

## Key Points

May 2009

## Grassland Reserve Program

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- The Grassland Reserve Program (GRP) is a voluntary program that helps landowners and operators protect eligible grazing lands, including rangeland, pastureland, shrubland and certain other lands using rental contracts or conservation easements. Restoration agreements on either rental contracts or conservation easements may be required for some properties.
- The program emphasizes support for working grazing operations, enhancement of plant and animal biodiversity, and protection of grasslands under threat of conversion to cropping, urban development and other activities.
- GRP is implemented jointly by the USDA Natural Resources Conservation Service (NRCS) and the USDA Farm Service Agency (FSA). Program funding comes through the Commodity Credit Corporation.
- Eligible land includes privately owned grasslands; land that contains forbs (including improved rangeland and pastureland or shrubland) for which grazing is the predominant use; or land that is located in an area that historically has been dominated by grassland, forbs, or shrubland that has the potential to serve as wildlife habitat of significant ecological value.
- There is no minimum acreage for enrollment. Land is not eligible if it is currently enrolled in another conservation program or is already protected by an existing easement, contract or deed restriction or is owned by a conservation organization.
- A grazing management plan is required for all GRP rental contracts and easements. A grazing management plan addresses resource concerns on land where grazing related activities or practices are planned and applied. This plan will include any restrictions to haying, mowing, or harvesting for seed production during the nesting season for grassland birds in the local area that are in significant decline.
- The Adjusted Gross Income (AGI) provision of the 2008 Farm Bill impacts eligibility for GRP and several other programs. Individuals or entities that have an AGI exceeding \$1 million for the three tax years immediately preceding are not eligible to receive program benefits or payments. However, an exemption is provided in cases where 2/3 of the AGI is derived from farming, ranching, or forestry operations.
- Interested landowners may submit applications under a continuous sign-up. Cutoff dates for ranking applications are determined by the NRCS State Conservationist in consultation with the State Technical Committee.
- Ranking criteria emphasize support for grazing operations, protection of grassland, land that contains forbs, and shrubland at the greatest risk from the threat of conversion to uses other than grazing,



plant and animal biodiversity and leveraging of non-Federal funds. Priority will be given to Conservation Reserve Program (CRP) contracts expiring this year (up to 12 months before enrollment) for easements and 20-year GRP rental contracts. Expired CRP lands will not exceed 10% of the total acres in GRP.

- To participate in a GRP rental contract, applicants must own or have control of the eligible land under consideration for the intended contract period. Rental contracts are for a minimum of 10 years, but applicants may also choose a 15-year or a 20-year contract term. FSA establishes rental rates for all counties at 75% of the grazing value.
- To participate in a GRP conservation easement, applicants must own the eligible land, and be willing to restrict uses in perpetuity or to the maximum duration allowed under state law. GRP easements may be held by the United States or by an eligible entity.
- A conservation easement (sometimes also referred to as a conservation restriction) is a voluntary, legal agreement between a landowner and the US Government or eligible entity that permanently limits uses of the land in order to protect its conservation values. It allows you to continue to own and graze your land and to sell it or pass it on to heirs.
- An eligible entity is a unit of state or local government, Indian tribe or land trust that demonstrates it has the relevant experience and resources to administer a GRP easement. Its charter or mission describes its long term commitment to conserving rangeland, agricultural land, or grassland for grazing and conservation purposes. NRCS evaluates an entities capacity to acquire, manage and enforce easements; it's staffing and the ability of an entity to provide matching funds before entering into a cooperative agreement.

- A cooperative agreement is the legal agreement with which the Federal Government establishes partnerships with eligible entities. This agreement provides the terms and conditions for the GRP easement held by an entity.
- GRP easements and rental contracts prohibit the production of crops, fruit trees, vineyards or other agricultural commodities and other activities inconsistent with maintaining grazing uses and related conservation values.
- GRP easements and rental contracts allow common grazing practices, including those related to forage and seed production. Fire pre-suppression activities such as building fire breaks and prescribed burning are allowed as well as grazing related activities such as fencing and livestock watering facilities.
- The NRCS, working through the Conservation Districts and with participants, will determine if a restoration agreement is necessary. The restoration agreement identifies conservation practices and measures necessary to improve the grassland and shrubland functions and values.
- Both rental contracts and restoration agreements have a \$50,000 annual payment limitation per person per year. Restoration payments are made after practice implementation, at 50% of the actual cost.

### ***More Information***

If you need more information and updates about the GRP, please contact your local USDA Service Center or State Office. Information is also available on the World Wide Web at: <http://www.nrcs.usda.gov> and at: <http://www.fsa.usda.gov/>.

**Note:** This document is not intended to be a definitive interpretation of legislation and may change as USDA develops implementing policies and procedures. Please check back for updates.