

U.S. Department of Agriculture
Natural Resources Conservation Service

**FARMLAND PROTECTION
POLICY ACT
ANNUAL REPORT
FOR
FY 2007**

REPORT FROM THE SECRETARY OF AGRICULTURE

TO THE COMMITTEE ON
AGRICULTURE, NUTRITION, AND FORESTRY
UNITED STATES SENATE

AND

THE COMMITTEE ON AGRICULTURE
UNITED STATES HOUSE OF REPRESENTATIVES

March 2008

TABLE OF CONTENTS

I.	Progress of Federal Agencies in Implementing the Farmland Protection Policy Act (FPPA)	3
II.	Review and Revision of Federal Policies-Procedures Affecting Farmland Conversion	6
III.	Federal, State, and Local Efforts to Protect Farmland	6

Figures:

Figure 1-	FY 2007 FRPP Financial Assistance Dollars Obligated	7
Figure 2-	FY 2007 FRPP Acres Protected	7

Tables:

Table 1-	FPPA and Important Farmland Numbers, 1997-2007	2
Table 2-	Top Ten States Acres of Farmland Converted	3
Table 3-	Acres of Farmland Proposed for Conversion by State	4
Table 4-	Breakdown of Acres and AD-1006 forms received by Federal Agencies in 2007	5

The fiscal year (FY) 2007 Farmland Protection Policy Act (FPPA) Annual Report consists of three components:

- I. Progress of Federal agencies in implementing farmland protection;
- II. Review and revision of Federal policies and procedures affecting farmland conversion; and
- III. Federal, State, and local efforts to protect farmland.

I. Progress of Federal Agencies in Implementing Farmland Protection

According to the FPPA final rule, Federal agencies are required to evaluate the impacts of Federally funded projects that may involve converting farmlands to nonagricultural uses and to consider alternative actions that would lessen the adverse effects of the land's conversion (7 CFR Part 658 and 675). Federal agencies request assistance from the Natural Resources Conservation Service (NRCS) in complying with the FPPA by submitting a Farmland Conversion Impact Rating Sheet (Form AD-1006). The Agency then conducts a Land Evaluation and Site Assessment (LESA) of the project area. NRCS provides land evaluation information, while the responsible Federal agency completes the site assessment portion of the analysis. In order to implement the FPPA, Federal agencies address the potential conversion of agricultural land when reviewing internal projects or providing assistance to local communities.

Prime farmland is land that has the best combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops and is available for these uses (the land could be cropland, pastureland, rangeland, forestland, or other land, but not urban built-up land or water). Land used for a specific high-value food or fiber crop is classified as unique farmland. Generally, additional farmlands of statewide importance include those that are nearly prime farmland and that economically produce high yields of crops when treated and managed according to acceptable farming methods. In some local areas, there is concern for certain additional farmlands, even though these lands are not identified as having national or statewide importance. These farmlands are identified as "local importance" by local ordinance or adoption by local government. When jurisdictions adopt local Land Evaluation and Site Assessment systems (LESA), Federal agencies use these systems to review activities that may impact farmland. Less than 10 percent of the reviews offered alternative sites or were able to use a local LESA system for the conversion evaluation and site assessment.

According to the 2001 USDA National Resources Inventory (NRI) data, in the period between 1992 and 2001 about 6 million acres (28 percent) of the new land developed was prime farmland. Between 1982 and 1992, about 4 million acres (29 percent) was prime farmland.

Correspondingly, the rate of prime farmland development increased from an average of 400,000 acres per year between 1982 and 1992 compared to 600,000 acres per year between 1992 and 2001. For more information about the NRI, visit <http://www.nrcs.usda.gov/technical/NRI/>.

The following table summarizes the land evaluated as a result of Federal projects from 1997-2007.

