

## 2015 Conservation Program Sign Up

February 2015

## **INFORMATION ALERT**

# **Deadlines Coming February 27 and March 31**

USDA's Natural Resources Conservation Service (NRCS) has announced a cut-off date for farmer applications to the *Conservation Stewardship Program* (CSP) for enrollment in the program during Fiscal Year (FY) 2015. The sign-up period was announced by state NRCS offices on January 27, 2015 and will last for just 30 days. No national announcement has been made as of this publication.

Farmers and ranchers interested in enrolling in CSP for FY 2015 must complete the initial brief application form by <u>February 27, 2015</u>.

Important: Though you can apply for CSP at anytime, if you miss the cut-off you wait a full year before your application will be entertained. So get the application form in by February 27 to secure your chance to enroll in 2015!

Also, for current CSP participants who initially enrolled in the program in 2011, you can apply to renew your participation in CSP for an additional five years, provided you re-apply by <u>March 31, 2015</u>.

Important: Sign up to renew by the end of March even if you are not yet sure if you will actually renew. You will have time after the end of March to work out the details of the renewal and can then decide at that time whether to renew or not. But if you have not submitted the application by March 31, you will lose out on the option of renewing. See more about renewals below.

## Process and Timeline for Enrolling in CSP

#### Step 1: Applying to Participate is Simple

There are three simple steps to apply to enroll in CSP:

**First**, you must complete a short and simple *application form*, <u>NRCS Form CPA 1200</u> (PDF). This is the same, generic three-page form that is used for all NRCS conservation programs that offer financial assistance to farmers and ranchers, and is available at your <u>local NRCS office</u>. It is fairly quick and easy to fill out, though take special note of the next two points, as they have tripped up some producers in the past.

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**Second**, you must have a *farm record number* established with USDA's Farm Service Agency (FSA). If you do not currently have one, go to your <u>local FSA office</u> first to establish your farm record before submitting the CSP application.

Third, if you are applying as an entity rather than as an individual, you must also have a *Data Universal Numbering System (DUNS) number*, which is a unique number used to identify your farm business. In addition you will need a current registration for the *System for Award Management (SAM)*. Both are easy to obtain, but if you do not have a DUNS and a current SAM registration, you need to get started right away, as they take some time to get.

The process to apply for a DUNS takes about one business day, and when you apply you will need to be able to provide contact information, the number of employees, the legal structure of your operation, the year it was established, and the SIC code, which is a US Department of Labor business classification that can be <u>looked up online</u>. When you have this information you can apply for a DUNS online at <u>http://fedgov.dnb.com/webform</u>. It is no longer possible to apply over the phone, but if you can't apply online then you may contact the commercial company Dun & Bradstreet (D&B) by phone at (806) 705-5711 and request that an application is sent in the mail.

Next, after obtaining a DUNS number, you must register with SAM, which is a government-wide registry for anyone doing business with the federal government. SAM centralizes information about federal financial assistance recipients, and it also provides an easy way for you to update any information. SAM replaced the Centralized Contractor Registration (CCR), so if you had an active record in the CCR, you automatically have an active record in SAM; however, everyone needs to renew SAM registration each year as long as you have an account with NRCS, and an expired account may impact your payment eligibility.

You can begin the SAM process at <u>www.sam.gov</u>, and should have the following information ready: your DUNS number, EIN number, statistical information about your business, and information for electronic transfer of payments. You should plan ahead for the SAM application, because a newly assigned EIN number can take up to 2 to 5 weeks before it is active and valid for the SAM application.

The actual process of obtaining DUNS/ SAM is easy, free, and can all be completed online, but make sure you plan ahead to be ready for when the application period opens!

And remember, if you are applying as an individual, you do not need to do this.

Those are the only three things you need to apply to participate in the program: the three-page NRCS-CPA-1200 form, the FSA farm record number, and, if applying as an entity, the DUNS number and SAM registration.

#### Checklist Available

Please note that NRCS has developed a self-screening checklist to help farmers decide if the program is right for them. The checklist covers basic applicant and land eligibility issues as well as the stewardship threshold that CSP farmers must meet. While use of the self-screening checklist is not required, it can be a useful first step in deciding whether to begin the application process. <u>You can access the checklist on NRCS' website</u>.

For more information and to start the application process, visit your local NRCS service center.

#### Step 2: Completing the Conservation Measurement Tool

Once you have completed and submitted the short application form (see above, NRCS-CPA-1200) by the February 27, 2015 cut-off date (or March 31, 2015 for renewal contracts), you will then have a period of approximately one to two months to sit down with your local NRCS staff person and fill out the CSP *Conservation Measurement Tool* (CMT) which will be used to determine your program eligibility, your environmental benefits ranking score, and CSP contract payment amounts. The CMT session generally lasts an hour or more. Be sure to check with your local NRCS office to find out when you should come in to complete the CMT.

