



Natural Resources Conservation Service  
P.O. Box 2890  
Washington, D.C. 20013

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CONSERVATION PROGRAMS MANUAL (CPM)  
440-CPM  
Circular No. 17, Part 517

March 16, 2010

Subject: CPM - Fencing Policy Clarification

**Purpose.** To clarify when fencing may be an eligible practice cost for financial assistance programs. This includes clarification on fencing in fields that are exiting the Conservation Reserve Program (CRP), and lands that are involved in the Sage Grouse Initiative (SG).

**Effective Date.** This circular is effective upon receipt.

**Issue.** Current policy in the Wildlife Habitat Incentive Program (WHIP) does not allow for the payment of boundary or property lines fences unless "the fence is an integral part of a conservation management system, such as a planned grazing system that facilitates improved management of grazing land, or protects certain areas from livestock or fish or wildlife habitat when it is necessary for proper use of the area."

**Background.**

**Conservation Reserve Program.**—Land enrolled in the CRP represents a substantial investment of Federal funds to protect designated highly erodible and other sensitive lands. These lands provide resource benefits, including but not limited to wildlife habitat, soil erosion control, carbon sequestration, water quality, and ground water recharge. There is a strong potential that, as CRP contracts expire, perennial cover will be converted to annual cropping, and some of these resource benefits will be lost.

Producers who currently own or operate CRP land may request NRCS assistance in the development of grazing or upland wildlife habitat management systems that would retain these lands in permanent cover. Specifically, NRCS assistance would entail financial or technical assistance through WHIP. NRCS conservation practices that may typically be utilized include prescribed grazing, livestock watering systems, upland wildlife habitat, permanent fencing, etc.

**Sage Grouse.**—Lands in sage grouse habitat contain wintering areas and leks that require fencing to be located specified distances to prevent accidental mortality to the sage grouse.

**Policy clarification:** The table in Title 440, Conservation Programs Manual, Part 517, Subpart D, is modified to clarify when fencing may be an eligible practice cost for financial assistance programs. This includes clarification on when financial assistance for fencing land exiting CRP can be addressed with current WHIP policy. The amended table follows, and will be included in the WHIP manual when it is reissued.

/s/ Gregory K. Johnson for

**CRAIG R. DERICKSON**  
Deputy Chief for Financial Assistance  
and Community Development

Attachment

**Part 517 – Wildlife Habitat Incentive Program**  
**Subpart D – Program Payment Schedules**

**517.32 Example Cost Table**

**E. Cost Table**

<b>Category</b>	<b>Examples of Ineligible Costs</b>	<b>Examples of Eligible Costs</b>
<p>Fencing—Boundary or property line fences.</p>	<p>To separate ownership or exclude livestock from transportation networks, residential, commercial, or industrial areas.</p>	<p>Must relate to the protection, restoration, development, or enhancement of habitat for prioritized wildlife, such as fencing a riparian area to exclude livestock.</p> <p>Lands exiting CRP install fencing as an integral part of a grazing management system resulting in permanent cover and providing prioritized wildlife benefits.</p> <p>The fence is an integral part of a conservation management system, such as a planned grazing system that facilitates improved management of grazing land and protects certain areas for prioritized wildlife needs from livestock.</p>