Table 1 – FPPA and Important Farmland Numbers 1997-2007

	% IMPORTANT FARMLAND (of total land evaluated)	IMPORTANT FARMLAND (within land evaluated)	AGENCIES SUBMITTING REQUESTS
Year	% Total Acres	Acres	No. of Agencies
1997	41%	61,172	16
1998	45%	114,382	13
1999	45%	83,452	13
2000	54%	134,975	22
2001	34%	102,604	26
2002	30%	75,151	26
2003	30%	76,892	28
2004	52%	60,040	38
2005	67%	73,007	25
2006	62%	65,989	26
2007	39%	74,220	25

In FY 2007, NRCS received 2,552 AD-1006 forms from 25 Federal agencies requesting assistance to evaluate the impact of proposed conversions of lands that would result from their projects. A total of 190,004 acres of land from 43 States were proposed for conversion to nonagricultural uses. Thirty-nine percent of the acres reviewed were identified as important farmland (as defined in 7 CFR Part 657). Of the 74,220 important farmland acres reviewed, 62,784 were prime or unique farmland and 11,436 were State or locally important soils. Of the farmland acres proposed for conversion, Florida and Texas reported the greatest number of acres with over 13,800 and 8,900 acres respectively. Ten States reported no acres, and six States reported less than 100 acres with Federal impact actions that proposed farmland conversion (Tables 2 and 3).

In FY 2007, the Federal Highway Administration reported the greatest amount of important farmland proposed for conversion with 21,432 acres. The Army Corps of Engineers reported the second greatest amount of proposed conversion, 18,508. These two agencies account for 54 percent of all proposed important farmland conversion (Table 4).

Table 2 - Top Ten States with Acres of Farmland Proposed for Conversion by Federal Projects

STATES	ACRES
Florida	13,801
Texas	8,979
Indiana	5,196
Louisiana	4,899
Illinois	4,351
Arkansas	3,981
South Dakota	3,146
California	2,810
North Carolina	2,474
Missouri	2,321

Table 3 - Acres of Farmland Proposed for Conversion by State

State	Total Land Acres Proposed	Percentage Land Acres Proposed	Total Important Farmland Acres proposed	Percentage Important Farmland Acres Proposed	State	Total land Acres Proposed	Percentage Land Acres Proposed	Total Important Farmland Acres proposed	Percentage Important Farmland Acres Proposed
AK	2	0.00%	2	0.00%	MT	222	0.12%	39	0.05%
AL	2,817	1.48%	1,954	2.63%	NC	4,717	2.48%	2,474	3.33%
AR	10,911	5.74%	3,981	5.36%	ND	514	0.27%	320	0.43%
AZ	2,823	1.49%	2,029	2.73%	NE	585	0.31%	473	0.64%
CA	5,205	2.74%	2,810	3.79%	NH	109	0.06%	40	0.05%
CO	1,147	0.60%	987	1.33%	NJ	0	0.00%	0	0.00%
CT	10	0.01%	10	0.01%	NM	35	0.02%	0	0.00%
DE	1,140	0.60%	522	0.70%	NV	37,333	19.65%	0	0.00%
FL	47,525	25.01%	13,801	18.59%	NY	1,137	0.60%	241	0.32%
GA	680	0.36%	370	0.50%	OH	1,372	0.72%	1,201	1.62%
HI	0	0.00%	0	0.00%	OK	888	0.47%	442	0.60%
IA	1,258	0.66%	930	1.25%	OR	943	0.50%	900	1.21%
ID	1,360	0.72%	650	0.88%	PA	3,256	1.71%	1,338	1.80%
IL	4,555	2.40%	4,351	5.86%	RI	0	0.00%	0	0.00%
IN	9,300	4.89%	5,196	7.00%	SC	2,976	1.57%	2,055	2.77%
KS	3,017	1.59%	1,345	1.81%	SD	3,477	1.83%	3,146	4.24%
KY	449	0.24%	258	0.35%	TN	3,207	1.69%	2,076	2.80%
LA	5,358	2.82%	4,899	6.60%	TX	15,331	8.07%	8,979	12.10%
MA	0	0.00%	0	0.00%	UT	1,321	0.70%	18	0.02%
MD	0	0.00%	0	0.00%	VA	518	0.27%	321	0.43%
ME	474	0.25%	375	0.51%	VT	0	0.00%	0	0.00%
MI	511	0.27%	14	0.02%	WA	351	0.18%	211	0.28%
MN	4,473	2.35%	1,944	2.62%	WI	518	0.27%	275	0.37%
MO	3,430	1.81%	2,321	3.13%	WV	0	0.00%	0	0.00%
MS	1,756	0.92%	270	0.36%	WY	0	0.00%	0	0.00%
Totals						190,004	100.00%	74,220	100.00%

