



Food, Conservation and Energy Act of 2008

Patty Engler
USDA - NRCS
Annapolis, Maryland

Helping People Help the Land



2008 Farm Bill: Food, Conservation and Energy Act

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) became law on May 22, 2008

Increases funding for Conservation programs

Focuses on **Agricultural and Forestry** Working Lands

Environmental Quality Incentives Program **expanded**

Continues Wildlife Habitat Incentives Program

Agricultural Management Assistance expanded to include Hawaii



2008 Farm Bill Highlights (2)

Conservation Stewardship Program begins FY2009 with an acreage allocation and a ranking system. Offers flexibility to be a nationwide program

Wetlands Reserve Program **appraisal issues resolved**

Farm and Ranch Lands Protection Program funding expanded

Chesapeake Bay program created to direct further NRCS program resources to the Bay watershed



Conservation Programs

WORKING LANDS PROGRAMS

Environmental Quality Incentives Program (EQIP)

- ✓ Agricultural Water Enhancement Program (AWEP)
- ✓ Conservation Innovation Grants (CIG)

Wildlife Habitat Incentives Program (WHIP)

Agricultural Management Assistance (AMA)



Environmental Quality Incentives Program (EQIP)

EQIP offers financial and technical assistance to agriculture and forestry producers to promote agricultural production, forest management, and environmental quality as compatible goals

Increases funding above the current law by \$3.4 billion in budget authority over the next ten years



EQIP Key Points

Reauthorized until 2012

Validates NRCS forestry activities by specifically referencing forest management

Expanded to include energy conservation benefits associated with conservation practices

Includes planning opportunities (including CNMPs) for TSPs

Places a priority on reduction of water use or no new lands irrigated
This means EQIP cannot pay for new irrigation systems



EQIP Key Points (2)

For organic producers:

Specific section on assistance with conservation practices utilized for organic production and transition

Payments for practices with organic **production benefits** limited to not more than \$20,000 per year; \$80,000 in 6 years

For limited resource, socially disadvantaged and beginning farmers or ranchers:

- ✓ **Up to 90 percent cost share or at least 25 percent above the otherwise applicable rate**



EQIP Funding

Current allocation for Maryland = 5.7 million

Current allocation for Delaware = 5.0 million

Fiscal Year	Dollar Amount
2008	
2009	\$1,337,000,000
2010	\$1,450,000,000
2011	\$1,588,000,000
2012	\$1,750,000,000



EQIP Payment Limitations

Environmental Quality Incentives Program (EQIP) Payment Limitations

\$300,000 per person over a six-year period

Up to \$450,000 per person over a six-year period may be authorized for projects of environmental significance



Agricultural Water Enhancement Program (AWEP)

Replaces Ground and Surface Water Conservation Program

Offers financial and technical help to assist farmers to install or implement conservation practices for agricultural water conservation water quality enhancement activities

This is another activity within EQIP

Example: Improving irrigation efficiency



Conservation Innovation Grants

Program reauthorized

Emphasis on efficient and effective transfer of innovative technologies and approaches and increased participation of specialty crop producers



Wildlife Habitat Incentives Program (WHIP)

Purpose:

Assists landowners to develop and improve wildlife habitat on private land

Assist in conservation of habitat on **agricultural, forest and tribal land**

Provides cost-share assistance to participants seeking to improve and protect wildlife habitat



WHIP Key Points

Reauthorizes WHIP through 2012

Limits contracts to **private** agricultural land, non-industrial **private forestland**, and tribal lands

Allows a priority for projects that further national, state, or regional habitat goals

Establishes annual payment limits to a person or legal entity of not more than \$50,000



WHIP Funding

Fiscal Year	Dollar Amount
2008	\$85,000,000
2009	\$85,000,000
2010	\$85,000,000
2011	\$85,000,000
2012	\$85,000,000

