

Memorandum of Agreement (MOA)

Between

Natural Resources Conservation Service (NRCS),

Farm Service Agency (FSA),

And

Commodity Credit Corporation (CCC)

For Implementation of the Conservation Reserve Program (CRP)

Through December 31, 2007

I. Purpose

The purpose of this MOA is to provide for the implementation, cooperation, expectations, and responsibilities between NRCS, FSA, and CCC in carrying out the CRP.

II. General Provisions

Technical assistance is needed for the implementation of the CRP and FSA, acting on behalf of CCC, has determined that NRCS has personnel with expertise who can provide the technical assistance needed for implementation of the CRP.

III. Authority

The CRP is authorized by Title XII of the Food Security Act of 1985, as amended (1985 Act) Other authorities may also apply.

IV. Responsibilities

NRCS, FSA, and CCC agree, subject to the availability of funds, that:

A. NRCS will:

1. As directed by FSA, provide technical assistance both directly or through NRCS-approved Technical Service Providers (TSP), and assure all technical work done will meet NRCS technical requirements, including the National Planning Procedures Handbook for conservation planning and the Field Office Technical Guide (FOTG) requirements for conservation practices and systems

2. According to the NRCS Cost of Programs Model, carry out the following tasks for the implementation of CRP, including re-enrollments.
 - a. Determine certain program eligibility for the Continuous CRP (CCRP), Conservation Reserve Enhancement Program (CREP), Farmable Wetland Program (FWP), and initiatives only,
 - b. Conservation planning,
 - c. Conservation practice and systems implementation and certification of ten percent of all practices.
 - d. Provide policy and program support
3. Provide sufficient information regarding the NRCS Cost of Programs Model for FSA to validate NRCS tasks and costs. This includes providing to FSA the estimated per hour (salary and benefits) labor costs and the actual time expenditure per task. NRCS shall provide separately the overhead costs associated with CRP.
4. Will provide FSA with monthly estimates no later than the 15th of every month of the NRCS CRP technical assistance cost estimate, according to the NRCS Cost of Programs Model
5. Comply with the 1985 Act, the regulations at 7 CFR part 1410, procedures in 2-CRP Handbook, paragraphs A13-A15 set forth in this agreement per 2006 Streamlining and other signed joint agency letters pertaining to CRP.
6. Submit to FSA quarterly billings from NRCS time and accounting system information for reimbursement of actual cost of technical assistance provided by NRCS that will be paid within 30 days. The quarterly billing will include the unit (number of plans and acres) of each NRCS cost of the program's model tasks. NRCS also agrees to provide such other information requested by FSA to verify NRCS costs and that payment are conditioned upon receipt by FSA of this information.
7. Adhere to FSA environmental and cultural resource policy in FSA's Environmental Quality Programs Handbook 1-EQ and the regulations at 7 C.F.R. part 799 regarding compliance with the National Environmental Policy Act (NEPA), National Historic Preservation Act (NHPA), Endangered Species Act (ESA), Clean Water Act, and all other applicable Federal, State, Tribal, and local environmental laws, regulations, and Executive Orders. NRCS form CPA-052, or a FSA-determined acceptable State modified version of the CPA-052, will be used to document the environmental evaluation of the potential environmental impacts related to the proposed CRP contract and associated conservation practices.

8. Revise (by making pen and ink changes) and sign conservation plans when the land is sold and the CRP contract is succeeded to, provided the technical assistance was originally performed by NRCS and not a technical service provider
9. Revise as appropriate, the conservation plan when the performance is different than the conservation plan, but meets FOTG specifications and NRCS is willing to certify compliance. NRCS will make the revision (pen and ink), provided that the technical assistance was originally performed by NRCS and not a technical service provider.
10. Revise as appropriate according to NRCS FOTG and sign the conservation plan, as appropriate, when contracts are modified.
11. Conduct annual status reviews on at least ten percent (includes TSP's) of all CRP contracts as requested by FSA.
12. Service approximately ten percent (includes TSP's) of all practice certification (Form AD-862) for all CRP practices nationwide for which NRCS has technical responsibility for the assigned practices identified in the conservation plan. Provide FSA applicable verification of the technical assistance work on Forms CRP-2 and AD-862.
13. For general signup, reduce the hours of work tasks for "second-year" implementation, from the 2005 level of 7.07 hours to the 2006 streamlined level of 5.85 hours. This reduction reflects a change that practice layout/surveys and practice check outs on second year contracts be performed on an as-needed basis only. Also, this reduction in hours does not change the overall obligation to perform general signup work, but allows for a reduction of time for field visits.
14. For re-enrollments of expiring 2007-2010 contracts, reduce the hours of work tasks for "first-year" conservation planning and "second-year" implementation, from the 2005 level of 19.12 hours to the 2006 streamlined level of 9.11 hours. These reductions reflect overall time savings associated with performing workload tasks on established practices. Field visits will be conducted on an as-needed basis as determined at the local level. This reduction in hours does not change the overall obligation to perform re-enrollment work, but allows NRCS the opportunity to reduce field time by reviewing FSA compliance field notes.
15. For the Emergency Forestry Conservation Reserve Program (EFCRP), allot 3 hours per contract to perform associated workload tasks. These