Table 4 - Breakdown of Acres and AD-1006 Forms Received by Federal Agencies in FY 2007

Department	Federal Agency	AD1006 requests received	Total land - acres proposed	Total important farmland - acres proposed	Prime or Unique (Acres)	State and local farmland - acres proposed
DHS	Federal Emergency Management Agency	17	1,296	593	575	18
DOA	Army Corps of Engineers	50	52,131	18,508	18,474	34
DOC	Econ Development Administration	2	57	43	18	25
DOD	Department of Defense	8	62	27	27	0
DOE	Fed Energy Regulatory Commission	25	2,973	632	632	0
DOE	Department of Energy	9	37,381	25	25	0
DOI	Bureau of Indian Affairs	21	2,289	837	365	472
DOI	Bureau of Land Management	2	365	0	0	0
DOI	Department of Interior	3	146	123	123	0
DOI	Fish & Wildlife Service	4	108	13	13	0
DOI	Indian Housing Authority	91	526	211	211	0
DOI	National Park Service	1	26	26	26	0
DOI	Office of Service Mining	0	0	0	0	0
DOJ	Bureau of Prisons	4	259	59	59	0
DOJ	Dept. of Justice	0	0	0	0	0
DHHS	Dept. of Health & Human Services	2	20	20	12	8
DOT	Dept. of Transportation	211	4,410	2,597	2,257	340
DOT	Fed Aviation Administration	49	7,740	5,835	4,305	1,530
DOT	Federal Highway Administration	336	33,473	21,432	16,348	5,084
DOT	Federal Railroad Administration	1	0	0	0	0
EPA	Environmental Protection Agency	111	3,555	1,691	1,067	624
HUD	Housing Urban Development	214	1,588	667	560	107
HUD	Federal Housing Administration	482	14,647	5,693	5,467	226
USDA	Farm Service Agency	1	17	11	4	7
USDA	Forest Service	0	0	0	0	0
USDA	Natural Resources Conservation Service	124	8,976	5,213	3,438	1,775
USDA	Rural Development	645	14,554	9,154	8,397	757
USDA	Rural Utilities Service	109	3,405	810	381	429
	TOTALS	2,522	190,004	74,220	62,784	11,436

II. Review and Revision of Federal Policies and Procedures Affecting Farmland Conversion

In order to implement FPPA more efficiently and to implement e-Government initiatives, NRCS has deployed a web-based version of the Farmland Conversion Impact Rating Form (AD-1006). The web-based form is located at <http://fppa.nrcs.usda.gov/lesa/>. The site allows Federal agencies and agency representatives to register with NRCS and receive site evaluations in a timely manner via the web. This is the first step to fully automating the FPPA process.

III. Federal, State, and Local Efforts to Protect Farmland

The Farm and Ranch Lands Protection Program (FRPP), first authorized by Congress in 1996, provides financial assistance to farmers and ranchers enabling them to keep their land in agriculture. More specifically, the FRPP provides matching funds to State, Tribal, and local governments and non-governmental organizations with existing farmland protection programs to purchase conservation easements from farmers and ranchers. These entities purchase easements from landowners in exchange for a lump sum payment, not to exceed the appraised fair market value of the land's development rights. 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. Landowners retain all rights to use the property for agriculture.

