



# Arkansas Water Primer Series: Federal Voluntary Conservation Programs

## Introduction

The federal government has developed voluntary conservation programs to encourage the adoption of pollution prevention practices. A variety of programs have been implemented with specific conservation goals, such as restoring wetlands, improving water quality, protecting watersheds and preserving wildlife habitat. Taking land out of agricultural production can be costly for a property owner. Additionally, most of the programs have eligibility requirements and impose restrictions on land use. The federal incentive programs are designed to offset the costs of carrying out conservation practices and to stimulate interest in reducing off-site impacts on water quality.

## How Conservation Programs Protect Water

Conservation programs incorporate practices that reduce soil erosion and improve water quality. Vegetative covers such as trees and grasses are often planted on marginal croplands. The vegetation reduces the speed of water runoff and intercepts sediment before it can enter surface water.

Conservation buffers are strips of land where permanent vegetation is established in and around row crops. The buffers are designed to block sediment and agricultural chemicals before they can pollute surface water. Buffers also help enhance water quality by preventing banks from falling into waterbodies. The programs are administered by either the United States Department of Agriculture's (USDA) Farm Service Agency (FSA) or Natural Resources Conservation Service (NRCS) in cooperation with the states.

## FSA-Administered Programs

### Conservation Reserve Program

The Conservation Reserve Program (CRP), enacted in 1985, is the federal government's largest private land retirement program. It provides payments to farmers to take highly erodible or environmentally sensitive cropland out of production for 10 years or more to conserve soil and water resources. The program is administered by FSA with technical assistance provided by NRCS. CRP has several subprograms:

- General sign-up CRP
- Continuous CRP (CCRP)
- Conservation Reserve Enhancement Program (CREP) and
- Farmable Wetlands Program (FWP).

To be eligible for any CRP, a landowner must have owned or operated the land for at least 12 months prior to close of the CRP sign-up period, unless it was inherited or it can be shown that it was not acquired for the purpose of enrolling it in the program.

All CRP programs require landowners to sign a contract agreeing to follow specified conservation practices for 10 to 15 years. In return, landowners receive technical and financial benefits including annual rental payments, cost share for conservation practices and additional incentive payments. However, the amount of funding available to individual landowners is oftentimes not enough to justify participation in federal conservation programs.

## General and Continuous CRPs

There are two types of sign-ups for enrolling land in CRP: General and Continuous. General sign-ups have specified enrollment periods during which landowners compete nationally to enroll their land in CRP. Applicants must meet certain eligibility criteria, evaluate their land according to FSA's Environmental Benefits Index and submit bids to FSA for enrollment. FSA accepts applications that demonstrate the highest environmental benefits.

Eligibility criteria include but are not limited to:

- Cropland that has been planted or considered planted to an agricultural commodity four of the six crop years between 1996 and 2001
- Cropland that is physically and legally capable of being planted in a normal manner as an agricultural commodity
- Marginal pastureland
- Expiring CRP land
- Land that is located in national or state CRP priority area or
- Land that is eligible for continuous sign-up.

In addition, cropland must have a weighted average erodibility index of eight or greater. An erodibility index is a formula that considers such factors as slope, land cover, soil type and amount of annual rainfall.

Environmentally desirable land devoted to certain conservation practices may be enrolled at any time under Continuous CRP. Certain eligibility requirements still apply, but offers are not subject to competitive bidding. CCRP accepts eligible land on which property owners are willing to incorporate such practices as riparian buffers and wetland restoration. To be eligible under CCRP, land must first meet the general sign-up CRP eligibility requirements.

*Nearly 88.5% of CRP acreage – 30.7 million – is enrolled through general sign-up.*

*There are 2.7 million acres enrolled under continuous sign-ups.*

*Approximately 1.1 million acres are enrolled in CREP.*

*There are 179,448 acres enrolled in FWP.*

*(As of February 2008)*

*Source: Congressional Research Service, Conservation Reserve Program: Status and Current Issues, April 11, 2008.*

Land must be determined by NRCS to be eligible and suitable for any of the following practices:

- Riparian buffers – plantings of trees, shrubs and grasses that catch pollutants in both surface runoff and groundwater before those pollutants reach a waterbody, such as a stream or lake. Riparian buffers also improve fish and wildlife habitat.
- Filter strips – strips of grass used to trap sediment, fertilizers, pesticides and other pollutants before they reach streams and lakes.
- Grassed waterways – strips of grass seeded within cropland where water tends to concentrate or flow off a field. While they are primarily used to prevent gully erosion, grassed waterways can be combined with filter strips or riparian buffers to trap sediment and other pollutants.
- Shelter belts – a row or rows of trees or shrubs used to reduce wind erosion, protect young crops and control blowing snow. These practices also provide protection for wildlife, livestock, houses and farm buildings.
- Field windbreaks – similar to shelter belts but are located along field borders or within the field. In some areas field windbreaks may be called hedgerow planting.
- Living snow fences – similar to field windbreaks and shelter belts, living snow fences help manage snow deposits by protecting buildings, roads and other property. They can also be designed and placed to provide cover for livestock or wildlife and to collect snow to increase soil moisture and nearby water supplies.

## Conservation Reserve Enhancement Program

CREP is a land retirement program that helps agricultural producers protect environmentally sensitive land, decrease soil erosion, restore wildlife habitat and safeguard surface and groundwater. The program is a partnership among landowners, tribal, state and federal governments, and, in some cases, private groups. For example, in 2001, The Nature Conservancy helped fund Arkansas' Bayou Meto CREP. They are also partnering with the state to support the 2008 Cache River/Bayou DeView CREP. As with CRP and CCRP, property owners must own land for at least one year before they can enroll it in CREP. Cropland must also have been planted or considered planted to an agricultural commodity four of the six crop years

between 1996 and 2001, and it must be physically and legally capable of being planted in a normal manner as an agricultural commodity. Enrollment is on a continuous basis, allowing landowners to join the program at any time rather than waiting for specific sign-up periods.

