

Applying for Federal Farm Conservation Programs

A federal farm conservation program contract (CPC) is a **legal, binding agreement** between the federal government and an eligible program participant. Under terms of the CPC, the participant receives a payment for implementing a conservation practice. The federal government receives, in exchange, off-farm environmental benefits associated with the conservation practice.

Understanding that basic exchange is key to understanding why only a limited number of practices associated with high priority environmental concerns are available for a CPC, why practices vary

from state to state as priorities change across regions, and why practices are required to meet minimum specifications prior to payment to ensure the environmental benefits are achieved.

The payment rate for each practice is established based on both the cost of practice implementation and the relative value of the environmental benefits received, as determined by the state technical advisory committee on an annual basis. Contract payments are made to participants based on the extent of the practice performed, reflective of the benefits received.

Programs Covered

- AMA** – Agricultural Management Assistance Program
- CRP** – Conservation Reserve Program
- CREP** – Conservation Reserve Enhancement Program
- CSP** – Conservation Stewardship Program
- EQIP** – Environmental Quality Incentives Program
- GRP** – Grassland Reserve Program
- WHIP** – Wildlife Habitat Incentives Program
- WRP** – Wetland Reserve Program

Definitions

Applicant – a private individual or entity that completes the application paperwork and identifies land to be enrolled in the program. The IRS identification number provided by the applicant is used to establish eligibility and generate IRS-1099s for the contract. Applicant names and ID numbers must be cross-checked against IRS records to verify eligibility before an application can be accepted.

Individual – an individual who controls the enrolled land and uses their personal social security number (SSN) to apply for conservation program assistance.

Entity – any partnership, joint venture, corporation (limited liability or other), estate, trust, or non-profit association or group that controls the enrolled land and uses an employer identification number (EIN) or tax identification number (TIN) to apply for conservation program assistance.

Application Forms

Applications are available at any USDA Service Center, or you can request them to be sent to you by calling your local USDA Service Center.

There are different forms used by the programs:

CRP and CREP - Conservation Reserve Program Worksheet (CRP2)

AMA, WHIP, CSP and EQIP - Conservation Program Application (NRCS-CPA-1200)

GRP and WRP - Application for Long-Term Contracted Assistance (AD1153)

Eligibility Documentation

Applicants interested in entering into a CPC must meet the eligibility criteria established by Congress in the Farm Bill. These requirements are the applicant's responsibility to demonstrate, through the timely filing of several documents as described below.

For an entity such as a family owned business or non-profit, the person who completes the application must have the legal authority to do so by having signature authority to act on behalf of the entity.

Entities will need to submit, with their application, the corporate papers, power of attorney (form **NRCS-CPA-09** or **FSA-211**), or notarization from the entity that has authorized a person to act on the entity's behalf. They must also use the exact name of the legal entity and correct EIN/TIN on all paperwork. In addition, all members of the entity will be required to individually complete certain documents.

Other Forms Required

- All applicants are required to complete a *Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification (AD-1026)* if one is not already on file for the current crop year. *Even if you do not own or operate any cropland, you are still required to complete an AD-1026.*
- Applicants are required to fill out a *Payment Eligibility Average Adjusted Gross Income Certification (CCC-926)*. Federal conservation programs exclude from eligibility applicants who have an average annual adjusted gross income (AGI) greater than \$1 million for the three tax years preceding the application fiscal year, unless more than 2/3 of their AGI is derived from farming, ranching or forestry operations.
- For all entities, a **CCC901A** form is needed to identify the members of the entity and the percent ownership of each member.
- Form **CCC-902** may be required by the Farm Service Agency (FSA) to determine the applicant eligibility for some program payments. Original legal documents for the applicant must accompany these forms, providing supporting documentation for their farming operation.
 - CCC902-P** – for an Individual Person
 - CCC902-E**– for a Joint Venture, Corporation, General Partnership, Limited Partnership, or other Entity
- A Direct Deposit Sign-up Form (**SF-1199a**) with electronic funds transfer information is required to establish the vendor record and ensure the correct name and tax ID have been used. All USDA program payments are issued through direct deposit.
- New applicants to the Natural Resources Conservation Service (NRCS) are required to complete a **Conservation Planning Worksheet** that provides basic information about their farm operation, resource concerns, and goals.
- Applicants may also be asked to verify their status using IRS tax records if they self-certify as a Beginning Farmer.

Summary of Application Steps

1. The **applicant** indicates interest in one or more programs and completes the program application form, all eligibility documentation, and the Conservation Planning Worksheet.
Applicants typically have 30 days from the date of the original application to correctly complete all eligibility paperwork.
2. **USDA** completes an initial evaluation of the land with the eligible **applicant**. This may include NRCS visits to the property or applicant visits to the service center office to discuss conservation alternatives and program requirements. Any **applicant** who does not own the enrolled land will also be required to obtain the landowner's signature to apply for permanent practices.
3. **USDA** completes a proposed Schedule of Operations, including proposed payments, and finalizes the program application package. The **applicant** reviews, makes corrections to and signs the final program application package. ***This indicates agreement with the items, including the schedule, extent and payment amounts, in the contract.***
Only limited changes to the application will be allowed after this point, so it is important for the **applicant** to be fully engaged in this step.
4. **USDA** selects applications for contracting based on available funding.
5. The **applicant** and **USDA** complete contract documents. The applicant should be aware of all contract terms, penalties for non-compliance and requirements for implementation before signing. The applicant may then begin implementing the contracted practices.
6. Some forms may need to be updated annually if the **applicant** is not funded in the original application year. Once an application is funded, the **applicant** must also continue to maintain eligibility throughout the contract period in order to receive program payments.

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