The CMT collects information about the conservation activities that you are actively managing and maintaining on your farm, as well as the new conservation practices or enhancements to conservation activities you want to add with assistance from the program. The NRCS website includes links to all the <u>CMT questions related to ongoing conservation activities</u> (scroll down to "Operations Baseline Data Questions and to CMT Questions) as well as links to all the available new conservation enhancements and practices.

(More information about those choices follows below under the *Conservation Enhancements* and *Practices* heading.)

The CMT displays performance points in real time, which allows you to perform a "what-if" analysis and see how your score changes based on your responses to questions and choices in the CMT. That feature helps you test different conservation enhancement choices and combinations. The tool also breaks down your total ranking score so you can see how past performance has impacted your ranking and areas where improvement is necessary.

#### Step 3: Farm Site Visit and Contract Preparation

Within a month or two of the CMT completion, NRCS will complete an *on-farm verification* visit to each farm that ranks high enough to be enrolled in the program this year. After the farm site visit, you will work with NRCS staff to develop a *CSP plan and contract*, which includes a schedule for new enhancement implementation and a payment schedule. The *first annual payment* for a five-year contract awarded in this round will be made on or after October 1, 2016, and then every October 1 thereafter for the five years of the CSP contract.

### Step 4: CSP Contract Renewal

CSP contracts last for five years. However, you may re-enroll in CSP for an additional five-year contract term as a current contract expires. To be eligible for a contract renewal, you must demonstrate that you are currently in compliance with your initial five-year contract, adopt at least

one new enhancement, and demonstrate that during the new contract term you will have exceeded the stewardship threshold on at least 5 priority resource concerns.

Farmers and ranchers whose initial contracts were for 2011 through 2015 have the option to apply to renew. If you are in that category, be sure to submit your application to renew by March 31, 2015. You will then go through the CMT process anew, which will help determine your options ad payment rates for additional conservation.

## **CSP** Background in Brief

The **Conservation Stewardship Program (CSP)** is a <u>working lands conservation program</u> administered by NRCS and available on a nationwide basis. CSP offers technical and financial assistance to farmers for adopting and maintaining high standards of resource conservation and environmental stewardship on eligible lands. Assistance is geared toward both the active management of existing conservation systems and the implementation of new conservation activities on land in agricultural production.

In CSP's first five enrollment years (2009-2013), the program enrolled over 46,000 farmers and ranchers operating nearly 60 million acres of farm and ranch land in five-year, renewable CSP conservation contracts. For those five enrollment years, annual CSP payments currently total \$804 million a year.

NSAC regularly analyzes and reports on CSP participation data. Visit our website for recently published information on trends in <u>CSP enrollment</u>, how CSP influences <u>land management</u> <u>decisions</u>, and program use by <u>beginning and socially disadvantaged</u> producers.

<u>Eligible lands</u> include cropland, grassland, prairie land, improved pastureland, rangeland, nonindustrial private forestlands, and agricultural land under tribal jurisdiction. Cropped woodlands, marshes, land being used for livestock production, and other private lands on which resource concerns can be addressed are also eligible. Applicants must demonstrate they have effective control over these lands to be eligible, either through ownership or reasonably secure leases.

CSP eligibility, ranking, and payment levels are tied to how well a farmer is addressing <u>priority</u> <u>resource concerns</u> on their farm. Priority resource concerns vary by state (and within some states by watershed as well) and can include, for example, soil quality, soil erosion, water quality, water quantity, wildlife habitat, plant or biodiversity, air quality, and energy conservation. Each state selects and assigns at least priority resource concerns at either the state or watershed level.

You can find out the priority resource concerns in your state by visiting <u>your state's NRCS website</u>, going to the "Programs" tab, and then to the CSP page to look for "priority resource concerns" for your state or area of the state. Be forewarned that not all state offices make this information easy to find. If you cannot find your state's priority resource concerns on the state CSP webpage, or if you are instead redirected to the national CSP page, try searching for "priority resource concerns" on your state's NRCS website. If you still cannot find it on the website, call your local NRCS office for the information. For each priority resource concern, NRCS has determined a <u>"stewardship threshold" level</u> for superior conservation. To enroll in CSP, an applicant must already be addressing at least one priority resource concern to at least the stewardship threshold level and be willing to reach or exceed the stewardship threshold for at least one additional resource concern during the contract period. Farmers and ranchers who do not meet the eligibility threshold may alternatively seek assistance for conservation improvements through the Environmental Quality Incentives Program (EQIP), using EQIP funding to help them reach the higher eligibility standard for CSP, and then re-apply for CSP in a future year.

