

Partnering for Success

The Farm and Ranch Protection Program (FRPP) is a voluntary program that helps farmers and ranchers keep their land in agriculture. The program provides matching funds to eligible land trusts with existing farm and ranch land protection programs to purchase permanent conservation easements or development rights to keep productive farm and ranchland in agricultural uses. The easements generally restrict certain non-agricultural development and subdivisions.



Funds to purchase the easement come from:

- 50% NRCS Funds
- 50% Landowner and land trust - typically, the land trust raises 25% cash match and the landowner donates 25% of the value of the easement

The U.S. Department of Agriculture's (USDA) Natural Resources Conservation Service (NRCS) is designated as the lead agency in implementing this program. In partnership with the Wyoming land trust community and landowners, the NRCS has been able to utilize this program to play a vital role in the permanent conservation of many Wyoming farms and ranches.

Benefits to Agricultural Producers

- Free up capital that is tied up in the land while still maintaining the right to use the land for agriculture.
- Provides an important estate planning tool, lowering the taxable value of the property and help keep Wyoming's next generation of working landowners on the land that they steward best.
- Income from the sale of conservation easements may be used to reinvest in agricultural operations, invest for retirement, and/or reduce debt.
- Protects agricultural land from residential and commercial development.
- By removing the speculative value of the land, conservation easements may also help keep agricultural land affordable for beginning farmers.
- Encourages good stewardship of the land.
- Protects open spaces and scenic viewsheds.
- Conserves sage-grouse habitat to avoid potential ESA listing.
- Provides financial assistance to state, local, and private ranch land protection efforts.

For information on how to apply, contact:

- Paul Shelton, NRCS Assistant State Conservationist for Operations, (307) 233-6763, paul.shelton@wy.usda.gov or
- Grant Stumbough, NRCS Resource Conservationist, (307) 233-6760, grant.stumbough@wy.usda.gov

Eligibility

Eligible land includes privately owned prime, unique and important farm or ranchland or land that furthers a State, Tribal or local policy consistent with the conservation purpose of the program. Landowners must have a pending offer with a eligible land trust entity for a permanent easement. A pending offer is a written bid, contract, or option extended to a landowner by an eligible land trust entity to acquire a permanent conservation easement for the purpose of limiting certain non-agricultural uses of the land.

Landowners must meet standard Farm Bill producer eligibility requirements (Adjusted Gross Income Limits and Highly Erodible Land/Wetland Compliance Provisions) and their associated farm or ranch lands must be free and clear of any encumbrances on the title.

How to Apply

Only eligible land trust entities can apply for FRPP funding. Landowners who are interested should contact a local Land trust. The land trust submits documentation describing its qualifications as an entity and details on the farm or ranch land qualifications. Applications for FRPP are accepted from land trust entities by the NRCS at any time. There is a cut-off date for each fiscal year to begin ranking and funding selection. All applications after that date will be deferred to the next funding cycle. FRPP is a competitive program, where farms and ranches are ranked on national and state ranking criteria. Funding levels vary every year.

Eligible Land Trusts in Wyoming

- Jackson Hole Land Trust
(307) 733-4707; info@jhlandtrust.org
555 E. Broadway, Ste. 228, PO Box 2897
Jackson, WY 83001
- Rocky Mountain Elk Foundation
(406) 523-4500; http://rmef.org/home
5705 Grant Creek, Missoula, MT 59808
- Sheridan Community Land Trust
(307) 673-4702; director@sheridanclt.org
306 N. Main St. 2nd Flr, PO Box 7185
Sheridan, WY 82801
- The Conservation Fund
(307) 733-2360
postmaster@conservationfund.org
145 E. Snow King Ave., PO Box 4441
Jackson, WY 83001
- The Nature Conservancy
(307) 332-2971; wyoming@tnc.org
258 Main St., Ste. 200, Lander, WY 82520
- Wyoming Stock Growers Agricultural Land Trust
(307) 772-8751; info@wsgalt.org
113 E. 20th, PO Box 206, Cheyenne, WY 82003

Q & A

Q. What is a conservation easement?

A. A conservation easement is an interest in land, as defined and delineated in a deed, whereby the landowner conveys specific rights, title, and interests in a property to an eligible land trust. The landowner retains those rights, title, and interests in the property which are specifically reserved to the landowner in the easement deed, such as the right to farm/ranch.

Q. Is every conservation easement the same?

A. No, they are all different from each other: they are products of the qualities of the land to be conserved, the landowner's wishes and the goals and objectives of the organization which will hold the easement -- and the decision made between them. In Wyoming, we have organizations focusing on wildlife habitat, watershed, biodiversity, community, cultural, and or agricultural values – or a combination of these.

Q. How is the value of a conservation easement determined?

A. The value of a conservation easement usually is determined through a professional appraisal that is initiated by a land trust. A state certified general appraiser assesses the difference between the fair market value of the property without an easement, often using comparable sales, and its restricted value under the easement. The appraiser may use either the Uniform Standards for Professional Appraisal Practice (USPAP) or the Uniform Appraisal Standards for Federal Land Acquisition (UASFLA).

Q. What restrictions are found in a typical easement?

A. The easements generally restrict certain non-agricultural development and subdivisions. Generally, there are few restrictions on improvements and construction related to the agricultural operation. In addition, other operations such as the development of oil and gas may not be precluded– unless the surface owner also owns 100% of the minerals estate and voluntarily chooses to give up that development right. A surface owner may donate or sell a conservation easement if the minerals have been severed from the land. The easements become part of the land deed and are recorded in the local land records.

Q. How are the sale proceeds of a conservation easement treated for tax purposes?

A. Easement sale proceeds need to be handled on an individual tax basis. Consult your tax advisor on how to best treat these proceeds.

Q. How do the easements affect rights of ownership?

A. The landowner controls the land and use of the land according to the agricultural conservation easement. The land still is owned by the landowner and can be transferred, deeded, or sold, just as any other property. The ONLY land-management decision mandated by FRPP rules is that any Highly Erodible Land (HEL) be managed in accordance with a HEL compliance plan.

Q. Does the public have access to my property?

A. No, the landowner retains the right to allow or restrict access (including hunting access) to his/her property. However, the land trust that holds the easement requires access to monitor the property and ensure the terms of the easement are being met. Monitoring generally occurs once per year.

Q. Does the Adjusted Gross Income provision of the 2008 Farm Bill impact my participation in FRPP?

A. Yes, if you are an individual or business entity that has an average adjusted gross non-farm income exceeding \$1.0 million for the three tax years immediately preceding the application year, you are not eligible to receive program benefits or payments. However, an exemption is provided in cases where two thirds of the adjusted gross income is derived from farming, ranching, or forestry operations.

Q. What is the role of the land trust?

A. The land trust administers the easement acquisition and holds, manages, and enforces easements. A federal contingent right interest in the property must be incorporated in each easement deed to protect the federal investment if the cooperating entity terminates, defaults, or divests itself from the easement.

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice), or (202) 720-6382 (TDD).

Farm and Ranch Lands Protection Program

Factsheet for Wyoming Landowners