From 1996-2007, a total of \$526.7 million was appropriated to FRPP. During that time, 49 States have received over \$511.8 million in financial assistance from FRPP funds. Easements on 1,914 farms and ranches have been purchased using FRPP funds. It is estimated that 389,394 acres of prime, unique, and important farmland soil on the urban fringe have been or will be permanently protected from conversion to nonagricultural uses with these easements. Approximately 536,936 acres on 2,764 farms, with an estimated cumulative easement value of nearly \$1.63 billion, have or will have easement contracts in the near future. To date, all acquired easements and other interests proposed for acquisition are for perpetuity.

The following two figures display information on programmatic accomplishments through FRPP cooperative agreements that obligated \$70 million in FY 2007 FRPP funds to protect 54,488 acres on 299 farms.

Figure 1 - FY2007 FRPP Financial Assistance Dollars Obligated

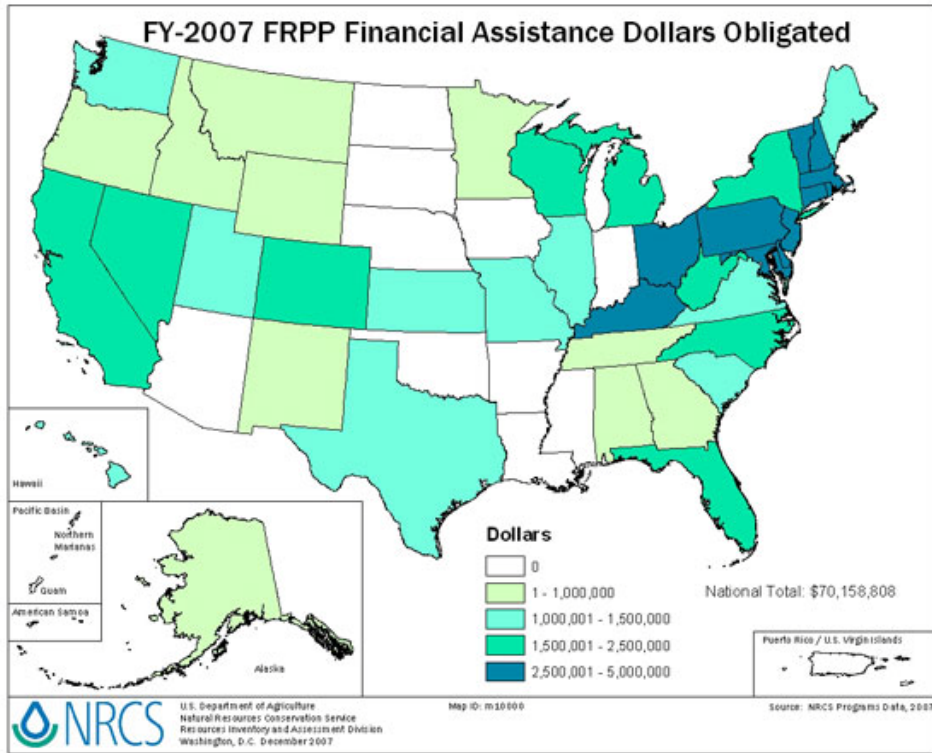
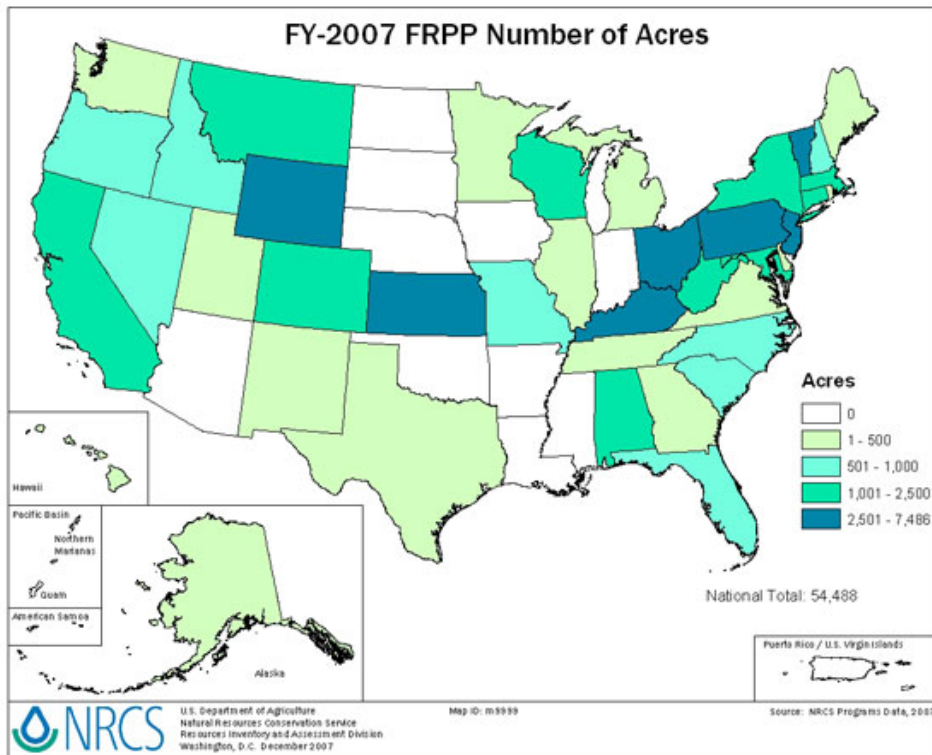


