

Fact Sheet January 2007

# Arkansas Conservation Reserve Enhancement Program

#### Overview

The Conservation Reserve Enhancement Program (CREP) is a federal-state natural resources conservation program that addresses state and nationally significant agricultural related environmental concerns. Through CREP, program participants receive financial incentives from USDA's Commodity Credit Corporation (CCC) to voluntarily enroll in the Conservation Reserve Program (CRP) in contracts of 10 to 15 years. Participants remove cropland and marginal pastureland from agricultural production and convert the land to native grasses, trees and other vegetation. CRP is authorized by the Food Security Act of 1985, as amended. USDA's Farm Service Agency (FSA) administers CRP and CREP on behalf of CCC.

The Arkansas CREP is a partner-ship between USDA and the State of Arkansas. The program seeks to enroll 6,250 acres of eligible cropland or marginal pastureland in 14 to 15 year contracts within the Cache River/Bayou DeView watersheds. The project will establish or restore wetlands and riparian forest buffers by planting hardwood trees. The CREP project area includes all or parts of the following counties: Monroe, Prairie and Woodruff. The primary goals of the project are

to enhance wildlife habitat and improve water quality by filtering agricultural runoff.

## Benefits

Arkansas CREP will help restore the wetlands and trees associated with bottomland hardwood forested wetlands that wildlife species require for breeding, foraging and survival. In addition, this project will enhance habitat for the preservation of natural diversity of biological resources of Arkansas, including many species of concern that may be threatened or endangered. The project also seeks to reduce the amount of sediments and nutrients entering streams from agricultural sources, and restore habitat for both terrestrial and aquatic species through a voluntary, incentive-based program.

#### Goals

The goals of the Arkansas CREP are to:

Increase hardwood tree habitat on agricultural land in the targeted area and assist in the protection and restoration of wildlife habitat for endangered species. When fully implemented, the Arkansas CREP is expected to assist in increasing forest block size and connect

- existing bird habitat that is presently fragmented from each other. This will create travel and forage corridors and improve habitat for endangered species as well as migratory birds and other wildlife.
- Provide producers with financial and technical assistance to help them address conservation issues in the CREP area by voluntarily establishing wetlands, hardwood trees and riparian buffer practices.
- Restore and enhance wetlands, hardwood trees and riparian corridors next to streams, rivers, creeks, wetlands and other water courses.
- Reduce the sediment load by 7,500 tons per year.
- Reduce soil erosion by 1.2 tons per acre per year by the year 2010.
- Sequester up to an additional 2.5-12.5 tons of carbon per acre per year.
- Enroll up to 6,250 acres into CRP contracts in this CREP.
- Generally increase the wildlife population by an average of 25 percent by providing wildlife habitat enhancement through this CREP. (Wildlife census and surveys will be conducted to measure population response.)

## Arkansas Conservation Reserve Enhancement Program

## Eligibility Requirements

The following are some of the eligibility requirements producers and their land must meet in order to be enrolled in Arkansas CREP.

- Land enrolled under the riparian buffer practice must have a minimum average width not less than 300 feet. However, cropland fields less than 300 feet in width may be enrolled if the whole field is enrolled.
- Land must be 0.1 acre or more.
- CRP contracts must follow the CRP regulations at 7 CFR part 1410, FSA CRP National Directives, and the provisions of the Arkansas CREP agreement.

In addition, cropland must meet cropping history criteria and be physically and legally capable of being cropped in a normal manner. Marginal pastureland along streams, watercourses and certain upland areas are also eligible for enrollment according to FSA CRP National Directives and the Arkansas CREP agreement.

Other requirements may also apply. Interested producers should contact their local FSA service center for specific information regarding their eligibility for CREP.

## Sign-up and Contract Duration

Local FSA service centers and the State of Arkansas will soon announce the Arkansas CREP signup date. Sign-up will continue

until enrollment goals are met, or through Dec. 31, 2007, whichever comes first. Land enrolled in the program will remain under contract for a minimum of 14 years, but no more than 15 years, as specified in the contract.

