



# FARMERS' GUIDE TO THE CONSERVATION STEWARDSHIP PROGRAM



National Sustainable Agriculture Coalition

# 1 INTRODUCTION

**WHAT IS CSP?** If you are a farmer<sup>1</sup> who works to support natural resources and strengthen environmental protection on your land in production, the **Conservation Stewardship Program (CSP)** provides a unique opportunity to reward you for your conservation efforts. CSP recognizes that, as a farmer, you have a responsibility not only to produce profitable food, fiber, and energy, but also to maintain and enhance critical environmental services. CSP provides comprehensive conservation assistance to farmers through payments for actively managing and maintaining current conservation efforts, expanding and improving on them, and adding new conservation activities—all while you work your land for production and profit.

CSP's breadth is remarkable, with goals of improving soil health; water and air quality; providing increased biodiversity and wildlife and pollinator habitat; sequestering carbon in the soil and reducing greenhouse gas emissions to slow climate change; and conserving water and energy. CSP contracts are available throughout the entire country, and eligible applicants can submit applications on a continuous sign-up basis at any time in any year. Typically, once a year in late winter, NRCS takes the applications received up to that point, invites applicants to complete a proposal that is ranked based on total environmental benefits achieved, and enrolls the highest-ranking proposals in renewable, five-year contracts. CSP contracts provide annual payments, boosting the bottom line of participating farmers who improve their land for the health of the environment and for future generations.

This guide provides an overview of CSP, highlighting **who** is eligible for the program, **how** you can apply, **why** its benefits are so critical, and **where** current CSP contracts are located throughout the country. It also provides a comprehensive look at the past five years of contracts awarded under the 2008 Farm Bill (2009-2013). Additionally, the guide identifies changes that were made under the most recent 2014 Farm Bill, and provides resources to help readers find regularly updated information about sign-ups and benefits from **USDA's Natural Resources Conservation Services (NRCS)**, the agency that administers the program.

CSP was originally created in the 2002 Farm Bill as the Conservation Security Program, and it became the Conservation Stewardship Program under the 2008 Farm Bill. The Conservation Stewardship Program as passed by Congress and signed into law by the President in the 2014 Farm Bill builds on the vision and accomplishments of the past.

Under the 2014 Farm Bill, Congress provided sufficient funding to allow NRCS to enroll 10 million acres of farm and ranch land each year, on top of the 60 million acres already enrolled under the 2008 Farm Bill. This is a decrease from the 12.8 million acres per year that were authorized by the 2008 Farm Bill, which will ultimately reduce overall program spending and acres enrolled across the country, while also increasing competition to get into the program.

All CSP participants have the opportunity to renew their contracts when they are in the fifth year of their current contract, providing farmers with the opportunity to preserve and expand environmental benefits on their land. Farmers who enrolled in CSP in 2009 and 2010 had the opportunity to renew their contracts in 2014 for a second five-year contract. Approximately three-quarters of them took the opportunity to renew. Farmers who enrolled in 2011 are up next for renewal in 2015.

Land eligible for CSP includes cropland, grassland, prairie land, improved pastureland, rangeland, non-industrial private forestland, 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, and must enroll all acres that they operate, whether owned or rented.

<sup>1</sup>Throughout this report the word *farmer* includes all those who care for and harvest plants and animals from the land, including ranchers and foresters.

## CSP IN A NUTSHELL

### WHAT IS CSP?

CSP provides technical and financial assistance to farmers, rewarding their conservation efforts on working lands.

### WHO IS ELIGIBLE?

All sizes and types of operations are eligible for enrollment. Ten percent of available acreage is targeted toward enrolling beginning and socially disadvantaged farmers, and military veterans receive an additional preference within those targeted groups. See more on pages 4 through 12.

### HOW DO I ENROLL?

When you apply, you compete based on how good your conservation performance is now, plus how much you are willing to do to address natural resource concerns identified as priority concerns for your state or region by your state NRCS office. See more on pages 13 through 15.

### WHEN DO I SIGN UP?

Applications are accepted on a rolling basis throughout the year, but NRCS will select a cut-off date each year, at which time they will start reviewing and ranking applications for that year. Contracts last five years, and have the option to renew for another five years before the first contract ends. See more on page 13.

### WHERE ARE CSP CONTRACTS THROUGHOUT THE COUNTRY?

Currently, farmers in all 50 states and the Caribbean Region have land enrolled in CSP. Learn more about how that acreage is spread throughout the country and the agricultural production it helps support. See more on pages 28 through 37.

### WHY ENROLL?

CSP provides financial incentives to support the active management of your current conservation activities plus the additional steps you are taking to build upon them and integrate advanced conservation into your production system. Find out how current practices and new activities are scored and prioritized to support conservation on a diverse range of operations. See more on pages 17 through 25.

NRCS has developed a computer-based evaluation tool, the Conservation Measurement Tool<sup>2</sup> (CMT), which scores current and planned conservation activities according to projected environmental benefit and then calculates payments based on those environmental outcomes. The CMT focuses on maintaining and increasing conservation performance to address the identified critical resource problems of a particular area.

<sup>2</sup>The 2014 Farm Bill removes the 2008 Farm Bill requirement that NRCS use a conservation measurement tool to rank proposals and calculate payment rates, though the agency currently intends to continue to use the CMT for at least several more years.

The CMT uses a series of questions related to a farm's existing conservation activities and the new conservation activities under consideration for adoption as part of the CSP contract. It is also used to determine your eligibility, score and rank your proposal, and establish the payment rate you will receive. Payment rates are based on an assessment of the environmental benefits from active management and maintenance of ongoing conservation activities and the adoption of new conservation enhancements, costs of installing or implementing the activity, and foregone income.

## 2 ELIGIBILITY

**AM I ELIGIBLE?** If you control the land, and therefore take on the risk of its production, you are eligible for CSP. You can be an owner-operator, a renter with permission from the landlord to enroll, or an owner who crop shares with another farmer. If you rent, you should discuss CSP with your landlord first and get an agreement on the management changes you plan to make, ideally in the form of a signed letter acknowledging the five-year nature of your agreement. If you rent, you do not need a five-year lease; however, you do need an agreement of some type that shows you have possession of the land and authority to act as decision maker for the day-to-day management of the operation for the duration of the CSP contract.

NRCS relies on the Farm Service Agency's (FSA) farm record number system to determine if an applicant is eligible for CSP. FSA keeps track of the farm number, land configuration, and the operator of record. You must be listed as the operator for the agricultural operation in the local FSA farm records management system, so it may be necessary to update your records with FSA before enrolling in CSP.

If you do not have an FSA farm number – which may be the case if you do not have cropland or have not participated in commodity production – you are still eligible for CSP but must complete the FSA farm record number process before applying for CSP. To do this, make an appointment with **your local FSA office** and bring your deed or lease, maps that show fields and land uses, and business incorporation or trust papers.

If the applicant is a legal entity (not an individual), you must list each member and their percentage interest. All CSP payments will be attributed to "natural persons" via Social Security and tax identification numbers.

As with all federal commodity and conservation programs, CSP is limited to farmers who have an adjusted gross income (AGI) under \$900,000. You determine your income level based on a three-year average, and you will need to verify its amount by signing a **certification form**. The AGI limit can generally be doubled for married couples.

**DO I COUNT AS A FARM?** If you have at least \$1,000 in annual sales, then you are considered a farm. If you have no income from farming, then you do not qualify. If you are applying as a new beginning farmer with no production history, then you can estimate the value of production for your acres planted or number of livestock, and you will be eligible for CSP if that amount exceeds \$1,000 per year.

**IS THERE A PAYMENT LIMIT?** Each operator is only eligible for one CSP contract, unless they are involved in two or more substantially separate operations, or if they receive both a forestland contract and an agricultural land contract. Regardless of the number of acres (rented or owned) or farms a person enrolls, or the number of contracts signed, each operator will be limited to not more than \$40,000 in payments per year, and a \$200,000 maximum for a five-year contract. Current USDA rules do allow for certain joint operations to double the yearly and five-year limit.

**IS MY LAND ELIGIBLE?** All private agricultural land is eligible, which includes cropland, improved pastureland, grassland/prairie land/rangeland, land used for agro-forestry, and forestland that is an incidental part of the farm. Non-industrial private forestland that is not part of agricultural land is also eligible, as is "pastured cropland," which is land designated as cropland but used for pasture. This latter designation is important in that it provides a greater payment rate for grass-based livestock production on land that would otherwise be suitable for cropland production.

CSP is inclusive, covering all types of private agricultural land on which commodities, livestock, or forest-related products are produced. Indian tribes may also enroll agricultural land under their jurisdiction as a single contract. Go to the Data section (on page 28-29) to see how contracts were distributed by land-use type under the 2008 Farm Bill (2009 – 2013).

**If you control the land, and therefore take on the risk of its production, you are eligible for CSP.**

### FARMER PROFILE



**Jim Thorpe (NM)** Jim Thorpe of JT Land and Cattle in Newkirk, New Mexico was an early participant in CSP and recently applied to renew his contract in 2014. Jim's first CSP contract included a wide range of conservation enhancements and practices. He was able to modify livestock watering facilities to ensure that wildlife could escape, improve pasture and rangeland by maintaining residue for wildlife habitat, address livestock nutritional needs, reduce grazing impacts on water bodies, and improve overall grazing management through additional practices.

In reflecting on his first contract, Jim notes the critical role that CSP has played in rangeland stewardship on his operation.

*"Our mission is to sustainably convert solar energy stored in low quality roughages into human accessible protein. We are able to do this while using remarkable ruminant animals. This process not only maintains, but also improves, the integrity and resilience of our working ecosystem. Over the course of our first five year contract, CSP has greatly facilitated these efforts on the ground as well as helped to smooth out the financial ups and downs in a production cycle that is very much subject to periodic droughts and variable markets."*



### DOES THE SIZE OF MY FARM MATTER?

While CSP is size-neutral, very small and very large operations will have to consider whether CSP is worthwhile for them. Very small acreage operations, even if producing very high value crops and conservation per acre, can only earn a limited payment due to the fact that environmental benefit payment points are multiplied by acres. A ten acre farm, for instance, may only be able to earn a few hundred dollars per year through CSP, which may be worth it for some farmers, even if it is primarily for the stewardship recognition, but for others it may not be worth the paperwork.

In order not to prejudice the program against small acreage, high-value operations and to help reap the added conservation benefits, NSAC has long advocated that NRCS offer a \$1,500 annual minimum contract payment amount.

The agency has not yet accepted that proposal, though they have created a minimum \$1,000 annual payment amount for participants who are socially disadvantaged, beginning, or limited resource farmers or ranchers. NSAC hopes NRCS will raise the amount and expand it to cover all farmers in the near future.

At the other extreme, larger acreage operations using excellent conservation practices may find themselves at the capped annual payment of \$40,000 per year, even if their payment points when multiplied by acreage would yield a higher payment. For example, a 2,500-acre cropping operation otherwise eligible for \$20 per acre on average would exceed the limit of \$40,000, and thus would receive only \$16 an acre so as to avoid exceeding the annual payment cap. Or, a 12,000-acre ranch otherwise eligible for \$4 per acre on average would exceed the cap and would thus receive \$3.34 per acre to avoid exceeding the limit.



PHOTO © USDA

### WHAT LAND AND PRACTICES ARE EXCLUDED?

Acres enrolled in conservation land retirement programs (like the Conservation Reserve Program or the wetland easement portion of the Agriculture Conservation Easement Program) are not eligible for CSP payments, except for land enrolled in the Conservation Reserve Program (CRP) that is in the last year of its CRP contract. In that case, expiring CRP acres can be enrolled in CSP during the last year of the CRP contract. In this way, CSP payments can begin the very first year following the expiration of a CRP contract.

Farmers with acres enrolled in land retirement programs that are not set to expire are still eligible for CSP, but the retired acres will be excluded as part of the “whole farm” that is enrolled in CSP.

Land subject to, but out of compliance with, highly erodible land or wetland conservation provisions is not eligible. Public land is not eligible, whether federal, state, local, or university owned. Land broken out from pasture or prairie for crop production after February 7, 2014—the date of enactment of the 2014 Farm Bill—is excluded, unless it was in CRP, was in a long-term crop rotation, or is incidental land needed for efficient operation of the farm.

CSP will also not pay for:

- New practices or enhancements already paid for by other USDA conservation programs, including the Environmental Quality Incentives Program (EQIP).
- Structures, equipment, and practices related to animal waste storage, treatment, transport or transfer. Nutrient management related to manure application is allowed, however.

**CSP contracts are designed to enroll all the acres of an entire farming operation, even if it is not contiguous.**

- Activities with no costs or foregone income incurred by the participant. The 2014 Farm Bill makes an important clarification on this exclusion, noting that in developing a conservation plan, a producer does incur significant costs, therefore removing planning from this exclusion and authorizing NRCS to provide financial and technical assistance for producers who include comprehensive conservation planning as part of their CSP contract. **Despite this Farm Bill language, it is not yet certain that NRCS will provide financial assistance for conservation planning, so if you are interested, check with your local NRCS office first to see if the option is available or not.**

### WHAT IS INCLUDED IN MY ENTIRE

**AGRICULTURAL OPERATION?** CSP contracts are designed to enroll all the acres of an entire farming operation, even if it is not contiguous. This is to avoid ignoring fields with significant environmental problems, while still getting rewarded for good management on other acres. Producers must enroll all the acres they own and operate, plus all the acres they rent—with permission from their landlords. For some producers, this can get complicated, considering that more than half of US farmland is rented, with fields sometimes scattered across several counties.