include resource assessment, development of the contract support documents, and contract support documentation review with the Conservation District and participant. Subject to available funding, the reimbursement per contract will be \$210. NRCS agrees that where there is no State Forestry presence, that said Agency will complete the tasks assigned to implement the program. The State Conservationist shall have the authority to establish priorities to implement the EFCRP. The following States are eligible for EFCRP: Alabama, Florida, Louisiana, Mississippi, North Carolina and Texas.

B FSA has overall program authority and responsibility and will:

1. Administer all CRP contracts, including compliance determinations.
2. Receive apportioned CRP funds directly from the Office of Management and Budget (OMB)
3. Subject to terms of an OMB apportionment, reimburse National NRCS office quarterly, within 30 days for actual cost of technical assistance according to NRCS time and accounting system information according to paragraphs A-2 and A-6
4. Serve as the lead agency for purposes of complying with the provisions of the NEPA, NHPA, ESA, and other applicable laws, Executive Orders, and regulations as provided for in FSA's Environmental Quality Programs Handbook 1-EQ and 7 CFR part 799. FSA will complete all consultations with the State Historic Preservation Officer, Tribal Historic Preservation Officer, Tribal governments, as required of the lead agency, the final determination of finding of effects in regards to the potential impacts to the environment, determinations of eligibility and effect and decisions on appropriate treatments regarding cultural resources related to the proposed CRP contract and associated conservation practices according to regulations at 7 CFR parts 1415 and 799
5. Complete all consultations with the U.S. Fish and Wildlife Service and National Marine Fisheries Service, as required by the lead agency, including the development of Biological Assessments or other documentation as deemed appropriate in order to make and support the determination of finding of effects regarding to the potential impacts to the environment, and effect and decisions on appropriate treatments regarding at-risk species and other natural resource concerns relating to the proposed CRP contract and associated conservation practices.
6. Will inform NRCS of anticipated general, continuous, CREP, and FWP signups and the targeted enrollment acres at least 12 months in advance of

each signup or as practicable

7. If it deems appropriate, pay NRCS \$500,000 for the review of soils data for technical determinations, soil rental rate analysis, and technical capabilities of TSPs
8. Shall notify NRCS by November 30 of the expected Technical Assistance estimates by State.
9. Provide to NRCS, within 30 days prior to fiscal year end, the estimated Technical Assistance reimbursable spreadsheet.

C. NRCS, FSA, and CCC agree to:


1. Cooperate at all levels to ensure consistent implementation of CRP policies and procedures. When differences occur, the parties will provide information and recommendations to the next level (i.e., county offices would forward information and recommendations to the State offices, State offices would forward information and recommendations to NHQ). The Chief, NRCS, and Administrator, FSA, have final authority for ensuring consistent implementation of CRP policies and procedures.
2. Attempt to resolve, expeditiously and informally, any disagreements concerning this MOA. If a resolution cannot be reached at the district/county level, issues shall be elevated first to the State, and then, if necessary, to the National level.
3. Maintain current agreements on streamlining technical assistance (such as producer self-certification of non-engineering practices) and will continue to pursue further streamlining efforts to gain greater efficiencies, reduce workload, and minimize costs of delivering CRP without loss of conservation benefit while ensuring the conservation technical assistance is a prudent expenditure of government resources.
4. Seek to create within FSA one common GIS-based information management system for CRP contracts to facilitate the seamless delivery, management, and performance evaluation of CRP.
5. At the State level, conduct training and quality control reviews to ensure high levels of customer service through the CRP
6. Sixty days prior to Mid-Session review, review the actual CRP enrollment estimates to date and update the Cost of Programs model accordingly
7. This MOA may be terminated at any time by one party providing 30 days written notice. Should this MOA be terminated, billing will be submitted

for services rendered.

- 8 This MOA may be modified by amendment duly executed by the Administrator of FSA and the Chief of NRCS
- 9 CCC, FSA, and NRCS will enter into a national level reimbursable agreement (Form AD-672) for each fiscal year based on this MOA and any amendments hereto, for CRP technical assistance.

NATURAL RESOURCES
CONSERVATION SERVICE

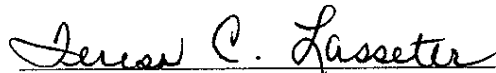
FARM SERVICE AGENCY/
COMMODITY CREDIT CORPORATION



Arlen L. Lancaster
Chief, NRCS

NOV 27 2006

Date



Teresa C. Lassetter
Administrator, FSA, and
Executive Vice President, CCC

11/28/06
Date