



Farm Bill 2002

Questions and Answers

August 2004

Grassland Reserve Program

Q. What is the Grassland Reserve Program?

A. The Grassland Reserve Program (GRP) is a voluntary program that helps landowners and operators restore and protect grassland, including rangeland, shrubland and pastureland, 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. The program is administered by USDA's Natural Resources Conservation Service (NRCS) and Farm Service Agency (FSA), in cooperation with the USDA Forest Service.

Q. What are the goals of the program?

A. The program goals are to help conserve, restore and protect two million acres of grassland, rangeland, shrubland and pastureland by purchasing easements, entering into long-term rental agreements, and providing technical and financial assistance to participants for restoring the functions and values of grasslands and shrublands.

Q. What land is eligible?

A. GRP is available on privately owned lands and Tribal lands, including grassland; 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, and shrubs and has potential to provide habitat for animal or plant populations of significant ecological value if the land is retained in its current use or restored to a natural condition. Incidental lands may be included to allow for the efficient administration of a rental agreement or easement, as determined by the NRCS State Conservationist.

Q. Is there a limit on the number of acres a landowner may enroll in the program?

A. 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.

Q. Who may participate in the program?

A. Only landowners may submit applications for easements. Both landowners and operators may participate on rental and restoration agreements. Operators may participate on rental agreements only when they provide evidence that they will have control of the property for the length of the agreement and have landowner concurrence.

Q. Could the Adjusted Gross Income provision of the 2002 Farm Bill impact my participation in GRP?

A. Yes, if you are an individual or entity that has an average adjusted gross income exceeding \$2.5 million for the three tax years immediately preceding the application year, you 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.

Q. What enrollment options exist?

A. 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.

Q. Who holds the easement?

A. The Commodity Credit Corporation holds the easement, unless the Secretary of Agriculture authorizes a private conservation or land trust organization or State agency to administer an easement.

Q. What are the requirements of the GRP?

A. All enrollment options permit:

- Common grazing practices that maintain the vitality 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 construction of fire breaks and fences.

GRP rental agreements and easements prohibit production of crops (other than hay) that require breaking the soil surface, as well as fruit trees and vineyards; 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. Participants will be required to follow a

grassland resource management plan developed by NRCS (or a designated third party) and the participant to preserve the integrity of the grassland.

USDA will use a conservation easement deed. Landowners who participate in an easement option agree to:

- Provide a written statement of consent to the easement from those holding a security interest or any vested interest in the land;
- Provide proof of clear title;
- Comply with other terms of the easement, grassland resource management plan, and restoration agreement.
- Provide access to NRCS or its representative for easement administration and monitoring activities.

Q. Is land enrolled in GRP subject to conservation compliance and swampbuster?

A. Yes, persons interested in participating in GRP must comply with the highly erodible land and wetland conservation compliance provisions of the 1985 Food Security Act, as amended.

Q. When is a cost-share restoration agreement developed?

A. A grassland resource management plan is developed to maintain, enhance, or restore grassland functions and values of the land. A cost-share restoration agreement is developed when it is determined that cost-share is needed to enhance or restore grassland functions and values of the land. NRCS, working in conjunction with the conservation district and the participant, determines if a cost-share restoration agreement is a necessary part of the rental agreement or easement.

Q. How do I apply for the program?

A. To participate, interested persons submit an application to their local NRCS or FSA office in the local USDA Service Center. Applications for the program are accepted at any time.

Q. How will my application be evaluated for funding?

A. Each State will establish ranking criteria that will prioritize enrollment of working grasslands. The ranking criteria will consider threats of conversion, including cropping, invasive species, urban development, and other activities that threaten plant and animal diversity on grazing lands.

Q. Are lands containing non-native plant species eligible?

A. Lands containing both native and non-native grass and forbs are eligible for protection and restoration under GRP. The protection of declining native plant communities may receive priority points for protection under GRP through State developed ranking criteria.

Q. How is the contract or easement value determined?

A. The value of an easement is determined through a professional appraisal. The landowner is paid the fair market value of the land, less the grassland value of the land. For 30-year easements or an easement for the maximum duration allowed under State or Tribal law, a landowner receives 30 percent of the fair market value of the land, less the grassland value of the land.

For 10-, 15-, 20-, and 30-year rental agreements, the participant receives not more than 75 percent of the grazing value in an annual payment for the length of the agreement. Grazing values will be determined based on local prevailing rental rates.

Q. Can GRP easements or agreements be terminated to enroll lands in other conservation programs?

A. There are no termination provisions in GRP easements. For rental agreements, decisions will be made on a case-by-case basis by the NRCS State Conservationist in consultation with the FSA State Executive Director.

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/farmbill/2002/> and <http://www.fsa.usda.gov/dafp/GRP/default1.htm>



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.