Once you define your farm at the time of **application**, no acres can be added to the contract during the five-year period. Payments will be reduced for land subtracted if ownership or rental agreements change. Newly purchased or rented land can be added to the CSP contract, but only at the time of renewal of the five-year contract.

**NSAC continues to urge NRCS to allow new acres to be enrolled in existing contracts provided the environmental benefit score of the full operation, including the added land, would have been sufficient for the producer to get into the program in the year they initially enrolled. To date, NRCS has not accepted this common sense proposal.**

## BEGINNING FARMERS

Under the 2008 Farm Bill (2009 – 2013), more than nine percent of CSP contracts (4,208 of 45,176 total CSP contracts) were awarded to beginning farmers and ranchers. The share of beginning farmers and ranchers with CSP contracts is even higher in many New England states. For example, 46 percent of all CSP acreage in Maine (25 percent of all contracts) was enrolled in beginning farmer and rancher contracts. In Rhode Island, 61 percent of all contracts and 28 percent of total dollar obligations went to beginning farmers and ranchers.

The amount of funding awarded to beginning farmers and ranchers under the 2008 Farm Bill was more than 5 percent of total funds awarded by the program, and over 5 percent of total enrolled CSP acres also went to beginning farmers.

Between 2009 and 2013, 69 percent of all beginning farmer and rancher applicants to CSP were accepted. This is significantly higher than the overall acceptance rate of 53 percent for all CSP applicants during those same years. On the other hand, the nine percent of total contracts to beginning farmers is still considerably less than the 25 percent of American farmers who are beginning farmers or the 17 percent of American farms that are operated by beginning farmers, suggesting there is still a long way to go to level the playing field.

### WHAT IF I AM A BEGINNING, LIMITED RESOURCE, OR SOCIALLY DISADVANTAGED FARMER?

If you have operated a farm for less than ten consecutive years and have substantial day-to-day labor and management involvement, you are a beginning farmer and therefore may choose to compete in a separate ranking pool.

If you belong to a group that has been subjected to racial or ethnic prejudices (American Indians, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, and Hispanics), you may also be considered separately as a socially disadvantaged producer.

It should be noted that these two designations are not mutually exclusive. Applicants must, however, designate their intent to compete in these separate ranking pools. The 2014 Farm Bill now requires that an additional preference be given to military veteran farmers within the separate ranking pools for beginning farmers and for socially disadvantaged farmers.

Five percent of all acres are set aside for beginning farmers, and another five percent for socially disadvantaged farmers. While beginning and socially disadvantaged farmers are free to compete in the main ranking pool, there is considerable advantage to entering the targeted pool instead, since fewer applicants will be competing in those pools.

### WHAT IF I AM AN ORGANIC PRODUCER?

Conservation is central to organic agriculture, and CSP offers enhancements designed to assist organic farmers. Although CSP does not have a separate pool of funds for organic producers, most organic farms are very likely to have extensive conservation systems already in place at the time of application. This means that organic and transition producers are likely to rank high and earn good payments for their existing conservation practices and ability to take on higher-scoring enhancements.

Certified organic production is growing rapidly across the country, and in 2013 accounted for approximately 1 percent of all U.S. agricultural land. Of that total organic acreage, approximately 10 percent – more than 350,000 acres – were enrolled in CSP between 2009 and 2013.

The states with the most certified organic acres enrolled in CSP in 2013 were Nebraska, South Dakota, and California. For more information on the states with the highest organic acreage, contracts, and funding under the 2008 Farm Bill, see the organic data section on pages 34-35.

A certified organic farm's **Organic System Plan** helps to communicate to NRCS the practices used and how they relate to questions in the CMT, and will prove invaluable during field verifications.

The farm bill requires USDA to take specific steps to ensure that CSP will benefit organic farming and ranching systems. USDA is required by law to provide appropriate outreach and technical assistance to organic producers so they can participate in CSP. USDA is also required to create a transparent process that will allow organic producers to coordinate the organic certification process with their participation in CSP, including coordination of organic plans and CSP conservation plans. A chart is available on the [NRCS CSP website](#), that shows which particular CSP conservation activities relate most directly to organic farming system plans.



## SOCIALLY DISADVANTAGED FARMERS

Under the 2008 Farm Bill (2009 – 2013), roughly three percent (1,388 of 45,176 total CSP contracts) were awarded to socially disadvantaged farmers and ranchers, which compares favorably to their one percent share of all farmers and ranchers. Approximately 4 percent of total CSP funds were awarded to socially disadvantaged farmers and ranchers, and 7 percent of total enrolled CSP acres went to socially disadvantaged farmers.

In comparison to the 53 percent of total submitted applications that were funded under the 2008 Farm Bill, 62 percent of socially disadvantaged applicants were funded, reflecting the benefits of the set aside and separate ranking pool for the group.

## FARMER PROFILE

**Dennis Demmel (NE)** Dennis Demmel has been farming in Southwest Nebraska for 30 years. He farms 1,800 acres of irrigated and dryland crops in Perkins County, and his complex rotations include wheat, soybeans, corn, millet, oats, peas, barley, and sunflowers. Dennis also raises his own cover crop base mix of oats and forage peas, which are harvested together.

Dennis' operation has been certified organic since 2007, and he has been interested in organic production his entire life. He recognizes the many critical benefits that organic practices provide, including resource conservation, soil fertility, and human health protection. He also has a partner who runs cattle on the operation, highlighting the beneficial relationship of integrated crop and livestock production on the land.

Dennis enrolled in CSP in 2010 and recently submitted an application for renewal. He strongly believes that working lands enrolled in CSP should play a critical role in providing the public with clean air, clean water, and wildlife habitat, highlighting the fact that agriculture does not need to be taken out of production to provide these services. There are a number of CSP enhancements that Dennis has had in place over the course of his contract including oil recycling, irrigation water management, composting, and deep rooted cover crops.

Cover crops play an especially integral role in Dennis' crop rotations by providing weed suppression, grazing capabilities, and nutrients to the soil. Cover crops further support his four-year rotation by adding flexibility to the variety of crops he is able to use each year.

CSP has enabled Dennis to advance his long-term commitment to conservation by managing and improving ongoing conservation activities and implementing new practices on his farm. He hopes his experiences can provide guidance for other producers who are also interested in providing environmental benefits and resource management through their operations.



PHOTO © USDA

For transitioning and certified organic farmers, there are a number of CSP enhancement activities offered that will be very useful. Specific examples of enhancements for organic systems include:

- Transition to organic grazing systems
- Transition to organic cropping systems
- Intensive no-till for organic and non-organic systems
- Non-chemical pest management for livestock
- Integrated pest management for organic farming
- Cover crops for weed suppression and soil health
- Intensive cover cropping in annual crops
- Cover cropping in orchards, vineyards, and other perennial crops
- Use of non-chemical methods to kill cover crops
- Biological suppression and other non-chemical techniques to manage brush, weeds and invasive species
- Resource conserving crop rotations – *(Note: this core practice of organic producers is a top priority for CSP and will receive supplemental payments)*
- Pollinator and beneficial insect habitat
- On-farm composting of organic waste
- Land application of treated manure
- Use of legume crops, manure, and compost for 90-100% of nitrogen needs
- Intensive rotational grazing

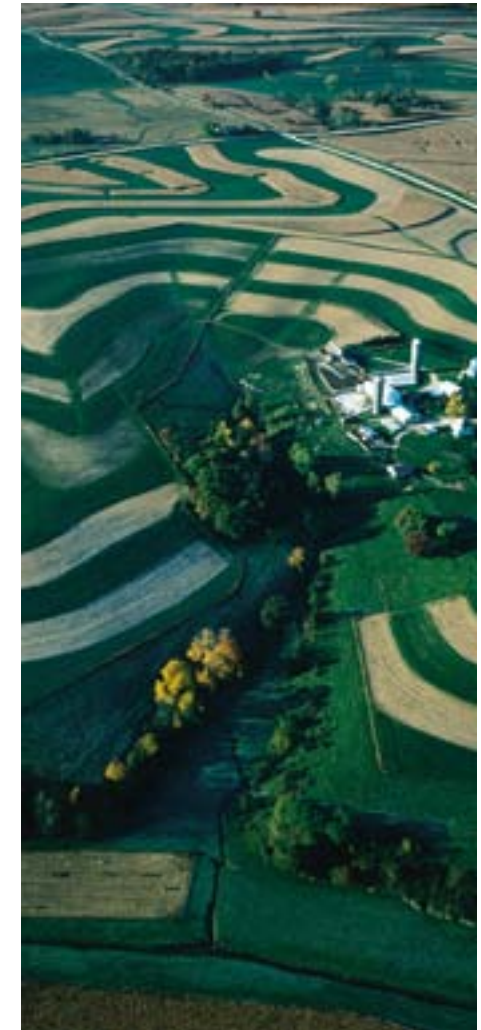


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## EQIP ORGANIC INITIATIVE

The Environmental Quality Incentives Program (EQIP) also offers an [Organic Initiative](#), which provides one-time payments for implementing new conservation practices that are part of a transition to organic production, or part of improving an existing organic operation. Farmers can enroll in both programs, but will not be paid twice for the same practices. Thus, for example, an organic farmer might enroll in EQIP to receive assistance for the one-time installation of one or two specific, expensive conservation structures –such as irrigation equipment, terraces, or hoop houses –and also enroll in CSP to support annual land management practices and enhancements –such as nutrient and pest management, cover crops, conservation tillage, resource-conserving crop rotations, or rotational grazing – on an ongoing basis. Farmers that are transitioning to organic may find it advantageous to complete the EQIP contract first and then enroll in CSP after the EQIP contract ends, or may decide to make use of the special CSP enhancements for transition to organic cropping systems or transition to organic livestock systems. You can learn more about the EQIP Organic Initiative on the [NSAC website](#) or on the [NRCS Organic Initiative page](#).

### WHAT IF I OWN FORESTLAND?

Non-industrial private forestland is eligible for CSP. Your land must meet the definition of privately owned non-industrial forestland, which is most commonly described as family owned forestland. Like all CSP participants, you must enroll your entire forestland property and you cannot selectively choose to enroll land that is in good condition and exclude acres that need help.

Forestland owners interested in improving woodlands should consider some of the enhancements available to them, including:

- Patch burning to enhance wildlife habitat
- Shallow water habitat
- Extending riparian forest buffers for water quality protection and wildlife habitat
- Forest stand improvement for habitat and soil quality
- Pollinator and/or beneficial insect habitat
- Biological suppression and other non-chemical techniques to manage brush, weeds and invasive species
- Creating forest openings to improve hardwood stands
- Multistory cropping, sustainable management non-timber forest plants (mushrooms, ginseng, etc.)
- Forest stand improvement pre-treating vegetation and fuels preceding a prescribed fire
- Wildlife friendly fencing
- Pruning to improve tree quality and wildlife habitat
- Enhance wildlife habitat on expired tree-covered CRP acres or acres with similarly woody cover
- Encourage growth of native grasses, sedges, herbaceous plants and other desirable vegetation
- Closing roads, trails, and or/landings to enhance forest function.

### WHAT IF I CURRENTLY HAVE LAND EXPIRING FROM THE CONSERVATION RESERVE PROGRAM (CRP?)

The Conservation Reserve Program (CRP) is a land retirement program that conserves and improves soil, water, and wildlife resources by temporarily removing highly erodible and environmentally sensitive land from agricultural production. CRP contracts last for ten to fifteen years, during which time USDA provides rental payments and cost-share assistance to help farmers establish long-term conserving cover, primarily grasses and trees, on land that has been in row crop production.

The 2014 Farm Bill allows for a seamless transition from CRP to CSP in the final year of the CRP contracts so long as there are no double payments. The option of entering into CSP is a critical way of bringing CRP land back into production in a way that protects the conservation value of those acres.

There are a variety of CSP enhancement options for grasslands and cropland that have high environmental benefit rankings and are specifically targeted to land transitioning from CRP. These include:

- Crop management system where crop acres were recently converted from CRP perennial cover
- Enhance wildlife habitat on expired tree-covered CRP acres
- Prescriptive grazing management system for grazing lands, including expired CRP acres converted to a grazing
- Enhance wildlife habitat on expired grass/legume covered CRP acres

**The option of entering into CSP is a critical way of bringing CRP land back into production in a way that protects the conservation value of those acres.**

## 3 ENROLLMENT PROCESS

**ENROLLMENT PROCESS OVERVIEW** CSP is a competitive program that aims to achieve environmental benefits by scoring and then financially rewarding CSP applicants with the highest conservation performance outcomes, based on current and planned future conservation activities. First you apply to see if you are eligible, then NRCS scores your current performance and future plans. If you already meet acceptable conservation levels, then you compete in a ranking process that determines who will receive contracts. Contracts are awarded to those offering the highest level of environmental benefits, with NRCS working down through the list of eligible applicants until acreage allocated to the particular state for that particular year runs out. At the national level, in most years, approximately twice as many farmers apply as get into the program in a given year, though there is some variation by state.

