# Conservation Has Its Rewards...





Maryland's Conservation Reserve Enhancement Program





*Wildlife & Heritage Service* 

#### **CREP IN MARYLAND**

# What do I need to know about the Conservation Reserve Enhancement Program in Maryland

The Conservation Reserve Enhancement Program (CREP) is a cooperative program between the State of Maryland and the U.S. Department of Agriculture. CREP pays farmers and ranchers to plant poorly productive field edges and borders in an approved practice that protects water quality and wildlife while continuing to farm or graze the best. Enrollment in all CREP programs is totally voluntary. Funds received depend on the length of the contract and the type(s) of conservation practice(s) chosen.

The following handout describes the general process for enrolling your lands in the CREP program, the State's acreage goals, eligibility, payments, taxes, and maintenance regulations. Approximately 74,500 acres of the State's 100,000 acre goal have already been enrolled. The current program, which began May 14, 2009, in authorized until the targeted enrollment acreage is reached.

Additionally, the Maryland Department of Natural Resources (DNR) is sponsoring a CREP Easement program which pays landowners to enroll CREP acreage in a permanent easement if they have a current CREP contract.

For further information on CREP enrollment, please contact Glenn Carowan, Farm Bill Coordinator, Wildlife and Heritage Service at the toll free number 1-877-620- 8DNR or 1-410-221-8838 (x102).



# CREP IN MARYLAND Start to Finish What you need to know!

# Maryland Conservation Reserve Enhancement Program

The Conservation Reserve Enhancement Program (CREP) is a federal-state cooperative conservation program and component of the Conservation Reserve Program (CRP). CREP pays farmers and ranchers to voluntarily remove marginally productive and environmentally sensitive croplands and pasturelands from production to address targeted federal and state agricultural-related environmental concerns. The program makes it financially easy for farmers and ranchers to protect water quality and create wildlife habitat without sacrificing income.

The Maryland CREP targets the enrollment of 100,000 acres of eligible cropland or marginal pastureland in the Chesapeake Bay watershed to restore wetlands and riparian buffers, enhance wildlife habitat and reduce sediments and nutrients entering streams. The CREP agreement is a partnership between the U.S. Department of Agriculture's Farm Service Agency (FSA) and the State of Maryland, and specifically targets the following:

- a. Restoration of 77,000 acres of riparian areas under the following practices (currently enrolled approximately 58,000 acres);
  - CP4D Wildlife Habitat Buffer
  - CP21 Filter Strip
  - CP22 Riparian (Forested) Buffer
  - CP29 Marginal Pastureland Wildlife Buffer
  - CP30 Marginal Pastureland Wetland Buffer
- b. Restoration of 16,000 eligible Highly Erodible Land acres (currently enrolled approximately 13,000 acres) using:
  - CP1 Introduced Grasses/Legumes

- CP2 Native Grasses
- CP3 Softwood Trees
- CP3A Hardwood Trees
- CP4D Wildlife Habitat (grasses with trees and/or shrubs)
- c. Creation and restoration of 5,000 Wetland Acres (currently enrolled approximately 3,500 acres) using:
  - CP9 Shallow Water Area for Wildlife
  - CP23 Wetland Restoration (in floodplains)
  - CP23A Wetland Restoration (non-floodplain)
- d. Restoration of 2,000 acres eligible for Rare and Declining Species Habitats using (currently enrolled approximately 50 acres) using:
  - CP25 Habitat for Declining Species

#### Eligibility

- Cropland adjacent to streams and other water bodies, or highly erodible cropland within 1,000 feet of a stream or other water bodies, or pasture land adjacent to streams that will be planted to trees or established as wildlife habitat.
- Cropland must be physically capable of being cropped, and have been planted with annual crops four of the six years from 1996 thru 2001 (until changed by National Directive), or planted to perennial grasses or legumes in any of these years, or be part of a crop rotation that was planted during these years.
- Contact the local Farm Service Agency (FSA) office (<u>www.fsa.usda.gov/md</u>) for eligibility determination. All cropping history must be certified with FSA.
- Active CRP contracts or contracts prematurely withdrawn for any reason are not eligible to be enrolled in CREP.
- All crops must be removed before the effective date of the contract.
- Contracts begin the 1<sup>st</sup> of the month after FSA County Committee's approval of the contract. Applicants may request deferment of the contract start date for up to 6 months.