Wildlife Habitat Incentives Program (WHIP) Payment Limitations

\$50,000 annually per person



Agricultural Management Assistance (AMA)

Provides cost-share and incentive payments to agricultural producers to voluntarily address issues, such as water management, water quality, and erosion control by incorporating conservation practices into their farming operations

Available in 16 states (including MD and DE) where participation in the Federal Crop Insurance Program is historically low



Agricultural Management Assistance (AMA)

\$15 million in mandatory funding for each of fiscal years 2008 through 2012

Money:

AMS – Agricultural Marketing Service 10%

RMA – Risk Management Agency - 40%

NRCS - 50%



Conservation Programs

LAND RETIREMENT PROGRAMS

Conservation Reserve Program (CRP)

Wetlands Reserve Program (WRP)



Conservation Reserve Program (CRP) – administered by FSA

Removes marginal croplands from production and encourages environmental enhancement on those lands

Provides new Wildlife Habitat program initiative

tree thinning, pollinator management practices

Bio-energy Crop Production – waiting on environmental impact statement.



CRP Payment Limitations

Conservation Reserve Program (CRP) Payment Limitations

\$50,000 per person annually



Wetlands Reserve Program (WRP)

A voluntary, non-regulatory, incentive-based program that helps private landowners, farmers and ranchers protect and restore wetlands on their property

Examples: Easements or restoration agreements to restore wetlands





Wetland Reserve Program (WRP cont.)

- Changes easement compensation to the lowest of the following:
 -
 - Fair market value of the land enrolled based on a
 - Uniform Standards of Professional Appraisal Practices appraisal, or a
 - Market survey
 - Geographic cap established by the Secretary, or
 - Landowner offer
- These changes will be implemented on the date of enactment



Conservation Programs

STEWARDSHIP PROGRAMS

Conservation Security Program (CSP)

Conservation Stewardship Program (CStP)



Conservation Security Program

Conservation Security Program—

Continues funding for current contract holders for signups
conducted during fiscal years 2004 through 2008

No new enrollments

No new modifications



Conservation Stewardship Program (CStP)

The new CSP pays farmers who are *improving* conservation treatment on their working lands to encourage the continuation of farming and ranching practices that benefit soil, water, and air resources

Focus

- ✓ Incentivizing new conservation
- ✓ Rewarding producers for high levels of additional stewardship
- ✓ Addressing local priority resource concerns



CStP Key Points

Authorized 2009 through 2017

12,769,000 acres may be enrolled each year

Acres will be allocated based on eligible acres in a state

Applicants must account for stewardship activities covering their entire agricultural operation - Screening Tool.



CStP Key Points (2)

Applications will be competitively ranked based on:

- ✓ Present and proposed conservation activities
- ✓ Number and extent of resource concerns addressed
- ✓ Cost effectiveness of the expected environmental benefits

The program shall be managed to achieve a national average rate of \$18 per acre, which shall include the costs of all financial assistance and technical assistance



CStP Funding

Fiscal Year	ACRES
2008	0
2009	12,769,000
2010	12,769,000
2011	12,769,000
2012	12,769,000



CStP Payment Limitations

Conservation Stewardship Program (CSP)
Payment Limitations

\$200,000 per person
✓ 5-year period



Chesapeake Bay Watershed Key Points

Provides additional program resources in the Chesapeake Bay Watershed

Provides assistance to producers to minimize nutrient and sediment loading

Special consideration and evaluation of applications in the Susquehanna, Shenandoah, Potomac and Patuxent River Basins

The funds are utilized through existing Farm Bill conservation programs and are available until expended.

FY 09: \$23 million - FY10: \$43 million - FY11: \$72 million - FY12: \$50 million.



Administrative Requirements

Adjusted Gross Income (AGI)

For conservation programs, persons or legal entities are eligible if—

- ✓ *The average non-farm AGI is less than \$1,000,000, or*
- ✓ *2/3 of the average total AGI is from farming, ranching, or forestry*