**WHEN TO APPLY** CSP is open for enrollment at any time during the year. You can apply whenever you are ready and qualified, and your **application** will be considered during the next scheduled ranking period. Realize, however, that NRCS typically ranks applications only once each year. This means that if you apply after the ranking process cut-off date has passed for any particular year, your application will not be considered until the following year.

It is important, therefore, to learn from your county or state NRCS office when the application cut-off deadline will occur. Though the farm bill directs that effort be made to have the cut-off date toward the end of the calendar year that precedes enrollment, in practice the cutoff is more likely to be in late winter (February or March) of the enrollment year. In addition to checking with NRCS, NSAC also publishes an annual CSP Information Alert on its **website** with all the relevant information.

### Helpful Hint: Make Improvements to Rank Higher

*If you do not currently meet the CSP entry-level conservation requirements (referred to as the stewardship thresholds), or if you want to improve your chances of being selected by accumulating more points for pre-existing conservation activities on your land, then implement improvements now and apply later. If you are not selected the first time, you can make improvements to increase your points for the next go-around and apply again.*

*Also, note that the program evolves and every year to date there have been annual changes to the list of conservation enhancements offered and often to the payment rates. Those changes are included in CSP documents on the federal and state NRCS websites, and are also highlighted in NSAC's annual CSP Information Alert on the [NSAC website](#).*



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## ENROLLMENT CHECKLIST

- 1** Determine if you are eligible. You can use the NRCS [Producer Self-Screening Checklist](#) first to see if the program might be right for you. The checklist covers basic applicant and land eligibility issues as well as the stewardship threshold that CSP farmers must meet. It's a useful first step in deciding whether to apply.
- 2** Determine which Priority Resource Concerns apply to your land. See page 17 for more about priority resource concerns.
- 3** Go to your local NRCS office and complete a simple, [basic application form](#). Then set a date to come back and work through the Conservation Measurement Tool (CMT) with the staff in your local NRCS office.
- 4** Assess your current performance with the CMT [baseline conservation questions](#). You must meet or exceed the conservation threshold for at least two priority resource concerns to be eligible.  
  
Note – If based on the self-screening checklist and/or the CMT baseline questions you decide you are currently ineligible or not likely to rank very high, you may want to make improvements and apply again later. Financial assistance to make improvements may be available to you through the [Environmental Quality Incentives Program \(EQIP\)](#) (link), also administered through NRCS.
- 5** Study the long list of [conservation activities](#) available, including regular conservation practices and special conservation enhancements (or bundles of enhancements) and select those you are willing to add to your current conservation system over the next three years. Note that you must meet or exceed the stewardship threshold for a [third](#) priority resource concern by the end of the first five-year contract, if you don't already meet at least three when you enroll. Also note that regular conservation practices can be chosen to help you meet or exceed additional priority resource concerns, while you may also choose any of the conservation enhancements or bundles of enhancements that apply to the type of land you are enrolling.
- 6** See how your environmental points are adding up. Be sure to include all current conservation activities when filling out the CMT baseline conservation questions. A list of all the enhancements and practices and their respective environmental benefit point values are available on the [NSAC website](#). This list is in order from highest environmental benefit ranking to lowest. Try to maximize additional conservation enhancements and practices as appropriate to your farm.
- 7** NRCS will select highest scoring applications until all acres for a given year are allocated. If pre-approved for a contract, a local NRCS official will visit your farm to verify the application. Then, NRCS will work with you to develop a five-year conservation stewardship plan and contract specifying your annual payment and the additional conservation practices or enhancements you will be undertaking.  
  
Note – If you are not selected, don't give up! You can resubmit your application to be considered in future rankings, and you can improve your baseline score by adding conservation practices and resubmit to be evaluated in the next announced ranking.
- 8** Verify activities each year and receive a CSP check for the preceding growing season in the fall of each year.
- 9** For now, farmers will only see the full CMT when they sit down with NRCS staff, who will answer questions and input your information into the CMT. Be sure to ask NRCS about your options for conservation practices and enhancements, and about how each choice is scored. Make sure to ask the staff to print a copy of your CMT when it is completed, as you may want to verify what was entered at a later date or see what you can do to improve your score if you need to apply again.
- 10** If you are applying as an entity, you must have a Data Universal Numbering System (DUNS) number, which you can easily obtain for free [online](#). In order to be able to receive CSP payments, you must also be registered with the System for Award Management (SAM). If you are applying as an individual and use your social security number as your Employer Identification Number (EIN), then you do not need to obtain a DUNS number or register with SAM.

You can use the NRCS Producer Self-Screening Checklist first to see if the program might be right for you.

## Helpful Hint: Take Care of DUNS and SAM Early

As you prepare to submit your CSP application, it is critical to make sure you have completed registration for DUNS and SAM well before the application is due. You can use your social security number as your EIN if you are applying as an individual, limited liability corporation, or a trust-revocable business, but otherwise you will be required to apply for a DUNS and SAM.

The process to apply for a DUNS number takes about one business day. 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 looked up [online](#). When you have this information ready you can apply for a DUNS number online at <http://fedgov.dnb.com/webform>. 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 be 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 [www.sam.gov](http://www.sam.gov), 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!

## CHANGES DURING THE CONTRACT PERIOD

**Land Transfer** -- If a new, eligible individual obtains a right to the land that is covered in an existing CSP contract, they must agree to the contract in order for it to continue and be transferred. If they do not notify NRCS or agree to the contract terms, then NRCS will terminate the contract and demand a refund of any payments received with interest.

**Violation of the contract** -- If a CSP contract is violated, NRCS first provides a period of time for the contract holder to correct the violation. However, if the violation is not corrected, NRCS can terminate the contract and demand a full or partial refund of any program payments received, with interest. Termination will be immediate in cases when the participant knowingly submits false information, engages in any scheme affecting eligibility, or engages in purposeful or negligent actions.

**Circumstances beyond the producer's control** -- If a violation is due to a natural disaster or related crisis condition, as determined by the State Conservationist, then a violation would not be considered a failure to comply with the contract's terms. Such contracts may be terminated by the State Conservationist or by mutual consent of the participants. Past payments may therefore be retained by the farmer if there was an effort to comply, or, in cases of hardship, as determined by the State Conservationist.



## 4 PRIORITIES, THRESHOLDS, AND RANKING

### FARMER PROFILE

**Trevor Hardy (NH)** Trevor Hardy of Brookdale Fruit Farm in Hollis, New Hampshire, believes that CSP has a critical role to play on New England farms. Brookdale Fruit Farms is a seventh generation farm managed by the Hardy family, and it is one of the largest fruit and vegetable farms left in New Hampshire. Their largest crop is apples, followed by sweet corn and a wide variety of other specialty crops. They have 12 acres in organic production as well as 4 certified organic hoop houses.

New England farms are small and diverse, and thus conservation benefits must come through coordinated efforts across the agricultural landscape. For instance, Trevor explains, practices to increase pollinator habitat or utilize integrated pest management (IPM) address only a small piece of the need unless neighboring farms also adapt similar management practices. Hence he encourages neighbors to participate in the program.

Trevor first enrolled in CSP in 2010, and recently applied to renew his contract, adding a new bundle and enhancements to his conservation activities. Crop Technology Bundle 9, Cropland Enhancement Bundle (BCR09) addresses orchard and vineyard resource concerns. The combination of enhancements in this bundle is designed to result in more conservation benefits together than through the individual activities alone.

Within that bundle, Trevor has expanded upon his existing efforts to establish pollinator habitat and utilize IPM. Under his first contract Trevor was able to put in four acres of native plants and shrubs that flower before the apples. This feeds local pollinators to help grow their numbers so more working bees will be available in the fields before the apples are in blossom. They were also able to include plants that blossom later in the season and thus continue to feed the bee establishments that they build throughout the year.

Another important addition to his renewed contract will be an enhancement that enables him to participate in the Network for Environment and Weather Applications (NEWA), which makes it possible for farmers throughout the Northeast to access weather information and pest forecast models to enhance decision making for IPM. New Hampshire is one of only two states in New England that don't participate in the regional network, so CSP provides Trevor with an opportunity to purchase the weather station and subscribe to the monitoring service.

Not only does enrolling in CSP provide financial incentives to support the environmental protection and resource conservation that you are already implementing on your farm, but it also provides a tool through which you can address the most pressing and relevant concerns within your specific region. CSP is the first conservation program to systematically address the most important resource problems to the sustainable use level or higher. Thus, CSP helps solve problems and improve environmental health instead of just implementing practices that avoid or stop environmental harm. CSP addresses soil erosion, soil quality, water conservation, water quality, air quality, plants (including biodiversity), animals (including wildlife habitat), and energy conservation.

**PRIORITY RESOURCE CONCERNS** Each NRCS State Conservationist, with advice from his or her State Technical Committee, identifies priority resource concerns that are specific to the state, an area of the state, or individual watersheds within the state. States decide how large or small to make the areas that share the same priority resource concerns, and applicants compete only within these designated regions, or specific ranking pools. The 2014 Farm Bill requires states to select at least five priority resource concerns out of the total of eight identified by NRCS headquarters.

Those eight resource concerns are known in NRCS parlance as "macro" resource concerns (e.g., soil erosion, water quality, energy conservation, etc.). It is expected that NRCS will at some point in the coming years move CSP priority resource concern selection from the eight macro resource concerns to a much larger number (perhaps as many as 25 to 40) of "micro" resource concerns (e.g., pesticide pollution or nutrient runoff instead of water quality in general; or nutrient cycling, salinity, or soil organic matter instead of soil quality in general), but that switch has not happened yet and no definitive date has been set for the change. Once the switch is made to micro resource concerns, while the minimum selected for any state or watershed will still be five, it is expected that most states will choose a significantly higher number of relevant concerns for the area.

CSP participants may also address additional resource concerns that are not ranked as a priority in a given state or region. For instance, even if energy conservation or soil health is not a priority in a given area, as is often the case, enhancements and practices to improve soil health or save energy can still be chosen, provided priority resource concerns are also being addressed, and will still help boost an overall ranking score.

**CSP is the first conservation program to systematically address the most important resource problems to the sustainable use level or higher.**

**STEWARDSHIP THRESHOLD** For each resource concern, NRCS has established a science-based stewardship threshold. The goal of the program is to assist farmers, over time, to meet and exceed the stewardship threshold for all priority resource concerns.

The stewardship threshold is a performance score that indicates that the resource concern has been addressed with conservation activities that improve and conserve the quality and condition of the particular resource.

The 2014 Farm Bill changes the stewardship threshold such that every CSP contract must now have already at least met, if not exceeded, the stewardship threshold for two (instead of one, as required by the 2008 Farm Bill) priority resource concerns at the time of application, and must meet (or exceed) the threshold for an additional priority resource concern by the end of the five-year contract.

When renewing a five-year contract, the participant must either take additional steps as needed to exceed the stewardship threshold for the priority resource concerns they have already met, or meet or exceed the stewardship threshold for an additional two priority resource concerns by the end of that new five-year contract. For those choosing the second option, the result is that by the end of 10 years, the farm is at or above the stewardship threshold for all five priority resource concerns for their state or watershed area.

### CONSERVATION MEASUREMENT TOOL

NRCS has created one big spreadsheet to assess all applications and implement CSP. **The Conservation Measurement Tool (CMT)** scores each farm on multiple resource concerns using conservation performance to estimate environmental benefits. The list of baseline conservation performance questions and the list of the new conservation enhancements and conservation practices are available on the [NRCS CSP website](#).

### HOW DO I WORK WITH THE CONSERVATION MEASUREMENT TOOL?

When filling out the actual CMT, a NRCS professional staff person will enter your information into the computer as you discuss your farm and your proposed CSP plan with them. Depending on the complexity of your operation and how well prepared you are with farm information, the tool may take anywhere from an hour to several hours to complete.

NRCS recommends that you bring the following information into **your local NRCS office** when you sign-up: a completed self-screening checklist, any tract maps that you have of your land, and any control of land documents that are not already on file with the Farm Service Agency.

Be sure to ask for a printout of your CMT application when you submit it, so you can remember what you planned for your contract, or use it as a starting point to improve your next application.

Through trial runs, you would then be able to see: how many points you would earn for existing baseline conservation activities on your farm; when you have reached enough points to surpass the stewardship threshold for priority resource concerns; how many points your enhancements add to your application; and your estimated payments.

*We continue to urge NRCS to put a working version of the Conservation Measurement Tool (CMT) online. Hopefully they will do so in the not too distant future.*

If and when NRCS posts the CMT online, we recommend that you see what happens to the score if you alter practices. You may decide to improve your baseline before you submit the application, or you may decide that additional new enhancements are beneficial and practical choices.



PHOTO © USDA NRCS CA

### WHAT ARE THE BASIC LAND USE TYPES?

You will assign particular acreage to one of four agricultural land uses: cropland, pastureland, rangeland, or pastured cropland (land designated as cropland but actually used for pasture). Non-industrial private forestland is also eligible but is enrolled separately.

### WHAT IS YOUR STARTING CONSERVATION BASELINE?

The first purpose of filling out the CMT is to assess your baseline, or existing, conservation activities. In recent years, on average, less than 40 percent of the total payment stream nationally rewarded existing conservation activity (at the time of enrollment) that will be actively managed and maintained during the contract period. However, the actual percentage for a particular application may be above or below that national average.

**For cropland**, you will enter information about land-use types, what crops you raise and the sequence of all rotations, what tillage you use, whether there is erosion present, how you manage pesticide and fertilizer/nutrient applications, and whether there are provisions for wildlife.

