

Fact Sheet

September 2004

Farm and Ranch Lands Protection Program

Overview

The Farm and Ranch Lands Protection Program (FRPP) is a voluntary program that helps farmers and ranchers keep their land in agriculture. The program provides matching funds to State, Tribal, or local governments and non-governmental organizations with existing farm and ranch land protection programs to purchase conservation easements. FRPP is reauthorized in the Farm Security and Rural Investment Act of 2002 (Farm Bill). The U.S. Department of Agriculture's (USDA) Natural Resources Conservation Service (NRCS) manages the program.

Benefits/Accomplishments

Through 2003, more than 300,000 acres have been protected in 42 states.

How FRPP Works

USDA works through State, Tribal, and local governments and non-governmental organizations to conduct the FRPP. These entities acquire conservation easements from landowners. Participating landowners agree not to convert their land to non-agricultural uses and to develop and implement a conservation plan for any highly erodible land. All highly erodible lands enrolled must have a conservation plan developed based on the standards in the NRCS Field Office Technical Guide and approved by the local conservation district. Landowners retain rights to use the property for agriculture.

To participate, a landowner submits an application to an entity—a State, Tribal, or local government or a non-governmental organization—that has an existing farm or ranch land protection program. The NRCS

State Conservationist, with advice from the State Technical Committee, awards funds to qualified entities to purchase perpetual conservation easements.

Eligibility

To qualify for FRPP, the land offered must be part or all of a farm or ranch and must:

- Contain prime, unique, or other productive soil or historical or archaeological resources;
- Be included in a pending offer from a State, Tribal, or local government or non-governmental organization's farmland protection program;
- Be privately owned;
- Be covered by a conservation plan for any highly erodible land;
- Be large enough to sustain agricultural production;
- Be accessible to markets for what the land produces;
- Be surrounded by parcels of land that can support long-term agricultural production; and
- Be owned by an individual or entity that does not exceed the Adjusted Gross Income (AGI) limitation.

The AGI provision of the 2002 Farm Bill impacts eligibility for FRPP and several other 2002 Farm Bill programs. Individuals or entities that have an average AGI 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 AGI is derived from farming, ranching, or forestry operations.

If the land cannot be converted to non-agricultural uses because of existing deed restrictions or other legal constraints, it is ineligible for FRPP.

Funding

FRPP is funded through the Commodity Credit Corporation. The FRPP share of the easement cost must not exceed 50 percent of the appraised fair market value of the conservation easement. As part of its share of the cost of purchasing a conservation easement, a State, Tribal, or local government or non-governmental organization may include a charitable donation by the landowner of up to 25 percent of the appraised fair market value of the conservation easement. As a minimum, a cooperating entity must provide, in cash, 25 percent of the appraised fair market value or 50 percent of the purchase price of the conservation easement.

For More Information

If you need more information about FRPP, 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/farmbill/2002/>



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

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.