Eligible lands include:

- Cropland that is on highly erodible soil (erodibility index of 16 or more) within 1,000 feet of a perennial or intermittent stream, wetland or other qualifying waterbody, and is suitable for planting grasses, shrubs and/or trees
- Cropland or marginal pasture that is adjacent to a perennial or intermittent stream, wetland or other qualifying waterbody, and is suitable for establishing buffer practices (filter strips, forest buffers, wildlife buffers or wetland buffers)
- Cropland that is suitable for restoration of wetlands or the creation of shallow water habitats
- Cropland that is suitable for habitat restoration to benefit declining species of plants or animals.

## **Farmable Wetlands Program**

Farmable wetlands – those wetlands that have been partially drained, or are naturally dry enough to allow crop production in some years, but otherwise meet the definition of a wetland – may be enrolled in CRP on a continuous basis. Eligible land includes farmed and previously converted wetlands that have been impacted by farming activities. The maximum acreage for enrollment of wetlands and buffers is 40 acres per tract. A landowner may enroll multiple wetlands and associated buffers on a tract as long as the total acreage does not exceed 40 acres.

FWP eligibility requirements include:

- Cropland that has been planted to an agricultural commodity three of the 10 most recent crop years and is physically and legally capable of being planted in a normal manner to an agricultural commodity
- A wetland of 10 acres or less (only the first five acres may receive payment)
- A buffer that does not exceed the greater of three times the size of the wetland or an average of 150 feet on either side of the wetland and

- Agreements from participants to restore the hydrology of the wetland to the maximum extent possible.

## **Violating a CRP Contract**

There are severe penalties when landowners do not comply with CRP rules or intentionally break the contract. A landowner who terminates a contract early faces a penalty fee plus repayment, with interest, of all the funds already paid to the landowner. This includes any cost-share payments. Penalties would apply to any contract holder who re-enrolls or extends acreage and then decides to terminate the contract. An expiring contract that is extended and then later terminated would have penalties based on the original contract, not just the period since contract extension. Expiring acreage that is re-enrolled is under a new contract and would incur penalties only on the period covered by the new contract.

If a landowner sells land currently enrolled in CRP, the new owner must become the successor to the CRP contract. If the new owner does not become the successor, then the CRP contract is terminated and the former landowner is liable and may be required to refund all previous payments, plus interest received.

## **NRCS-Administered Programs**

### **Environmental Quality Incentives Program**

The Environmental Quality Incentives Program (EQIP) was established in 1996. EQIP funds conservation practices on working agricultural land to achieve the following national priorities:

- Reduction of nonpoint source pollution such as nutrient and pesticide runoff
- Protection and conservation of groundwater resources
- Reduction of air pollutants
- Reduction of soil erosion and
- Promotion of habitat conservation for species whose populations are declining (these can include species that are threatened or endangered).

The program aims to limit nonpoint source pollution. Eligible recipients must be directly involved with agricultural production. Cost-sharing is not available for confinement operations with more than 1,000 animal units.

NRCS state conservationists, with the approval of the NRCS Chief, can modify the national standard. Assistance consists of payments up to \$10,000 per person, per year, for up to three years. The total of the contract payments cannot exceed \$50,000.

### **Wetlands Reserve Program**

The Wetlands Reserve Program (WRP) is a voluntary incentive program administered by NRCS in agreement with FSA. WRP provides technical and financial assistance to eligible landowners to address wetland, wildlife habitat, soil, water and related natural resource concerns on private land in an environmentally beneficial and cost-effective manner. The program provides an opportunity for landowners to receive financial incentives to enhance wetlands in exchange for retiring marginal land from agriculture.

To be eligible for WRP, an applicant must show:

- Evidence of ownership of the land for 12 months before submitting an application
- Clear title to the land as well as consent or subordination agreements from each holder of a security interest in the land and
- A recorded right of way that provides access to the easement area from a public road.

NRCS enrolls a mixture of small and large restoration projects ranging in size from two acres to several thousand acres.

### **Wildlife Habitat Incentives Program**

The Wildlife Habitat Incentives Program (WHIP) is a voluntary program that encourages the creation of high-quality wildlife habitats that support wildlife populations of national, state, tribal and local significance. Through WHIP, NRCS provides technical and financial assistance to landowners and others to develop upland, wetland, riparian and aquatic habitat areas on their property.

### **Additional Resources**

The Arkansas State Farm Service Agency office is located at 700 W. Capitol Avenue, Suite 3416, Little Rock, AR 72201. The phone number is 501-301-3000. Additional information may be found on the state's FSA web site at <http://www.fsa.usda.gov/FSA/stateoffapp?mystate=ar&area=home&subject=landing&topic=landing>.

The Arkansas State Natural Resources Conservation Service office is located at 700 West Capitol Avenue, Federal Building, Room 3416, Little Rock, AR 72201. The phone number is 501-301-3100. Additional information may be found on the state's NRCS web site at [http://www.ar.nrcs.usda.gov/contact/state\\_office.html](http://www.ar.nrcs.usda.gov/contact/state_office.html).

Fact Sheet 109 (FSPPC109) – *Glossary of Water-Related Terms* – contains a comprehensive list of terms used in the Arkansas Water Primer Fact Sheet Series.

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