



Using CSP on Your Farm

2009 Sign-up: August 10 through September 30

A New Farm Bill & a New CSP

The 2008 Farm Bill made improvements and strengthened the Conservation Stewardship Program (CSP). The program was expanded to help farmers and ranchers maintain, establish and increase conservation on land they are actively farming. The Land Stewardship Project (LSP) supports the new CSP, because we believe it will result in increased stewardship of our nation's farmlands, and be a useful and effective program for America's farmers.

CSP is a voluntary program that rewards farmers and ranchers for managing their land in a way that produces real and measurable conservation outcomes — healthy soil, clean water and wildlife habitat, for example. The program is administered by the USDA's Natural Resources Conservation Service (NRCS). In the Farm Bill, Congress provided \$12 billion over the next 10 years to enroll nearly 13 million acres annually. Considering that since 2004, the old CSP has enrolled only 20 million acres *in total*, the new program is anticipated to have a much greater impact.

All farmers are eligible to apply to participate in CSP. Minimum requirements are:

- 1) Must have or must obtain a "farm record number" from USDA's Farm Service Agency (if you have participated in federal farm programs, you probably already have this number registered with the agency).
- 2) Must have documented control of the land to be enrolled in CSP (for example have a lease, deed or even a simple letter from a landlord).
- 3) Must be in compliance with highly erodible and wetland conservation provisions.
- 4) Must not exceed the Adjusted Gross Income limitations set by Congress.

CSP Changes & Advances

CSP has gone through some big changes. For starters all farmers across the country are eligible to enroll — USDA is no longer limiting sign-up to specific watersheds. In addition, the sign-up period is now "continuous." Farmers can sign-up throughout the year and NRCS will do periodic rankings based on land stewardship and conservation outcomes to determine who is accepted into the program.

And the three-tier structure has been scrapped for a single tier, whole-farm sign-up approach, and either the whole farm — including owned and rented acreage — is in, or the whole farm is out. All contracts will now be five-year contracts, rather than the length of the contract varying by tier.

General Overview of how CSP will Operate

CSP is available for all working agricultural land, whether it's cropland (corn, soybeans, small grains, hay, fruits and vegetables, etc.), pasture, rangeland, or a managed woodlot. CSP does not prevent farmers or ranchers from receiving other farm program payments, although lands currently enrolled in the Conservation Reserve Program, Grassland Reserve Program, Wetlands Reserve Program or the old Conservation Security Program are ineligible for the program until those existing program contracts conclude.

Each year every state will receive an allocation of acreage that may be enrolled in the program in that state for that year. After farmers sign-up, NRCS ranks applications, awarding the highest-ranked applications first,

and following down the ranking scale until the acreage allotted for that year has been exhausted.

How it Works in 2009

The new CSP will be accepting farmer sign-ups starting **August 10** and ending the last day of the 2009 fiscal year, which is **September 30**. For this first sign-up, farmers and ranchers will be required to complete a conservation program application before September 30. Later in the fall, those applicants will complete a more detailed conservation assessment and NRCS will perform a ranking of applicants, conduct site visits on farms and then offer contracts to applicants until funding for fiscal year 2009 is exhausted. The CSP timeline is compressed for the first ranking period to meet fiscal year constraints, but in future years the process will be year-long and therefore less hurried.

Each state is conducting a sign-up. Farmers and ranchers can apply for CSP typically at the local or county NRCS



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office. Applications are accepted in one of two land classes:

- 1) Agriculture Land
- 2) Non Industrial Private Forestry

The more detailed conservation assessment will be taken using a new **Conservation Measurement Tool**. The Conservation Measurement Tool is essentially an online questionnaire that calculates a score by asking producers about farming practices, techniques and willingness to take on additional conservation activities. In part, the score indicates an applicant's ability and willingness to meet a **stewardship threshold**, a standard set by NRCS for improvement of natural resource conservation.

In 2009, of particular importance will be eight nationally set **priority resource concerns**:

- 1) soil erosion
- 2) soil quality
- 3) water quality
- 4) water quantity
- 5) air quality
- 6) energy
- 7) animals (wildlife)
- 8) plants (biodiversity)

Each state or sub-region of a state will have selected between three and five priority resource concerns for that region from the above list. To receive a contract, farmers must already meet or exceed the stewardship threshold for one priority resource concern and be willing to meet or exceed the stewardship threshold for one additional priority resource by the end of the contract. The farming methods you use now may already address those priority resources of concern in your area to a stewardship threshold level of management. Farmers can also take on additional practices to increase their Conservation Measurement Tool score.

The final Conservation Measurement Tool score determines an applicant's eligibility, ranking and payment level.

In the end, the final score weighs four factors:

- 1) Level of conservation at time of application.
- 2) Degree to which the proposed conservation activities increase positive conservation results.
- 3) Number of state-identified priority resource concerns to be addressed that meet or exceed stewardship thresholds.
- 4) Extent to which other resource concerns (beyond the priority concerns) will be addressed to meet or exceed stewardship thresholds.

CSP Payments

The recently passed Farm Bill simplifies the payment structure for CSP. Payment amounts will be determined by these three factors:

- 1) Expected environmental benefits as indicated by the

Conservation Measurement Tool.

- 2) Costs incurred by the farmer or rancher associated with the planning, design, materials, installation, labor, management, maintenance or training for conservation activities.
- 3) Income forgone by the producer as a result of conservation activities that are undertaken.

Overall, CSP payments are expected to average \$18 per acre nationwide, but the rate will vary by land type, the extent of existing conservation that will be managed and maintained, and the extent of new conservation practices and activities agreed to.

Payment Limits

While some farm programs have virtually unlimited payments that can go to millionaires and huge corporations, CSP payments are capped at \$200,000 over the life of a five-year contract, which is equivalent to \$40,000 per year. In addition, all CSP payments must be attributed to actual persons.

Opportunities to Help Shape the New CSP

CSP is currently operating under an interim final rule that was released in July 2009. A public comment on the rules runs through September 28, 2009. LSP, along with our allies, will be submitting comments on how to further shape the program. If you are interested in our analysis and talking points that farmers and others can use in their own comments on CSP, please contact Adam Warthesen at 612-722-6377 or adamw@landstewardshipproject.org.

The most important way to influence how CSP will operate and work is by using it and being in the NRCS offices asking questions and molding the program. While CSP may not work for everyone, we strongly encourage you to check it out and evaluate its viability for your own farm or ranch. Below are additional CSP resources that may be helpful.

Additional Resources

- A Farmers Guide to CSP: National Sustainable Agriculture Coalition, <http://sustainableagriculture.net/our-work/conservation-environment/conservation-stewardship-program>.
- Natural Resources Conservation Service, Conservation Stewardship Program website, www.nrcs.usda.gov/programs/new_csp/csp.html.



This fact sheet is brought to you by the members and staff of the Land Stewardship Project, a nonprofit organization devoted to fostering an ethic of stewardship for farmland and to seeing more successful farmers on the land raising crops and livestock. For more information, call 612-722-6377 or visit www.landstewardshipproject.org.