# **Responsibilities for Enrollment in CREP and Establishment of Conservation Practices**

#### \* Landowners/Tenants...

• Landowner(s) must obtain the signature of the most recent tenant farmer, if any, stating that the tenant is voluntarily stopping production on land so that it can be enrolled in CREP.

# \* Program Participants...

- Initiate process with County FSA office (<u>www.fsa.usda.gov/md</u>).
- Sign the contract and Conservation Plan when completed by FSA and the Natural Resource Conservation Service (NRCS).
- Complete practice(s) according to specifications in conservation plan.
  - ✓ It is the participant's responsibility to arrange for the timely establishment of the required practices (usually within 12 months). NRCS or District staff can provide assistance when needed.
  - ✓ Participants are responsible for all up-front costs of establishment and receive reimbursement up to 87.5% for eligible practices (see CREP brochure).
  - ✓ Participants can perform any or all of the required work and receive reimbursement for labor and machinery costs.
- Submit bills documenting implementation costs.
- May request cost-share for one post-planting weed control within 12 months of planting the cover.

# \* The Farm Service Agency...

- Determines eligibility and explains program policies and requirements.
- Determines acreage, calculates practice payment rates, notifies participant of acceptability, conducts paid-for measurement service, and completes the CRP-1 (contract).
- Approves final conservation plan and provides all approved and signed forms to participant.
- Disburses federal sign-up incentive payment (SIP).
- Certifies practice installation and disburses cost-share and practice incentive payment (PIP) (see CREP brochure).

# \* Maryland Department of Agriculture...

- Disburses cost-share (up to 87.5% of participant's costs) for eligible practices through MACS (Maryland Agricultural Water Quality Cost Share Program).
- All practices are eligible for a \$100 State signing bonus payment for every enrolled or re-enrolled acre.
- Soil Conservation District Staff provide technical assistance in developing Conservation Plans, implementing conservation practices, and determining reimbursement through MACS. (www.mascd.net/Jan09/districts.htm)

#### \* Natural Resource Conservation Service...

- Conducts site visit; determines suitability, needs, and feasibility of practice; determines predominant soils; and identifies location and size on map.
- Completes the conservation plan and obtains Conservation District approval of the plan.

#### \* Maryland Department of Natural Resources...

- Assists FSA and NRCS in preparing the Conservation Plan for participants and prepares Forest Stewardship Plan for forest practices.
- Prepares wildlife management plans for participants enrolling in extended buffer practices and practices benefitting rare and declining species.
- Provides technical assistance to participants implementing wetland practices.
- Provides technical assistance in identifying and controlling invasive species.

# **Practice Maintenance Responsibilities**

- All practice maintenance, such as mowing to control woody growth, is the responsibility of the participant and shall be performed according to guidelines that are prepared by NRCS and agreed upon in the conservation plan.
- Participants are responsible for controlling noxious and invasive weeds.
- All maintenance shall be conducted outside the primary nesting season (April 15 August 15), except when necessary for spot treatment of weed

problems. Approval of the FSA County Committee is required prior to conducting any maintenance during the primary nesting season.

• Maintenance payments are incorporated into annual rental payments. No additional reimbursement is available for maintenance.

#### **Mid-Contract Management**

- Some practices require specific management activities, such as over-seeding legumes or strip-disking, to ensure long-term plant diversity and wildlife benefits. Management activities are prepared by NRCS and agreed upon in the conservation plan.
- Participants can receive cost-share for management activities up to \$50 per acre in any one year, not to exceed \$100 per acre for 10-year contracts, or \$125 per acre for longer contracts.

#### Payments, Taxes, Terminations, etc.

- Annual rental payments are typically disbursed in October of each year, starting in the first fiscal year of the contract.
- All payments, including cost-share, are considered income. Participants should consult their tax adviser on how to report these payments for income tax purposes.
- Contracts are transferable if the land is sold and the new owner agrees to the term of the contract.
- Termination of a contract may require that the participant refund all of the following:
  - ✓ All annual payments received plus interest
  - Cost-share payments received for establishing cover plus interest
  - ✓ SIP and PIP payments (if applicable)
  - ✓ Liquidated damages equal to 25% of the annual rental payment

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