

# **CONSERVATION**

UNITED STATES DEPARTMENT OF AGRICULTURE

#### **FARM SERVICE AGENCY**

### **FACT SHEET**

January 2017

## **Conservation Reserve Enhancement Program – Delaware**

#### **OVERVIEW**

The U.S. Department of Agriculture (USDA) and the State of Delaware are partners in implementing a voluntary Conservation Reserve Enhancement Program (CREP) to enroll up to 10,000 acres of agricultural land in Kent, New Castle and Sussex counties to improve water quality, reduce soil erosion, reduce the amount of sediment, phosphorous and other pollutants entering waterbodies, improve wildlife habitat and restore wetlands.

#### **BACKGROUND**

CREP is part of the USDA Conservation Reserve Program (CRP). CRP is a federally funded voluntary program that contracts with agricultural producers so that environmentally sensitive agricultural land is not farmed or ranched, but instead used for conservation benefits. CRP participants establish permanent, resource-conserving plant species, such as approved grasses or trees (known as "covers") to control soil erosion, improve water quality and develop wildlife habitat. In return, the Farm Service Agency (FSA) provides participants with rental payments and cost-share assistance. CRP is authorized by the Food Security Act of 1985 and was reauthorized by the Agricultural act of 2014.

With CREP, high-priority conservation goals are identified by the state, and then federal funds are supplemented with non-federal funds to achieve those goals.

Through the Delaware CREP, federal and state resources are made available to program participants to voluntarily enroll in CRP for 10-year to 15-year contracts. Participants remove cropland and marginal pastureland from agricultural production and convert the land to grasses, trees and other vegetation or restore wetlands. This will improve water quality by reducing sediment, nutrients, nitrogen and other pollutants from entering streams and rivers and enhance wildlife habitat.

#### **GOALS**

The goals of the Delaware CREP are to:

- Reduce nutrient and sediment loadings in impaired streams;
- Restore and protect wetlands;
- Improve water temperature and levels of dissolved oxygen, which are necessary to support biology and wildlife; and
- Increase upland wildlife habitat and create wildlife corridors.

#### **ELIGIBLE CONSERVATION PRACTICES**

The following specific CRP conservation practices are available:

- CP3A, Hardwood Trees;
- CP4D, Permanent Wildlife Habitat, Non-Easement;
- CP9, Shallow Water Areas for Wildlife;
- CP21, Filter Strips;
- CP22, Riparian Buffer;
- CP23, Wetland Restoration; and
- CP23A, Wetland Restoration, Non-Floodplain.

## ENROLLMENT AND ELIGIBILITY REQUIREMENTS

Enrollment for the Delaware CREP is on a continuous basis. To be eligible, land must be located in the project area and be either cropland or marginal pastureland. Cropland must meet cropping history criteria and be physically and legally capable of being planted in a normal manner to an agricultural commodity. Marginal pastureland is also eligible for enrollment provided it is suitable for use as an eligible riparian buffer.

#### **PAYMENTS**

Under the Delaware CREP, eligible participants may receive the following payments:

• A one-time signing incentive payment (SIP) of \$100 per acre for installing practices CP21 and

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CP22; or \$150 per acre for installing practices CP23 and CP23A. Example: 10 acres enrolled to be devoted to practice CP22 result in a \$1,000 (10 acres x \$100) SIP. This payment is made soon after the contract has been signed and approved.

- A one-time practice incentive payment (PIP) for installing practice CP9, CP21, CP22, CP23 or CP23A. The PIP is equal to 40 percent of eligible cost of installing the practice. Example: Producer's total eligible cost of installing the practice is \$2,000. The PIP would be \$800 (\$2,000 x .40).
- An annual rental payment consisting of:
  - o A base soil rental rate, determined by (1) for cropland, the three predominant soils of the land offered; or (2) for marginal pastureland, the posted marginal pastureland rate for the county;
  - An incentive payment, based on the practice and county; and
  - o A maintenance payment, determined by the practice offered.
- For practices CP3A, CP22, CP23 and CP23A, the per-acre incentive payment will be up to:
  - o \$89 in Kent County;
  - o \$101 in New Castle County; and
  - o \$82 in Sussex County.
- For practices CP4D, CP9 and CP21, the per-acre incentive payment will be up to:
  - o \$30 in Kent County;
  - o \$34 in New Castle County; and
  - o \$28 in Sussex County.
- A cost-share payment of up to 50 percent of the eligible cost to install the approved practice.
- A one-time Chesapeake Bay incentive payment in an amount equal to (1) for land not previously enrolled in CRP, \$160 per acre times the number of acres enrolled times the number of full years of the CRP contract length; or (2) for land previously enrolled in CRP, \$80 per acre times the number of acres enrolled times the number of full years of the CRP contract length. This onetime payment is available only for practice CP22 and only for land located within the Chesapeake Bay Watershed. Example: 10 acres of land not previously enrolled in CRP that is within the Chesapeake Bay Watershed is enrolled in a 14-year and 7 month CRP contract to be devoted to practice CP22. The one-time Chesapeake Bay incentive payment is \$22,400 (\$160 x 10 acres x 14 years).

