of highly beneficial environmental practices, such as filter strips, riparian buffers, grass waterways, shelter belts, wellhead protection areas, and other similar practices;

4. Be subject to scour erosion;

5. Be located in a national or state CRP conservation priority area; or

6. Be cropland associated with or surrounding non-cropped wetlands.
Ranking Criteria

Offers for CRP contracts are ranked according to the Environmental Benefits Index (EBI).

The Natural Resources Conservation Service collects data for each of the EBI factors, based upon the relative environmental benefits for the land offered. Each eligible offer is ranked in comparison to all others and selections made from that ranking.

EBI factors include:

- Wildlife habitat benefits resulting from covers on contract acreage;
- Water quality benefits from reduced erosion, runoff, and leaching;
- On-farm benefits of reduced erosion;
- Likely long-term benefits of reduced erosion;
- 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.

Producer Eligibility Requirements

A producer must have owned or operated the land for at least 12 months prior to the 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 or redemption in accordance with State law; or
- The circumstances of the acquisition present adequate assurance to CCC that the new owner did not acquire the land for the purpose of placing it in the CRP.

Rental Rates

The CCC bases rental rates on the relative productivity of soils within each county and the average of the past 3 years of local dryland cash rent or the cash-rent equivalent.

The maximum CRP rental 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 accepted.

In addition, CCC offers additional financial incentives of up to 20 percent of the annual payment for certain continuous sign-up practices.

Other Payments

The CCC encourages restoration of wetlands by offering a one-time incentive payment equal to 25 percent of the costs incurred. This is in addition to the 50-percent cost share provided to establish approved cover.

Continuous Sign-Up

Eligible acreage devoted to certain special conservation practices, such as riparian buffers, filter strips, grassed waterways, shelter belts, living snow fences, contour grass strips, salt tolerant vegetation, and shallow water areas for wildlife, may be enrolled at any time under the CCC’s continuous sign-up and is not subject to competitive bidding. (See FSA FACT Sheet: Continuous Sign-Up for High-Priority Practices for further details.)

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