**For pastureland**, the tool asks about grazing management, species in the pasture vegetation, how field borders are managed, and pesticide and nutrient management.

**For rangeland**, questions cover grazing intensity, mix of plants, watering facilities, brush management, and fencing.

**Water bodies and salinity** are also asked about if relevant to the particular farm. If they are, then you will be asked about related water quality protection and improvement practices.

You can preview the baseline questions on the [NRCS CSP website](#), under the heading that reads [Conservation Measurement Tool Inventory Questions](#). Every answer to the baseline questions triggers positive (or negative) points for up to 28 resource concerns, depending on whether there is a beneficial (or harmful) effect on each resource.



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**Helpful Hint: Honesty is the Best Policy**

Filling out the CMT will require common sense and a bit of estimation in some cases. However, it will eventually be verified by NRCS with documentation and a visit to the farm. If NRCS determines that an applicant intentionally misrepresented any fact affecting the ranking, then the application or contract will be cancelled immediately.

**RANKING OF APPLICATIONS** The Conservation Measurement Tool scores activities so that individual applications will be ranked according to their total ranking points. Those with the highest points will be selected until that state's acreage allotment is used up. States may employ ranking pools as they refine different priority resource concerns for smaller geographic areas. Within each geographic pool there will be a separate pool for socially disadvantaged farmers and also one for beginning farmers. Non-industrial private forestland will also be ranked in a separate pool.

Currently, the overall points are weighted as follows:

- 5%: the cumulative performance of existing conservation activities on the priority resource concerns
- 40%: the cumulative performance of proposed additional enhancements and conservation practices (from the activity list)
- 30%: the number of priority resource concerns exceeding the stewardship threshold over the course of the contract as a result of both existing and additional conservation activities
- 25%: the number of other resource concerns, not including the priorities, that will exceed the stewardship threshold over the course of the contract as a result of both existing and additional conservation activities.

Contracts that include expired CRP acres will receive a minimal increase in ranking points.

In future years, the emphasis between these four CSP goals may shift somewhat.

**Helpful Hint: Maximizing Ranking Points**

NRCS ranks all proposals it receives and then funds proposals starting from the top-ranked until all funding is allocated. The ranking system is essentially based on how far farmers and ranchers have already gone and how much further they are willing to go to address priority natural resource concerns. Tips to maximize ranking points:

- Add more practices on your own (or with the help of **EQIP**) before you apply
- Commit to more new enhancements and new conservation practices from the list offered in the CMT
- Meet the stewardship threshold for more than one priority resource concern in the early years of the contract
- Do more on other resource concerns that may be issues for your farm even though they are not designated as one of the priorities for your state or region

**CONSERVATION ENHANCEMENTS, PRACTICES, AND BUNDLES Enhancements and Practices**

CSP conservation enhancements are designed to help farmers exceed the sustainable performance level (the "quality criteria" in your NRCS Field Office Technical Guide) for a given resource concern. Enhancements aim to help solve natural resource concerns and improve overall conservation performance. Some enhancements apply to all land-use categories, while others are specific to one or two land-use categories.

While conservation enhancements are the major new conservation activity program choice for CSP, you may also choose from among several dozen standard conservation practices in addition to enhancements. These might prove particularly helpful in meeting the stewardship threshold for additional priority resource concerns. Conservation practices for CSP include land management practices, vegetative practices, and forest management. As is the case with the enhancement structure, practices can be used for different land-use areas. For example, the "critical area planting" practice could be applied to cropland, rangeland, pastureland, and forestland, while the "alley cropping" practice is only applicable to cropland and pastureland.

NRCS has defined a specific number of conservation enhancements and practices that are eligible for payments. These are described in detail in the **Conservation Activity List** on the NRCS CSP website. The 2015 list currently includes 119 enhancements and 35 conservation practices from the traditional NRCS **Field Office Technical Guide**.

At least one enhancement must be adopted in the first year of the contract no matter what your current conservation performance is, and all selected conservation activities (enhancements and practices) must be implemented by the end of the third year of the contract, resulting in full implementation of the contract for the fourth and fifth years.

Broadly speaking, the included enhancements for 2015 provide a wide range of options for producers to address air quality; livestock and wildlife benefits; energy utilization improvements and efficiencies; plant enhancements that improve pasture, pollinator, wildlife, or forest habitat; soil quality; water quality; and water quantity. The widest range of enhancements is available in the "animal enhancement" category, and the 43 enhancements in that category aim to address a range of concerns through crop management, wildlife habitat, and forest management practices.

There are also a number of enhancements available to improve soil quality –including a variety of cover crop activities – as well as to improve water quality through management strategies like rotating supplement and feeding areas in order to reduce more localized areas of disturbance and subsequently reduce nutrient impacts on neighboring water bodies.

NRCS has been adjusting the enhancement list from year to year, with occasional deletions as well as additions or revisions, based on feedback they receive from farmers. The majority, however, stay the same from year to year. But be sure to review the list on the NRCS CSP website for the year in which you are applying.

On average nationally, over 60 percent of the payment stream will reward new practices and enhancements, so it is to your advantage to select all activities that you can comfortably implement. The points will be multiplied by the number of acres on which the enhancement is implemented, or in some cases an increment of the enhancement, such as the 25 feet width of additional conservation buffer. For a listing of conservation point values available for each enhancement and practice, see the **NSAC website**.

Note that if you are already implementing an activity listed as an enhancement, NRCS intends that the CMT will have scored points in the baseline inventory for the conservation benefits of that practice.

ACTIVITY	NUMBER OF ENHANCEMENTS				
	TOTAL	CROP	PASTURE	RANGE	FOREST
AIR QUALITY	5	5	3	1	1
ANIMAL	43	27	26	24	19
ENERGY	5	5	3	0	0
PLANT	19	6	6	4	15
SOIL EROSION	1	1	0	0	0
SOIL QUALITY	16	12	4	2	2
WATER QUALITY	20	16	12	6	5
WATER QUANTITY	10	10	7	0	0

For most enhancements and practices, however, there is not an exact reflection of the activity in the baseline inventory portion of the CMT, but rather a more general accounting for those activities. It is an area of the CMT that could use some further improvements in future years, to ensure that early adopters of advanced conservation activities are being properly credited.

An enhancement of particular interest to farmers in terms of its substantial environmental benefits and the ability to receive **CSP supplemental payments** is the adoption of resource-conserving crop rotations (RCCRs). RCCRs include crops that are planted into a rotation with the ultimate goal of reducing erosion, improving soil fertility, interrupting pest cycles, and reducing the need for irrigation. RCCRs must include at least one resource-conserving crop, as determined by the State Conservationist. See page 25 for more specifics of RCCR requirements and benefits.

**A bundle is a group of proposed enhancements that might make sense for some producers to implement together.**



PHOTO © USDA

**BUNDLES** “Bundles” were a new addition to the CSP in 2010. A bundle is a group of proposed enhancements that might make sense for some producers to implement together. For the FY 2015 sign up, NRCS is offering five cropland bundles, five forest bundles, two pasture bundles, and two rangeland bundles. There were not any new bundle options added in 2015 sign up period that were not also available in 2014. Read more about bundles on the [NRCS website](#).

Applicants who choose to implement a bundle of enhancements will receive an increase in ranking points and payments relative to choosing from the regular a la carte menu of enhancements. Like the blue plate special at the luncheonette, however, no substitutions are allowed.

From 2009 through 2013, the top bundles selected by CSP contract holders included practices to limit the impact of nutrients and pesticides on the environment (CropTechnology Bundle #6 - no longer offered - and CropTechnology Bundle #1), improve range management and the forage base while protecting water quality and protecting wildlife (Range Grazing Bundle #1 and Pasture Grazing Bundle #1 - no longer offered), improve forestland for timber production and wildlife habitat (Forest Bundle #2), and to reduce overall inputs of energy, pesticides, and nutrients while protecting non-cropped areas by improving buffers (CropTechnology Bundle #3).

<b>CROP BUNDLE #1</b>	Focused on applying nutrients and pesticides using technologies that will limit their impact on the environment, including buffer widening practices to protect offsite areas
<b>CROP BUNDLE #2</b>	Improves irrigation water conservation and widens conservation buffers
<b>CROP BUNDLE #3</b>	Reduce overall inputs of energy, pesticides, and nutrients while protecting non-cropped areas by improving buffers
<b>CROP BUNDLE #10</b>	Improves nutrient and pesticide application techniques and widens buffers through enhancements that include targeted spray application and drift reduction strategies
<b>CROP BUNDLE #11</b>	Addresses orchard and vineyard resource concerns through enhancements that provide burning alternatives, incorporate cover crops, and reduce pesticide environmental risk
<b>PASTURE BUNDLE #9</b>	Addresses multiple resource concerns for pasture management through pesticide drift reduction, incorporating native grasses and/or legumes, and intensive rotational grazing
<b>PASTURE BUNDLE #10</b>	Improves forage utilization by stockpiling forages to extend the grazing season, managing livestock births to coincide with forage availability, and intensive rotational grazing
<b>RANGE BUNDLE #10</b>	Addresses multiple resource concerns through enhancements that improve forage availability, wildlife habitat, grazing areas, and environmental pesticide risk
<b>RANGE BUNDLE #11</b>	Addresses multiple resource concerns through enhancements that improve wildlife habitat, forage availability, and environmental pesticide risk
<b>FOREST BUNDLE #1</b>	Improves conifer forest health through prescribed burning and grazing management
<b>FOREST BUNDLE #2</b>	Improves forestland for timber production and wildlife habitat
<b>FOREST BUNDLE #3</b>	Improves forest health and wildlife habitat through forest stand management
<b>FOREST BUNDLE #9</b>	Improves wildlife habitat, soil quality and forest health through enhancements that establish pollinator habitat, improve forest stand for soil health, and crop tree release in young hardwood stands
<b>FOREST BUNDLE #10</b>	Improves wildlife habitat in hardwood or mixed forests through enhancements that protect shallow water habitat, establish pollinator habitat, and utilize non-chemical weed management strategies

**PAYMENTS** CSP has a unique payment structure unlike any other previous conservation program. Payments are not determined by a cost share rate, per practice, or a flat rate per acre. Instead, annual payments are set by the environmental benefits that you produce through on-farm practices. Your annual payment calculations will consider both conservation activities being added under your contract as well as existing practices you are actively managing that are already in place when you apply.

That environmental benefit score is multiplied by a standard land use per acre payment rate. For each of the land use types there are two payment rates – one for additional activities and one for existing activities. Combining these categories, your annual payment is calculated by multiplying your acres in each land use category by the performance points (either additional or existing) by the land use payment rate. For more information, refer to the [NRCS Payment for Performance document](#).

Through this “split rate” payment system, NRCS places an emphasis on additional conservation efforts added over the course of the contract. The bias of the split rate payment system has become more extreme over time. Unfortunately, this approach fails to adequately recognize and support ongoing conservation activities that farmers are already implementing on their farm. Not only does this force the best stewards to accept lower payments, but it also may prevent conservationists from accessing the program at all. NSAC will continue to urge NRCS to change the CSP payment system so it equalizes treatment of ongoing and new conservation activities, thus basing the payments primarily on environmental benefits.



PHOTO © USDA

## RESOURCE-CONSERVING CROP ROTATIONS

While pre-existing crop rotation practices are rewarded for the many benefits they provide in both the baseline score and payments, applicants should strongly consider improving, modifying, or expanding their current use of resource-conserving crop rotations to qualify for the [CSP supplemental payment option](#).

Resource-conserving crop rotations (RCCRs) can include cover crops, forages, or green manures planted 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 2014 Farm Bill continues the extra bonus payment (called a “supplemental payment”) option for RCCRs, acknowledging that crop rotations generate many environmental benefits for erosion control, fertility, soil quality, pest management, water retention, and pollinator protection. If you choose to implement a RCCR, you therefore receive a separate payment for the activity, above and beyond other payments you may qualify for under CSP.

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.

For example, to benefit from this supplemental payment option, you could consider adding to the number of years of hay or perennial grass in the rotation, or expanding the acreage you rotate, or adding a cover crop or more crop diversity into the rotation. The [NRCS Activity Sheet](#) lists various ways of qualifying for the bonus by improving existing resource-conserving crop rotations.

The 2014 Farm Bill not only continues the supplemental payment option for adopting [resource-conserving crop rotations \(RCCRs\)](#), but it also extends the option to producers who improve existing RCCRs. This important change ensures that producers are eligible for the payment options for newly adopted RCCRs as well as for modifications or improvements of an existing RCCR that is already in place.

These highly diversified resource-conserving crop rotations build soil quality and reduce chemical use. During the sign-up periods under the 2008 Farm Bill (2009-2013), 497 contracts included resource-conserving crop rotation payments on nearly 300,000 acres. The supplemental payments are made as changes or improvements in the rotation are made in the field, and so the payment rates increase over the course of the five-year contracts, and for the 2015 sign-up period, the RCCR payment rate was \$12.00/ acre.

## COMPREHENSIVE CONSERVATION PLANNING

Comprehensive conservation planning reflects the overall whole farm approach of CSP in that it enables farmers to coordinate and approach their operation and contract with significant thought and planning. This process is particularly valuable for beginning farmers who may be signing up for federal conservation assistance for the first time.