## Approved Conservation Practices

Acreage goals and conservation practices under the Arkansas CREP follow:

- CP3A (Hardwood Tree Planting) – 400 acres;
- CP22 (Riparian Buffer) (Cropland and Marginal Pastureland) – 2,200 acres;
- CP23 (Wetland Restoration) – 2.450 acres:
- CP23A (Wetland Restoration, Non-floodplain) – 400 acres; and
- CP31 (Bottomland Timber Establishment on Wetlands) - 800 acres. The State of Arkansas may change these practice enrollment goals as deemed appropriate to meet the intent and purposes of the Arkansas CREP.

## CCC Payments

Arkansas CREP participants will be eligible for the following types of USDA payments (subject to contract terms and certain limitations):

Annual Rental Payment: An annual payment according to **FSA CRP National Directives** and the Arkansas CREP agreement. The maximum annual rental rate is based on posted CRP rental rates and is calculated as follows:

- For enrolled cropland, CCC will determine the base rental payment per acre using the weighted average soil rental rates for the three predominant soils: or
- For marginal pastureland enrolled in CP22. CCC will determine the base rental payment per acre using the County Marginal Pastureland rental rate; plus
- A 75 percent incentive payment added to the base soil rental rate or marginal pastureland rate; plus
- □ A per-acre maintenance incentive payment as provided under normal CRP rules.
- Signing Incentive Payment: A one-time additional payment of \$100 per acre for land enrolled in practice CP22 (Riparian Buffer). This payment is made after the contract has been signed and approved.
- Practice Incentive Payment: A one-time additional rental payment equal to 40 percent of the eligible reimbursable cost for establishment of practice CP22.
- Wetland Restoration Incentive Payment: A one-time payment equal to 25 percent of the cost to restore the site's hydrology for practices CP23 (Wetland Restoration) and CP23A (Wetland Restoration, Nonfloodplain).
- Cost-share assistance: 50 percent cost-share of reimbursable costs to install approved conservation practices.

 Cost-share assistance: Up to 50 percent for approved management activities according to normal CRP rules.

## State of Arkansas Payments

The State of Arkansas will provide the following payments (subject to contract terms and certain limitations):

- A State Incentive Program payment, in partnership with The Nature Conservancy, as follows:
  - □ CREP enrollees must agree to enroll federal contract acres in a state permanent conservation easement. Upon securing the easement, will receive a one-time payment of \$160 per acre. A one-time payment will be issued to the participant when:
  - Approved practices are installed and certified complete by FSA, USDA's Natural Resources Conservation Service or the technical service provider as applicable; and
  - The permanent easement has been recorded in local land records offices.
- A riparian and wetland restoration state tax credit to eligible participants for outof-pocket costs incurred as part of the CREP practice installation.
- Pay all costs associated with the state's annual environmental monitoring programs.

Provide technical assistance to implement the CREP.

#### Cost

The total cost for Arkansas CREP over a 15-year period is estimated at \$9.4 million, with CCC contributing \$7.1 million and the State of Arkansas funding \$2.3 million. The \$9.4 million does not include any costs that may be assumed by producers.

## **CRP Enrollment**

CREP is another option under CRP that farmers may select for their land. Applicants may still enroll eligible land in the general CRP or continuous sign-up CRP. However, CREP provides additional benefits not available through general and/or continuous sign-up. For instance, CREP payments are at a higher effective rate.

## Haying and Grazing

Haying and grazing are not permitted during the CRP contract period unless FSA allows them for emergency or managed haying and grazing purposes, if applicable, under normal CRP rules.

## For More Information

For more information about FSA and its programs, visit a local FSA or USDA Service Center or on the World Wide Web at http://www.fsa.usda.gov.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of Discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.