In addition, the State of Delaware provides the following payments to eligible participants:

- A per-acre per-year incentive payment in an amount equal to:
  - o For practices CP3A, CP22, CP23 and CP23A, up to:
    - \$33 in Kent County;
    - \$37 in New Castle County; and
    - \$30 in Sussex County.
  - o For practices CP4D, CP9 and CP21, up to:
    - \$17 in Kent County;
    - \$19 in New Castle County; and
    - \$15 in Sussex County.

**Note:** The State of Delaware's per-acre peryear incentive payment will be provided as a one-time lump sum payment within the first year of the approved contract. Example: 10 acres in Kent County enrolled in a 14-year and 7 month CRP contract to be devoted to practice CP22 result in a one-time lump-sum \$4,620 (10 acres x \$33 x 14 years) incentive payment from the State of Delaware.

- A cost-share payment of 37.5 percent of the eligible cost to install the approved practice.
- A one-time Chesapeake Bay incentive payment in an amount equal to (1) for land not previously enrolled in CRP, \$40 per acre times the number of acres enrolled times the number of full years of the CRP contract length; or (2) for land previously enrolled in CRP, \$20 per acre times the number of acres enrolled times the number of full years of the CRP contract length. This onetime payment is available only for practice CP22 and only for land located within the Chesapeake Bay Watershed. Example: 10 acres of land not previously enrolled in CRP that is within the Chesapeake Bay Watershed is enrolled in a 14-year and 7 month CRP contract to be devoted to practice CP22. The State of Delaware one-time incentive payment is \$5,600 (\$40 x 10 acres x 14 years).

**Note:** The per-acre annual rental payment, including the per-acre incentive payment provided by the State of Delaware, shall not exceed \$225 for practices CP3A, CP22, CP23 and CP23A; or \$165 for practices CP4D, CP9 and CP21.

#### **EXAMPLES**

A Sussex County producer elects to enroll 10 acres of land not previously enrolled in CRP to be devoted

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to a riparian buffer (practice CP22) in a 15-year contract. The base soil rental rate for the land is \$84 per acre. The incentive payment is \$82 per acre. The annual maintenance payment is \$10 per acre. The producer's annual rental rate will be \$176 per acre (\$84 + \$82 + \$10), for a total annual payment of \$1,760 (\$176 x 10 acres). The producer will receive \$26,400 in annual rental payments over the 15-year term of the CRP contract. In addition, the producer will receive the following payments:

- A one-time SIP of \$1,000;
- Cost-share payments equal to 50 percent of the eligible reimbursable costs to install the riparian buffer;
- A one-time PIP equal to 40 percent of the eligible reimbursable costs to install the riparian buffer;
- An incentive payment from the State of Delaware of \$4,500 (\$30 x 10 acres x 15 years);
- Cost-share payments from the State of Delaware equal to 37.5 percent of the eligible reimbursable costs to install the practice;
- A one-time Chesapeake Bay incentive payment from FSA of \$24,000 (\$160 x 10 acres x 15 years); and
- A one-time Chesapeake Bay incentive payment from the State of Delaware of \$6,000 (\$40 x 10 acres x 15 years).

A New Castle County producer elects to enroll 15 acres of land to be devoted to hardwood trees (practice CP3A) in a 15-year contract. The base soil rental rate for the land is \$106 per acre. The incentive payment is \$101 per acre. The producer's annual rental rate will be \$207 per acre (\$106 + \$101) for a total annual payment of \$3,105 (\$207 x 15 acres). The producer will receive \$46,575 in annual rental payments over the 15-year term of the CRP contract. The producer will receive cost-share payments equal to 50 percent of the eligible reimbursable costs to install the hardwood trees. In addition, the State of Delaware will provide \$8,325 (\$37 x 15 acres x 15 years) incentive payment, plus pay 37.5 percent of the eligible reimbursable costs to install the practice.

**Note:** The preceding are examples only.

#### **ENROLLMENT OPTIONS**

CREP is another option under CRP that farmers and ranchers may select to enhance their land. Eligible producers may still enroll land in CRP through general or continuous signup; however, the Delaware

CREP provides additional benefits not available through general and/or continuous signup. Under the Delaware CREP, producers receive higher incentive payments and longer contract lengths that increase the total amount of rental payments received.

#### HAYING AND GRAZING

Haying and grazing are not allowed during the CRP contract period unless authorized by USDA. Contact your local FSA office for more information about authorized haying and grazing activities.

#### FOR MORE INFORMATION

This fact sheet is provided for informational purposes only; other restrictions or requirements may apply. For more information on CREP, contact your local FSA office. To find your local FSA county office, visit http://offices.usda.gov. To learn more about FSA conservation programs, visit www.fsa.usda.gov/conservation.

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