Despite 2014 Farm Bill language that clarified that NRCS can and should provide payments for such plans, for 2015 at least, NRCS is not offering that option. NSAC will continue to encourage NRCS to reward provide financial assistance to support producers in this process.

## FARMER PROFILE



**Jim Munsch (WI)** Jim and Phylis Munsch have over 100 acres of grass-fed beef production in Vernon County, Wisconsin. Jim's conservation mindset traces back to his time on his family's farm in Indiana, and the Munsch's participation in CSP fits well within their overall objective of preserving and improving agricultural land.

When Jim was growing up, the Soil Conservation Service (NRCS's predecessor) was making a big push to address soil erosion. New practices were still controversial among many farmers, but Jim's family recognized the significant benefits that mitigating erosion would bring to the land and to their own production. His family lost their Indiana farm to the creation of a dam, but Jim took the conservation lessons learned with him to start his own farm overlooking Coon Valley.

The land that Jim and Phylis bought in Coon Valley was classified by NRCS as highly erodible land (HEL), and so even after following the rotational cropping methods NRCS recommended, they were still losing too much soil to erosion.

In 1981 they made the decision to switch to an animal based operation, and not only did they teach themselves how to rotationally graze and intensively manage their cows, but they also transitioned their owned and rented land to organic pasture, creating a sustainable, grass-fed system on very steep land that was unsuitable for other cropping practices. Additionally, on the land they rented for winter feed they went to a 7 or 8 year rotation that stayed in very robust cover.

Jim applied for CSP in 2011, and the changes he had made to the land over the past 30 years meant that he had one of the highest rankings in the county. "At the time when we applied," he explained, "we were not only saving soil but we were also building soil, by using manure for fertility."

However, because of CSP's emphasis on the additionality of new practices, there were very few new conservation enhancement choices available for him, demonstrating a need for more enhancement options. He was able, however, to add pollinator habitat to some of his land, as well as an enhancement for engine oil recycling. As Jim's window for renewal approaches in the next year, he worries that he will face similar obstacles enrolling in the program as a result of his high baseline level of conservation.



Despite the challenges Jim faced with his CSP application, he identified two significant benefits that wouldn't have been possible without the program. First, high commodity prices and a highly insured grain industry meant that Jim's rented land was in high demand. Two years ago a grain farmer approached the owners of the land he was working and offered a price more than 2.5 times greater than what Jim was paying. He lost three of his four rented acreages, but the fourth owner recognized the value in the way Jim managed pasture and forage land and offered him a counter price. Jim was able to afford the new price because of the support he received for conservation practices through CSP.

In addition to this financial support, establishing pollinator habitat through CSP allowed Jim to convert a piece of very steep and erodible land that had been otherwise troublesome to till and manage into an area that supported beneficial pollinators throughout the area.

Looking to the future of his CSP contract, Jim noted the value of strong relationships with local NRCS conservationists, and believes that collaboration and understanding will help move his efforts forward.

**CONTRACT RENEWAL** At the end of a five-year CSP contract, your contract is eligible for renewal for another five-year period. This provides a critical opportunity for farmers to preserve and expand upon the environmental benefits gained from the initial contract. 2014 was the first year when CSP contracts were up for renewal. Farmers who enrolled under two different sign ups in 2010 became eligible for renewal, and about 76 percent applied to re-enroll.

The 2014 Farm Bill made changes that require a producer to be meeting or exceeding the stewardship threshold for two priority resource concerns to enter into an initial five-year contract, and meet or exceed the stewardship threshold for at least one additional priority resource concern by the end of the five year contract period. The 2014 Farm Bill requires a producer to agree to meet or exceed the stewardship threshold for at least two additional priority resource concerns by the end of the renewed contract period, or to exceed the stewardship threshold on two of the priority resource concerns already addressed before or during the earlier contract. NRCS requires that you adopt at least one new enhancement to renew.

### HOW DO I RENEW MY EXPIRING CSP

**CONTRACT?** If you have an expiring CSP contract, you will receive a renewal letter from NRCS prior to the expiration of your existing contract to alert you that your contract is up for renewal. After receiving the letter you will have a window of approximately two months to complete the initial application form. During this time you can reach out to your [local NRCS office](#) with any questions specific to the initial processing of your application.

To be eligible for renewal, you must have met the terms of your initial contract and agree to adopt and continue to integrate conservation activities across your entire operation. Additionally, you must agree to meet or exceed the stewardship threshold of at least two additional priority resource concerns by the end of the renewed contract period, or to exceed the stewardship threshold on two priority resource concerns already addressed before or during the expiring contract.

Eligibility determinations of your contract will be completed the following fiscal year. For example, if your contract renewal processing began in fiscal year 2014, your eligibility determinations and obligations would be completed in fiscal year 2015.

**WHY RENEW?** If your CSP contract is approaching its expiration date, there is significant benefit to taking advantage of the window of opportunity for renewal. While renewal is optional, and if you choose not to enroll you can always re-apply and compete for funding in future annual CSP signups, there is much to gain from opting to renew rather than reapplying later. The renewal process is non-competitive and much simpler than the annual competitive process. Additionally, you will be able to avoid any gaps in CSP payments that would otherwise occur.

## 5 DATA

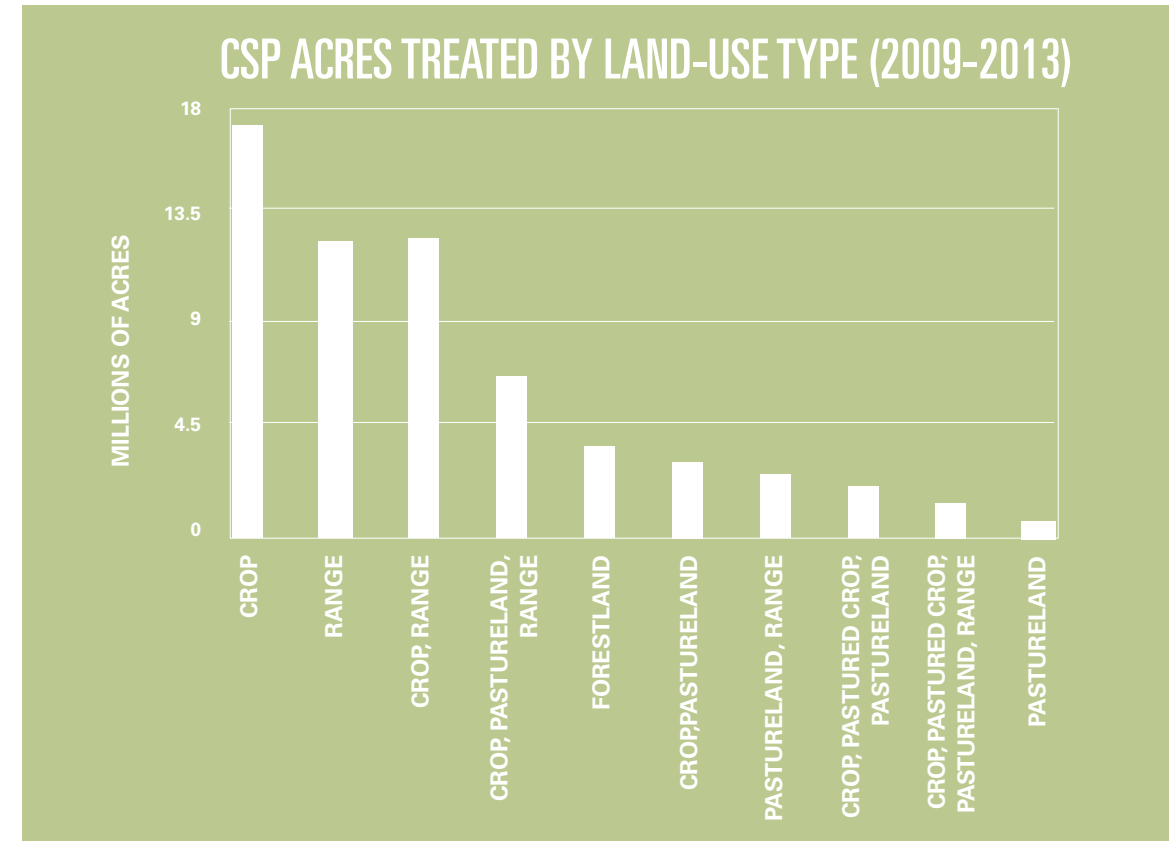
This concluding section of the guide provides data and statistics on CSP sign-up periods under the 2008 Farm Bill (2009 – 2013). NSAC will update CSP data for 2014 and following years as soon as the data is made available by NRCS.

During the term of the 2008 Farm Bill, over 45,000 CSP farmers enrolled over 58 million acres in CSP. To put that into perspective, as of 2013, CSP was producing effective conservation on acreage greater than the entire state of Idaho. NRCS obligated over \$11 billion to CSP farmers and ranchers over the course of their five-year contracts for those enrollment years.

**ALLOCATION OF CSP ACREAGE** Under the 2008 Farm Bill, the 12.8 million acres available for CSP enrollment each year was allocated to the states in proportion to each state's total agricultural land area compared to the US total. As Chart 1 depicts, the majority of acres with conservation treatment under CSP over the course of the 2008 Farm Bill were cropland (29%) and rangeland (20%). While it is not possible to determine the payments per acre by land-use type when multiple land-use types are being treated in one contract, the average payment per acre was \$24.36 for cropland, \$4.20 for rangeland, \$7.47 for forestland, and \$16.72 for pastureland under the 2008 Farm Bill.

Nebraska, New Mexico, and Texas enrolled the highest number of acres in the program over the course of the 2008 Farm Bill cycle, with each enrolling over 4 million acres. Table 1 highlights the top ten states in terms of total acreage enrolled in CSP between 2009 and 2013.

CHART 1



### CRP TIP OPTION

An additional program that helps producers enroll in CSP is the **Conservation Reserve Program's Transition Incentives Program (CRP-TIP)**. CRP-TIP allows CRP landowners with expiring CRP contracts to rent or sell their land to beginning, socially disadvantaged or veteran farmers who will use sustainable grazing practices, resource-conserving cropping systems, or transition to organic production. The CRP contract holder then gains two additional years of CRP payments, while the farmer who is taking over the land must develop and implement a conservation plan on the land that was previously covered by CRP, with the option of enrolling in CSP or the Environmental Quality Incentives Program (EQIP) when they take possession of the land. CRP-TIP is administered through USDA's Farm Service Agency (FSA), but NRCS is responsible for approving TIP conservation plans and for offering the new farmers EQIP or CSP contracts.

TABLE 1

STATE	TOTAL ACREAGE
NEBRASKA	4,807,712
NEW MEXICO	4,413,495
TEXAS	4,375,695
SOUTH DAKOTA	3,944,705
MONTANA	3,866,148
NORTH DAKOTA	3,346,421
KANSAS	3,292,393
OKLAHOMA	3,170,073
COLORADO	2,626,908
MINNESOTA	2,457,197



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States that received the highest levels of CSP funding included Minnesota, North Dakota, and Nebraska, where total obligations were above \$700 million in each state. Chart 2 (p.31) illustrates the allocation of CSP funding obligations for five year contracts, in the top 10 states under the 2008 Farm Bill.

**CSP ACREAGE AS A PERCENTAGE OF TOTAL LAND IN FARMS** In considering each state's total CSP acreage as a percentage of total land in farms, some states enrolled a particularly high portion of their total farm acreage into the program. Alaska (21%), New Hampshire (17%), and Arkansas (15%) were the top three states in terms of the percentage of their total farmland that was enrolled in CSP under the 2008 Farm Bill. Chart 3 (p.31) illustrates the top 10 states with the highest proportion of their total farmland in CSP.

These enrollment totals roughly parallel agricultural cropland use in the country.

**FARMS WITH COMMODITY CROPS DOMINATE, THOUGH FORAGE AND TREES STRONG TOO**

Between 2009 and 2013, farms that include corn, wheat, soybeans, barley, sorghum, cotton, and rice as major crops received the majority of 45,000 CSP contracts that went to farmers producing crops, covering nearly 30 million acres throughout the country. These enrollment totals roughly parallel agricultural cropland use in the country.

While farms on which corn is the predominant crop dominate in terms of the percentage of contracts awarded (32%), the over 14 million acres of forage/hay represent the crops with the highest treated acreage, covering nearly 30% of total CSP crop acreage in the country. Enrollment of tree acres is also substantial, including more than 3.4 million acres and accounting for nearly 6% of total CSP crop acreage.

