



# Farm Bill 2002

## Key Points

September 2004

## ***Grassland Reserve Program***

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- The Grassland Reserve Program (GRP) is a voluntary program that helps landowners and operators restore and protect grassland, including rangeland, pastureland, shrubland, and certain other lands, while maintaining the areas as grazing lands.
- The program emphasizes support for working grazing operations; enhancement of plant and animal biodiversity; and protection of grassland and land containing shrubs and forbs under threat of conversion to cropping, urban development, and other activities that threaten grassland resources.
- GRP is authorized by the Food Security Act of 1985, as amended by the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill). The authorizing language provides for up to \$254 million in program funding for fiscal years 2002 through 2007. In fiscal year 2003, GRP had available \$52.4 million in financial assistance. In fiscal year 2004, GRP made available more than \$54 million in financial assistance
- GRP has a 2-million-acre statutory enrollment cap.
- Program implementation is handled by both the USDA Natural Resources Conservation Service (NRCS) and USDA Farm Service Agency (FSA). Applications will be accepted by either agency on a continuous sign-up basis. The two agencies work in cooperation with the USDA Forest Service. Program funding comes through the Commodity Credit Corporation.
- There is no national maximum limitation on the amount of land that may be offered for the program. However, there is a minimum requirement established in law. Offers for enrollment must contain at least 40 contiguous acres, unless special circumstances exist to accept a lesser amount. These special circumstances are determined by the NRCS State Conservationist.
- Eligible land includes privately owned and Tribal lands, such as grasslands; land that contains forbs or shrubs (including improved rangeland and pastureland); or land that is located in an area that historically has been dominated by grassland, forbs, or shrubs that has the potential to serve as wildlife habitat of significant ecological value.
- Enrollment options are: 30-year and permanent easements; 10-year, 15-year, 20-year, or 30-year rental agreements; and cost-share restoration agreements which may be used in conjunction with any easement or rental agreement.
- The Adjusted Gross Income provision of the 2002 Farm Bill impacts eligibility for GRP and several other 2002 Farm Bill programs. Individuals or entities that have an average adjusted gross income exceeding \$2.5 million for the three tax years immediately preceding the year the contract is approved are not eligible to receive program benefits or payments. However, an exemption is provided in cases where 75 percent of the adjusted gross income is derived from farming, ranching, or forestry operations.

- All enrollment options permit:
  - Common grazing practices that maintain the viability of the grassland;
  - Haying, mowing, or harvesting for seed production, subject to certain restrictions during the nesting season, as determined by NRCS; and
  - Fire rehabilitation and the construction of fire breaks and fences.
  
- GRP contracts and easements prohibit the production of crops (other than hay), fruit trees, and vineyards that require breaking the soil surface and any other activity that would disturb the surface of the land, except for appropriate land management activities included in a grassland resource management plan.

***For More Information***

If you need more information about GRP, please contact your local USDA Service Center, listed in the telephone book under U.S. Department of Agriculture, or your local conservation district. Information also is available on the World Wide Web at: <http://www.nrcs.usda.gov/programs/farmland/2002/> and <http://www.fsa.usda.gov/dafp/GRP/default1.htm>



Visit USDA on the Web at:  
<http://www.usda.gov/farmland>

**Note:** This is not intended to be a definitive interpretation of farm legislation. Rather, it is preliminary and may change as USDA develops implementing policies and procedures. Please check back for updates.