The <u>national average payment</u> to participants is \$18 per acre; however, the actual payment received varies widely depending on the type of land enrolled, the existing level of conservation, and the number and type of new enhancements and practices to be adopted. Cropland generally receives the highest payment rate, with range and forestland at the lower end, and pasture in the middle. Pastured cropland receives payment rates in between cropland and pasture rates.

A person or business entity *may not receive more than \$40,000 per year* in CSP payments. Joint or multi-family operations are limited to not more than \$80,000 per year. The cap does not apply to shared tribal land applications.

## **Beginning and Minority Farmer Provisions**

For small acreage farms, USDA will make \$1,000 the *minimum contract payment* if the operator is a beginning, socially disadvantaged, or limited resource farmer or rancher.

Five percent of all CSP acres each year are reserved for *separate competitions* among beginning farmers only and among socially disadvantaged (minority) farmers only. Veterans that are also beginning, socially disadvantaged, or limited resource farmers are given preference within these categories. If you are not sure whether you qualify as a beginning, socially disadvantaged, or limited resource farmer, you can learn more here. If you qualify, it is generally advantageous to compete within the smaller pool rather than against all other producers applying to enroll in the program.

## **CSP** Conservation Enhancements and Practices

Financial assistance for the adoption of new conservation activities through CSP is divided into two categories – regular conservation practices, and conservation enhancements, which are conservation activities that go above and beyond the requirements of regular conservation practices. The crux of CSP new conservation activity rests upon these advanced conservation enhancements; however, farmers can also use regular conservation practices to help them meet stewardship thresholds for additional priority resource concerns during the life of the contract.

The list of conservation activities for 2015 includes a total of 119 individual conservation *enhancements*. Beyond individual enhancements, the 2015 list of activities includes 14 *enhancement bundles*. Bundles are groupings of conservation enhancements that the agency feels may work well together on particular types of farms. You can think of the two options – choosing

from among the practices and enhancements, or choosing a bundle – as similar to ordering from the a la carte menu or choosing the "blue plate" special at the local restaurant.

To view the bundles in the list provided by NRCS, go to this section of NRCS's <u>CSP website</u>. Please note that six of the bundles are for geographically specific initiatives for longleaf pines and for water conservation in the Ogallala aquifer.

In addition to the available conservation enhancements, producers can choose from a limited list of 35 regular conservation practices to help them reach or exceed the stewardship threshold for the additional priority resources concerns during the life of the contract.

## **Supplemental Payments**

A substantial supplemental payment is available for adopting or improving a resource-conserving crop rotation, in recognition of the very important multiple resource benefits that longer, more diverse rotations provide. Resource-conserving crop rotations (RCCRs) can include cover crops, forages, or green manures, with the goal of reducing erosion, improving soil fertility and tilth, interrupting pest cycles, and when applicable, reducing the depletion of soil moisture or otherwise reducing the need for irrigation. The rotation must include at least one "resource-conserving crop," which can be a perennial grass, a legume, a legume-grass mixture, or a small grain grown in combination with a grass or legume that is used as a green manure.

The payment rate for resource-conserving crop rotations for 2015 is \$12 per acre.

For more information on the supplemental payment for resource conserving crop rotations, <u>click</u> <u>here</u>.

You can download a document containing all of the CSP conservation activities on the <u>NRCS</u> website.

## CSP Enhancement and Practice Environmental Benefit Ranking Points

Each year, NSAC makes available a list of all the available options for enhancements, practices, and bundles in the order of their environmental benefit scores. The points scored by choosing different options help to determine whether an application will rank high enough to be selected for enrollment. They also figure into the calculation of how much a producer will be paid – the higher the score, the higher the payment.

NSAC's chart lists the activities from highest scoring to lowest scoring. NRCS does not provide this ranked-order information on its website, but NSAC makes it available each year as soon as NRCS publishes the underlying data. NRCS has not yet made the underlying data available, but NSAC will publish this list as soon as possible. <u>Check our website soon for this information!</u>

It is important to note that not every conservation activity applies to each land use – crop, pasture, range, forestland – so if you need more information about which might apply to your farm, cross reference this NRCS chart (PDF).

We will update this Information Alert once NRCS publishes the environmental benefit scores to provide additional insights into the choices available.

### **Organic Crosswalk**

For producers interested in learning more about how CSP enhancements can be used to assist in transitioning to organic production and meeting National Organic Program (NOP) requirements, you can download the NRCS "Organic Crosswalk."

## Farmers' Guide to the CSP

As producers consider signing up for the program, they may want to review NSAC's *Farmers' Guide to the Conservation Stewardship Program*. The Guide will be available very soon and will be found at <u>www.sustainableagriculture.net/publications</u>. The guide is intended to help family farmers, ranchers, and foresters better understand the CSP enrollment process. The *Guide* includes step-by-step enrollment guidance, key definitions, helpful hints, and profiles of farmers that have enrolled in the program in the past.