Figure 2 - FY2007 FRPP Acres Protected



More information on FRPP can be found at <http://www.nrcs.usda.gov/programs/frpp/>.

For States and local efforts under the provisions of the Farmland Protection Policy Act, [Section 1544(b), Public Law 97-88], the Farmland Information Center (FIC) provides general information, technical assistance, and targeted research based on inquiries from stakeholders to provide answers for communities trying to protect agricultural land resources from unnecessary conversion to nonagricultural uses. The Farmland Information Library is an electronic library located on the web at: <http://www.farmlandinfo.org/>.

In FY 2007, NRCS contributed \$175,000 to match American Farmland Trust's investment in the Farmland Information Center. FIC answer service staff provided direct technical assistance to 756 individuals from 49 states, the District of Columbia, Canada, Puerto Rico, Spain, Germany and Uganda. More than 88,465 Web visitors generated 3,051,248 hits on the FIC Web site. During the year, FIC staff continued to expand Web site content adding legislative updates, local laws and more sample documents. Staff also updated materials including the Purchase of Agricultural Conservation Easement (PACE) tables and fact sheets, Agricultural Districts and Cost of Community Services fact sheets, and summary of FRPP allocations.

In August 2007, American Farmland Trust completed a feasibility study surveying 242 entities including NGOs, local governments and state agencies that have received funds from the USDA's Farm and Ranch Lands Protection Program (FRPP). Findings included: FRPP funded easements are being monitored on an annual basis and are subject to very few legal challenges. The study provides a comprehensive foundation and snapshot for conducting further analysis of survey findings and program recipient policies.

In September 2007, the Norm Berg Collection became available through the FIC [http://www.farmlandinfo.org/norm_berg_collection/]. The collection includes nearly 200 speeches and articles written by Berg from the mid-1960s to the late 1970s, when he was in leadership positions at the Soil Conservation Service, testimony delivered by Berg, federal laws, biographical sketches and tributes prepared by esteemed colleagues and friends.

In addition to maintaining and expanding the FIC, AFT continues to work with Land Grant Universities to test tools that help compare the costs of purchasing an easement to the benefits the farm could provide in the future. AFT has been documenting the impacts of PACE programs in a multiyear USDA NRI study involving 15 agricultural counties on the urban edge. This study builds upon previous findings from the NRCS funded (2002-2004) National Assessment of Agricultural Conservation Easement Programs.