CHART 2

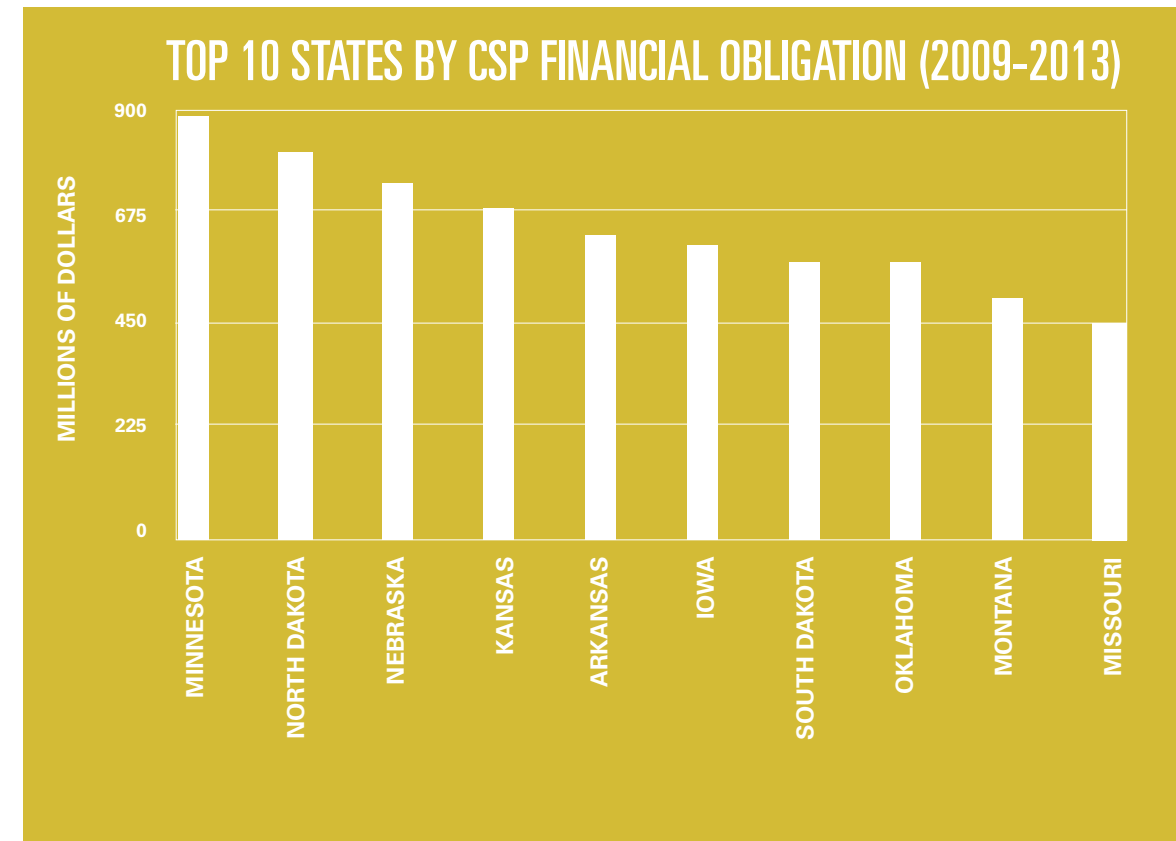


CHART 3

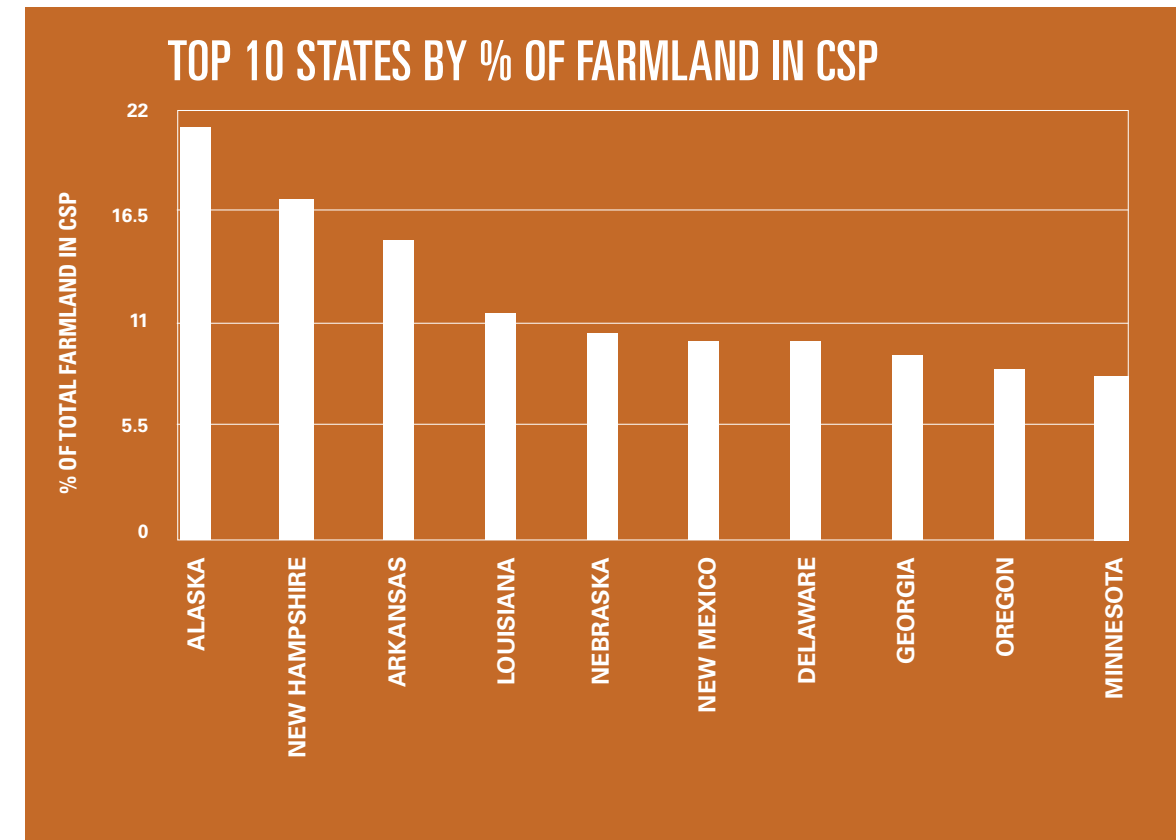


PHOTO ©THREE ROODS FARM



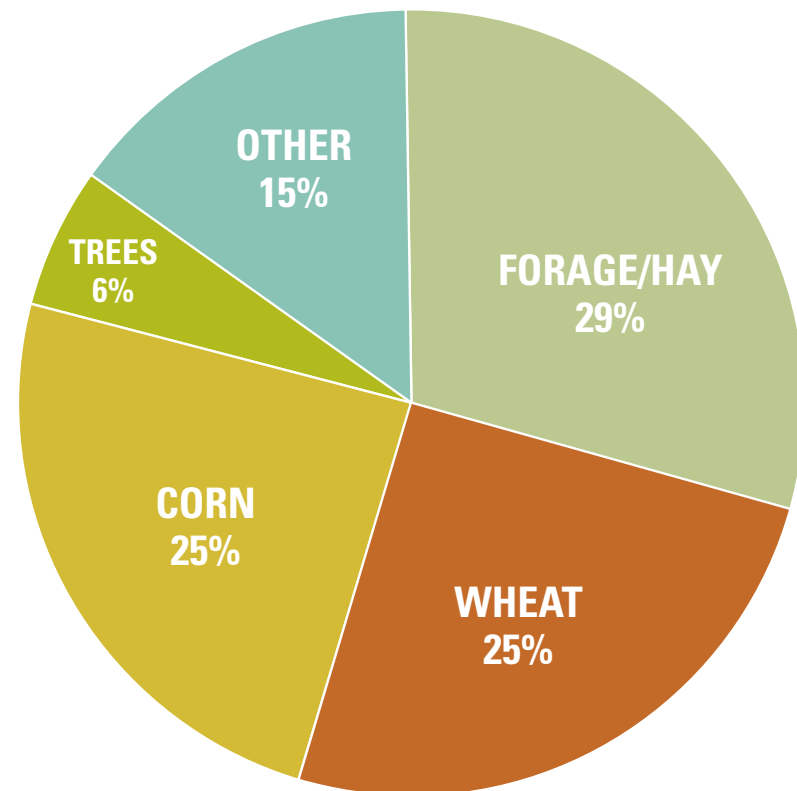
Chart 4 shows the division of CSP crop acreage for the 2009 through 2013 enrollments: 29% was in forage/hay, 25% in wheat, 25% in corn, 6% in trees, and 15% in the other category, which includes soybeans, sorghum, cotton, rice, sugarcane, fruits, vegetables, nuts, and berries, among others.

**LIVESTOCK CONTRACTS PREDOMINANTLY SUPPORT BEEF PRODUCTION**

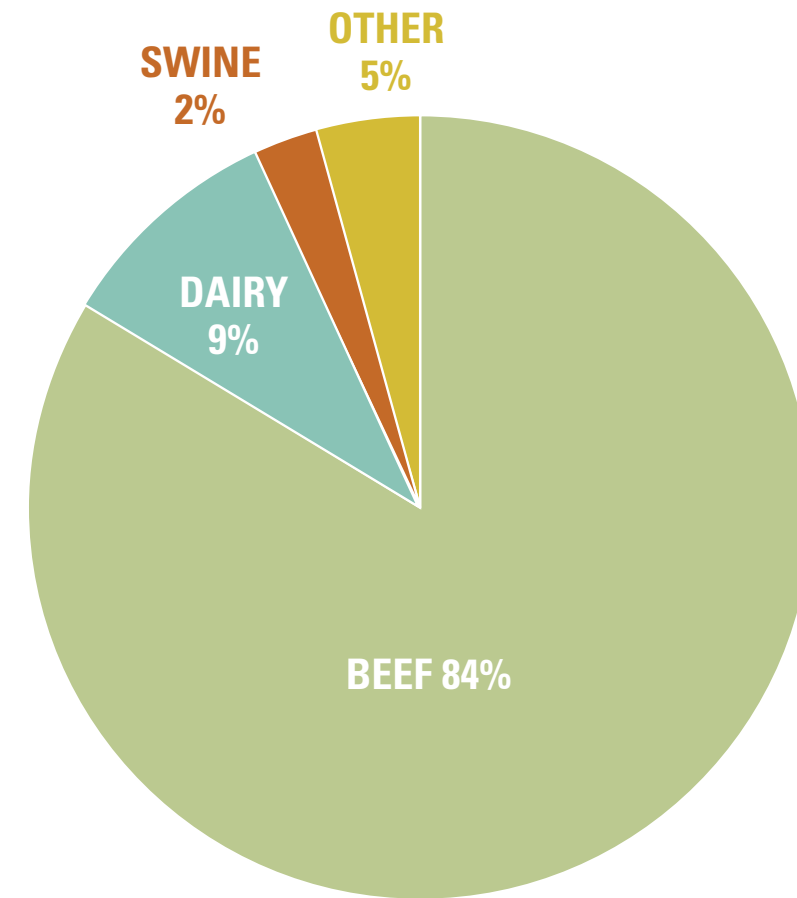
Under the 2008 Farm Bill, livestock producers throughout the country received over 23,000 contracts, covering nearly 40 million acres nationwide.

Among those farms with livestock, beef cattle represent a clear majority of total contracts (84%), which is consistent with the national distribution of acres by livestock species. Dairy producers received the next highest percentage of total livestock contracts (9%) between 2009 and 2013. Chart 5 illustrates how these livestock contracts have been awarded. The CSP acreage enrolled for livestock contract holders follows a similar distribution, with 94% of total acreage going towards beef production. The total financial obligation to support livestock producers under the 2008 Farm Bill was nearly \$2 billion and more than \$1.7 billion of that total went to beef producers.

**CHART 4**  
**CSP CONTRACTS BY COMMODITY TYPE (%) (2009-2013)**



**CHART 5**  
**CONTRACTS AWARDED TO LIVESTOCK PRODUCERS (2009-2013)**



**ORGANIC** Under the 2008 Farm Bill, over 500 certified organic applicants, or transitioning to organic applicants, enrolled in CSP. These contracts totaled over 350,000 acres and provided over \$18 million in financial assistance. As illustrated in Charts 6, 7, 8, 9 & 10 (p.34-36), Wisconsin, Minnesota, and Iowa had the highest number of total organic contracts, while California, New Hampshire, and Vermont had the highest percentage of organic contracts overall. In terms of CSP organic acreage, Nebraska, South Dakota, and California had the highest number of acres, while Vermont, New York, and California had the highest percentage of organic acres, in terms of all acres enrolled in CSP. Finally, Minnesota, California, and Nebraska received the highest amount of financial assistance for organic CSP contracts between 2009 and 2013.



PHOTO © USDA

CHART 6

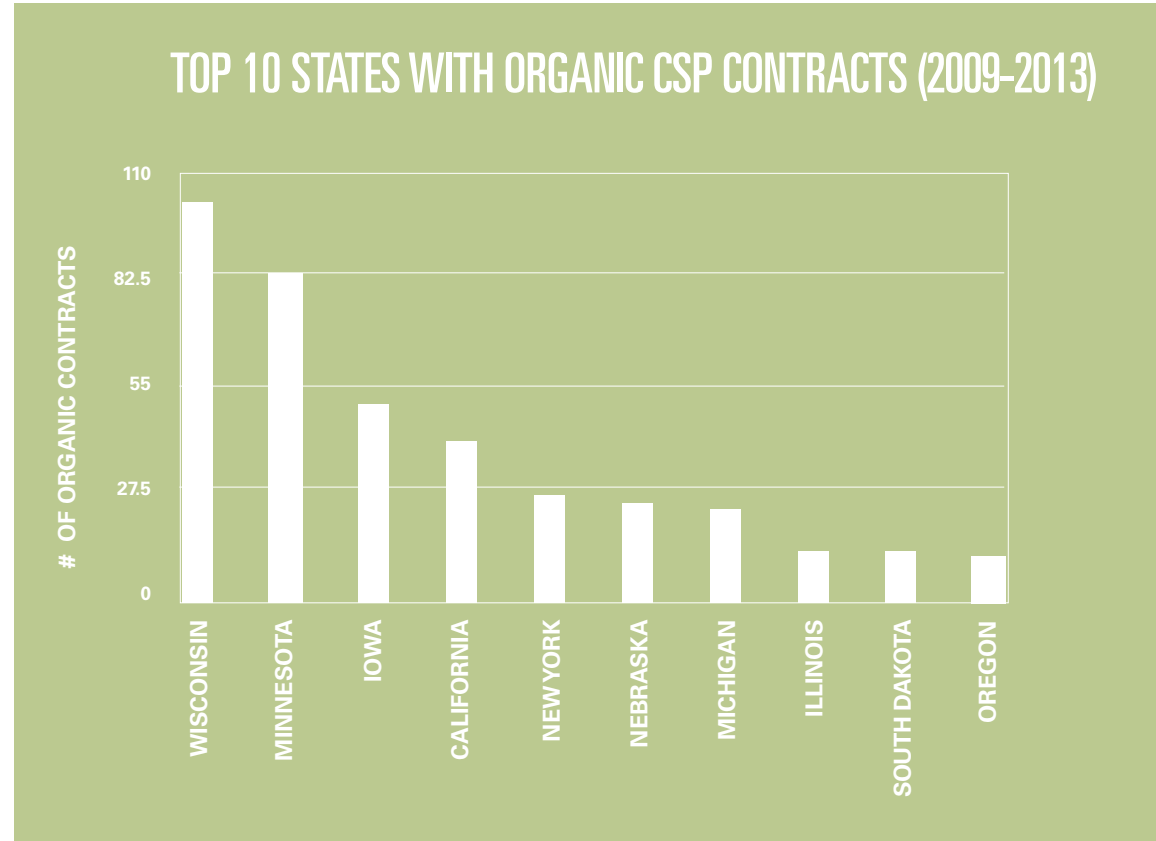


CHART 8

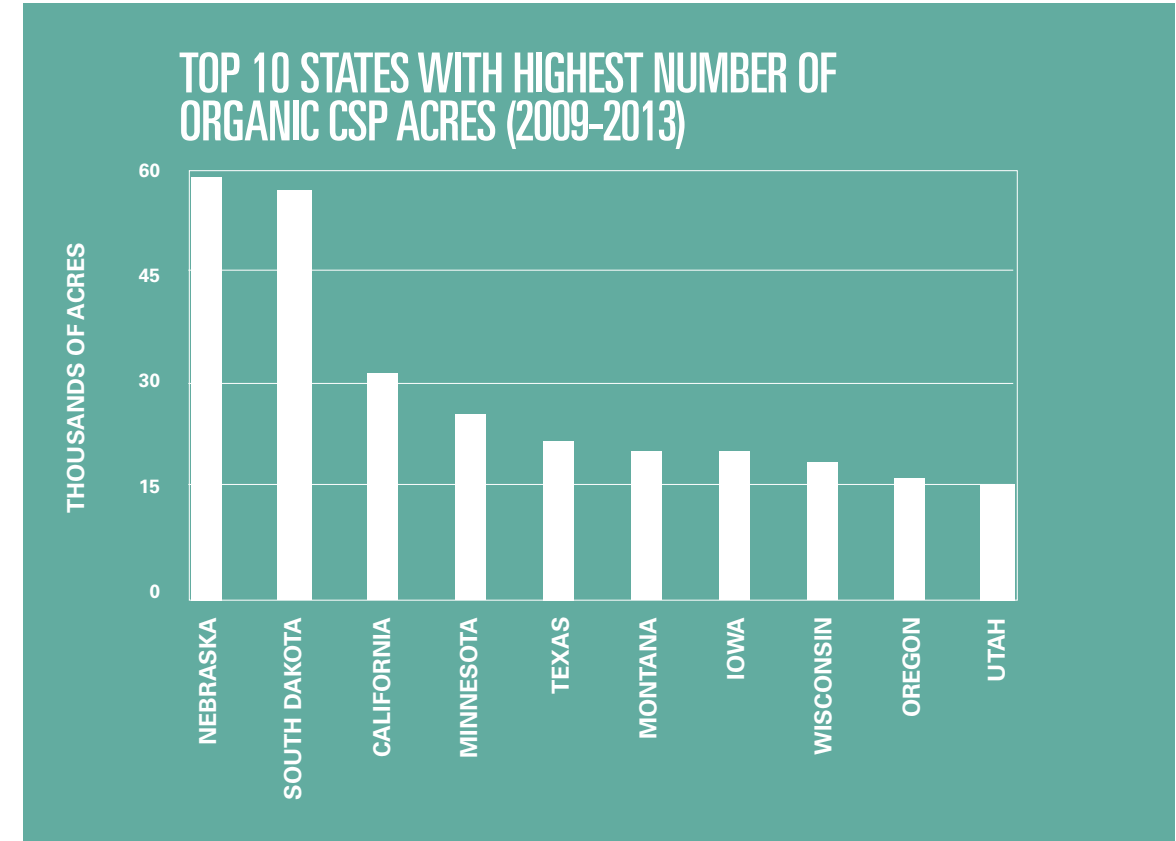


CHART 7

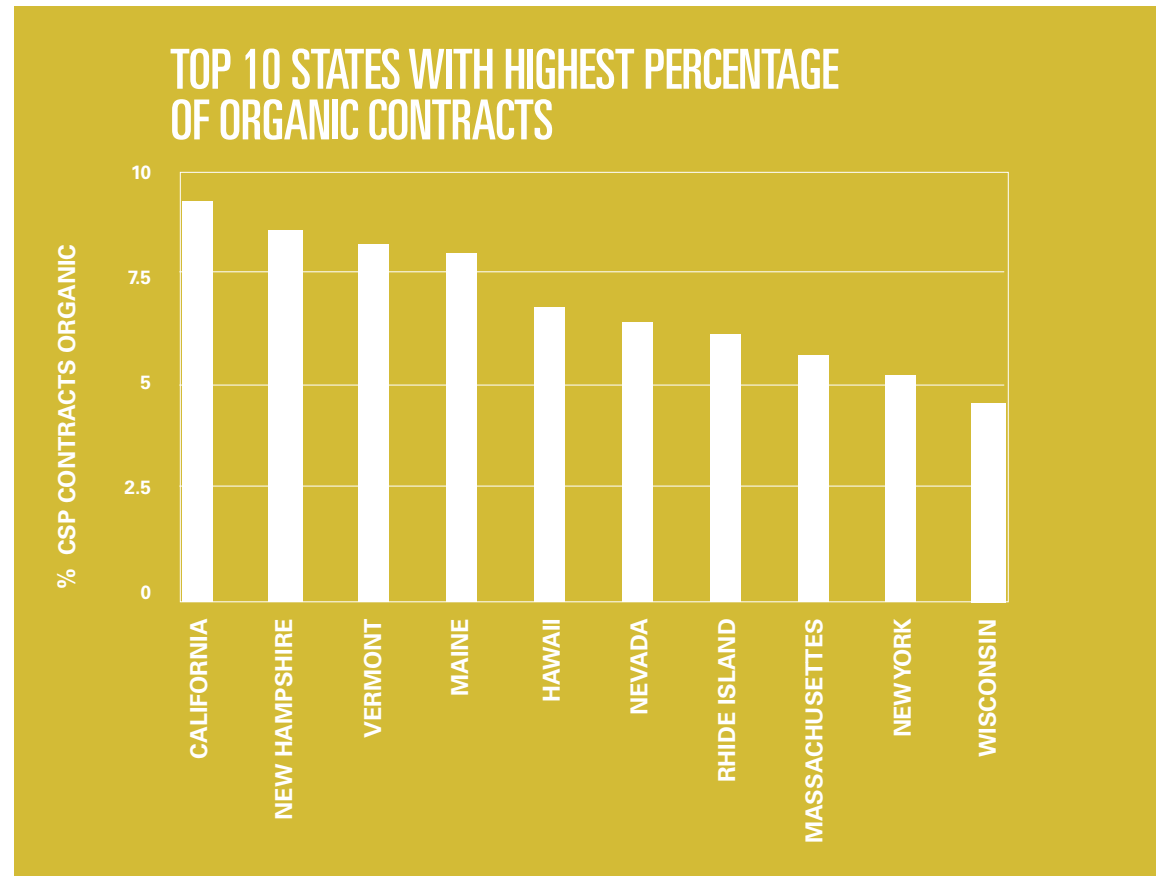


CHART 9

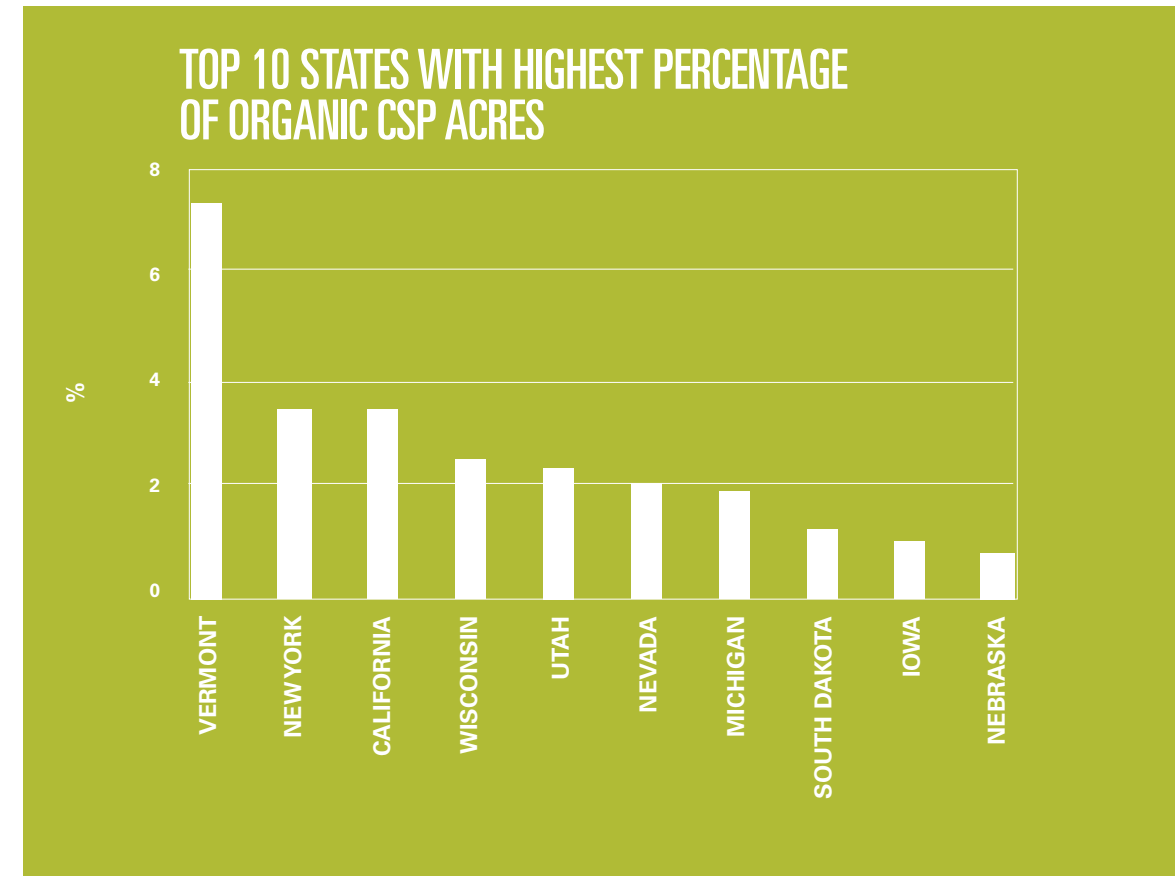
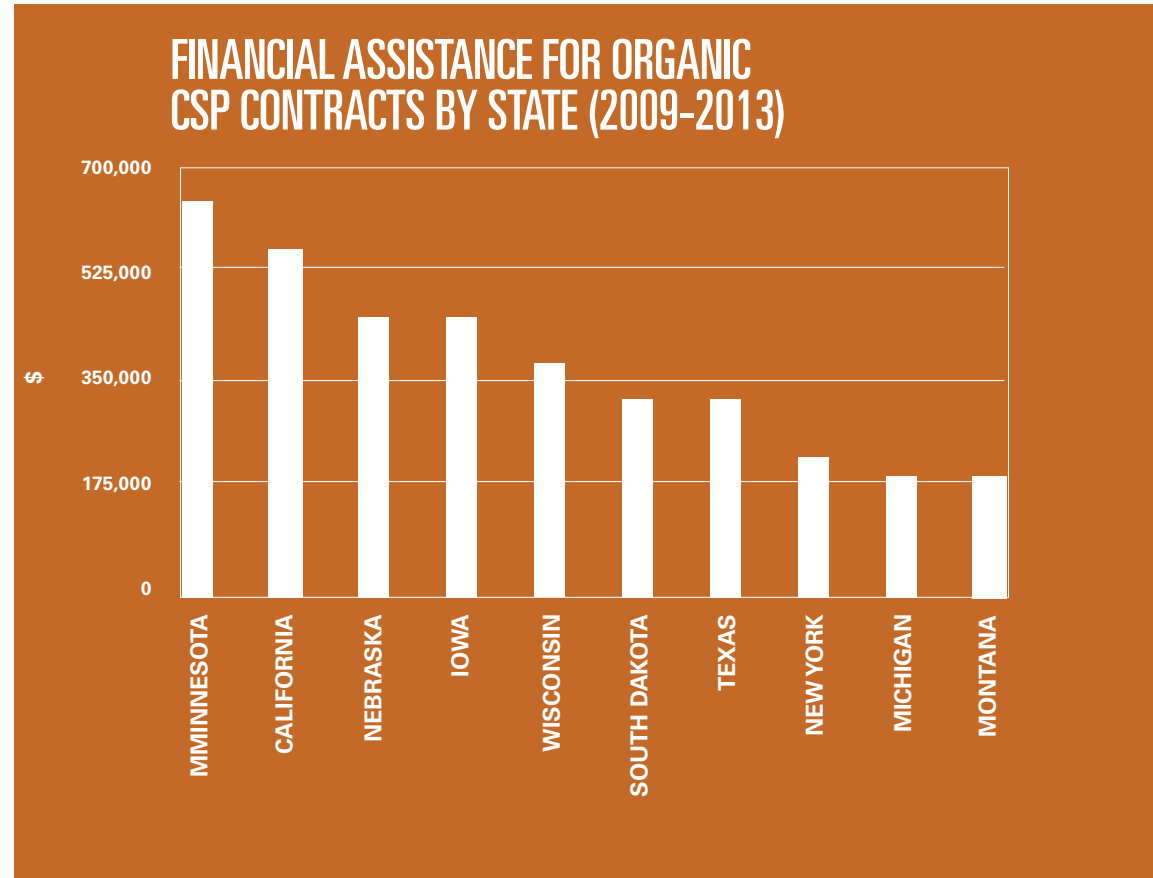


CHART 10



**BEGINNING AND SOCIALLY DISADVANTAGED FARMERS AND RANCHERS** As required by law, each state must maintain a five percent acreage set-aside for beginning farmers and ranchers, as well as five percent for socially disadvantaged or limited resource producers. The 2014 Farm Bill adds an additional preference for military veteran farmers within each of those set-aside pools. The pools allow applicants to compete separately from the bigger pool of CSP funds, providing them with a better chance of receiving a contract. Between 2009 and 2013, over 3,300 beginning, socially disadvantaged, and limited resource farmers and ranchers have applied for funding.

Under the 2008 Farm Bill, more than 4,000 beginning farmers and ranchers were able to enroll in CSP, representing almost 10% of all total contracts. As illustrated in Chart 11, the top states with the highest percentage of all beginning farmer contracts nationally were Nebraska, North Dakota, and New Mexico.

States that had the highest percentage of their total CSP contracts going to beginning farmers and ranchers include Rhode Island, Maine, Massachusetts, and Connecticut.

Additionally, between 2009 and 2013 nearly 1,400 socially disadvantaged farmers enrolled in CSP, accounting for 3% of all total CSP contracts. Those contracts vary significantly in size across the country, and together represented over 7% of total CSP acreage. Furthermore, socially disadvantaged farmers received almost 4% of total CSP funding under the 2008 Farm Bill. As illustrated in Chart 12, the states with the highest number of contracts awarded to socially disadvantaged farmers were Oklahoma, South Dakota, Arkansas, and New Mexico, while Hawaii, Alaska, and Arizona had the highest percentage of socially disadvantaged farmers as a portion of the total awarded contracts within each state.

**Each state must maintain a five percent acreage set-aside for beginning farmers and ranchers.**

CHART 11

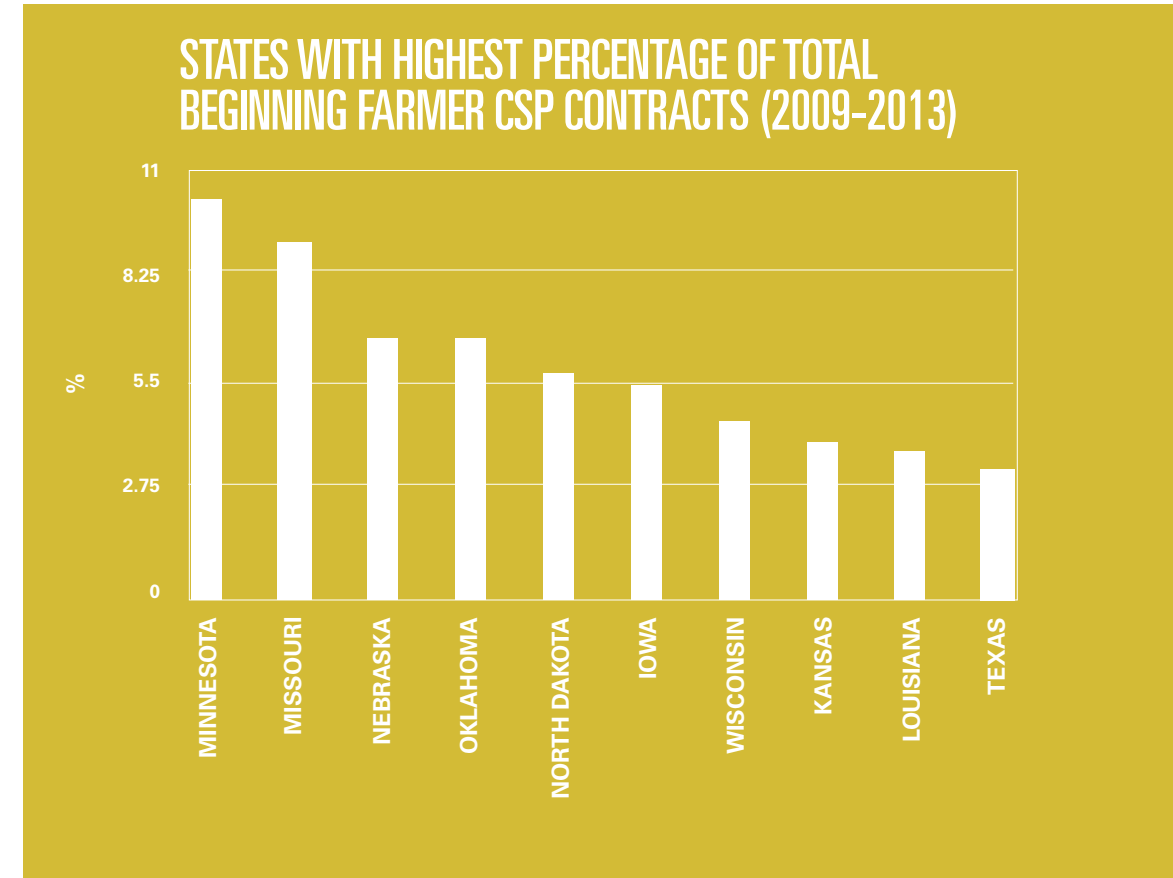


CHART 12



## CSP VIA REGIONAL CONSERVATION PARTNERSHIP PROJECTS

The [Regional Conservation Partnership Program \(RCPP\)](#) allows farmers to sign up for conservation technical and financial assistance through targeted regional or thematic projects. Farm and conservation organizations, state agencies, conservation districts, or others interested in partnering with NRCS on conservation programs organize the RCPP projects.

RCPP uses various NRCS programs including CSP, the Environmental Quality Incentives Program (EQIP), the Agricultural Conservation Easement Program (ACEP), and the Healthy Forests Reserve Program. Under a RCPP project, the partners are responsible for doing outreach to farmers and, in some cases, providing technical assistance. The financial assistance for the farmer comes via NRCS as part of whatever underlying programs the RCPP project is making use of, which can include CSP.

This is one more possible avenue to CSP participation in those particular locations where there is a partnership project and where that project is making use of CSP as one of its funding sources. Check your state NRCS website for information about RCPP projects in your area.



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## POPULAR PRACTICES AND ENHANCEMENTS

### Cropland

Between 2009 and 2013, the new conservation enhancements chosen most frequently by farmers on cropland were:

- Adding cover crop mixes
- Utilizing deep-rooted cover crops to breakup compaction
- Maintaining high residue through continuous no-till
- Adopting high-level Integrated Pest Management (IPM) to reduce environmental risk
- Reducing pesticide drift through low pressure or targeted spray application
- Testing and analyzing plant tissue to improve on-farm nitrogen management
- Applying no more than 50 percent of total nitrogen fertilizer prior to crop emergence
- Using precision application technology to apply nutrients
- Haying in a way that allows wildlife to flush and escape

### Pasture and Rangeland

Producers with pasture or rangeland frequently selected similar enhancements between 2009 and 2013. The most popular enhancements were:

- Rotation of feeding and supplementation areas to reduce localized disturbances and impacts on water bodies
- Designing water facilities to promote wildlife escape and access for birds and bats
- Monitoring of key grazing areas to improve grazing management
- Grazing management to improve wildlife habitat
- Managing calving to coincide with forage availability
- Incorporated native grasses and legumes into pasture
- Using biological and other non-chemical techniques to suppress weeds and invasive species

### Forestland

On forested CSP acres, the leading enhancements chosen by foresters as part of their contracts were:

- Forest stand improvement to benefit wildlife habitat and soil quality
- Constructing structures to enhance wildlife habitat for a variety of species
- Managing forested riparian zones to provide stream-side cover and vegetative diversity to improve terrestrial and aquatic wildlife habitat
- Utilizing prescribed burning
- Creating new pollinator habitat
- Using hardwood crop tree release (CTR) to enhance the health and productivity of individual trees while improving other resources such as wildlife habitat, recreation, timber value, and aesthetics
- Adopting and managing upland wildlife habitat

## PRIORITY RESOURCE CONCERNS

### Enhancing Wildlife Habitat

Under the 2008 Farm Bill, between 2009 and 2013, farmers and ranchers selected over 43,000 wildlife related enhancements, accounting for over 20 percent of the total enhancements selected during this period. These enhancements supported wildlife across all land use types through practices that protected or created habitat, established critical riparian buffers, or introduced wildlife friendly fencing or water facilities. It is important to note that there are also many additional enhancements with positive, though indirect, wildlife benefits not included in the 20 percent – such as reduced pesticide use and nutrient runoff, water conservation, or increased biodiversity.

**Under the 2008 Farm Bill, between 2009 and 2013, farmers and ranchers selected over 43,000 wildlife related enhancements, accounting for over 20 percent of the total enhancements selected during this period.**

### Protecting Water Quality and Quantity

Across all land-use types, farmers and ranchers selected enhancements designed to maintain and improve water quality and quantity on their operations, as well as protect water for neighboring landowners and communities. Between 2009 and 2013, CSP contract holders selected over 62,000 water related enhancements, representing more than 30 percent of all enhancements chosen during that period. For example, some enhancements designed to protect water quality addressed the timing and intensity of pesticide and fertilizer application and keeping livestock away from sensitive water bodies. Other enhancements addressed water quantity issues such as mulching to conserve moisture in the soil and scheduling irrigation based on regional weather networks.

### Improving Soil Health

Between 2009 and 2013, farmers and ranchers selected over 15,000 enhancements designed to protect and improve soil health. These enhancements accounted for over 60 percent of the total enhancements chosen specifically for cropland during this period. Soil health, also referred to as soil quality, is the continued capacity of soil to serve as a vital living organism that sustains plants, animals and humans, ensuring these services are available for future generations. These enhancements help producers address soil health by, for example, introducing cover crops, managing tillage and residue to prevent erosion, or intercropping to improve soil quality and increase biodiversity.

**Across all land-use types, farmers and ranchers selected enhancements designed to maintain and improve water quality and quantity on their operations, as well as protect water for neighboring landowners and communities.**

### Other Intriguing Enhancement Selections

Also of note, between 2009 and 2013:

- Over 500 farmers chose to convert cropland to grass-based agriculture, which enhances soil cover, habitat for soil biota that help with decomposition and nutrient cycling, and increased soil organic matter.
- Nearly 1,000 farmers chose to implement continuous cover crops, which not only reduce water and wind erosion, but also restore and maintain soil quality through critical processes. Cropland conversion and continuous cover crops both receive very high environmental ranking and payment points.
- Special supplemental CSP payments apply to the adoption of resource-conserving crop rotations. From 2009 through 2013, this option was used on nearly 300,000 acres nationwide, improving soil health and reducing chemical use in the process. Use of this option may expand further in coming years now that the 2014 Farm Bill allows for the special payment to also be made on improvements to existing long rotations.
- Though intensive managed rotational grazing unfortunately does not receive a parallel supplemental payment, nonetheless nearly 800 farmers and ranchers adopted that advanced enhancements during the same years.
- Farmers and ranchers selected over 350 enhancements specific to organic farming – including transitioning to organic grazing or cropping systems, using Integrated Pest Management (IPM) for organic farming, and adding no-till practices to their organic operations. In addition to the several enhancements identified as specifically for organic producers, there are several other practices that are highly relevant to organic systems, such as crop rotation, cover cropping, composting, and establishing habitat for beneficial insects and pollinators.



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## FARMERS' GUIDE TO THE CONSERVATION STEWARDSHIP PROGRAM

*was originally written by Loni Kemp for the National Sustainable Agriculture Coalition in 2009. A second edition was updated and expanded by Rebecca Boehm in 2011. This current edition was revised, with new material, by Alyssa Charney. The NSAC staff has also contributed significantly to each iteration of the Guide.*



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