

## **Fact Sheet: Grassland Reserve Program**

May 2009

### **Overview**

The Grassland Reserve Program (GRP) is a voluntary program for landowners and operators to protect grazing uses and related conservation values by conserving grassland, including rangeland, pastureland, shrubland, and certain other lands. The program emphasizes support for working grazing operations; enhancement of plant and animal biodiversity; and protection of grassland and land containing shrubs and forbs under threat of conversion.

GRP is authorized by the Food Security Act of 1985, as amended. The USDA Natural Resources Conservation Service (NRCS) and Farm Service Agency (FSA) jointly administer the program.

### **Eligibility**

Eligible applicants include:

- Landowners and operators who have general control of the acreage (for rental contracts);
- Landowners who can provide clear title on privately owned lands (for easements);
- Tribes.

The Adjusted Gross Income (AGI) provision of the 2008 Farm Bill impacts eligibility for GRP. Individuals or entities that have an average adjusted gross nonfarm income exceeding \$1 million for the three tax years immediately before the year the contract is approved 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.

Eligible land includes privately owned or Tribal 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.

### **Cooperating Entity Eligibility**

A unit of State, local, or Tribal government or a non-governmental organization that can demonstrate the following conditions may enroll eligible land under a cooperative agreement through an NRCS State office:

- A commitment to grazing land conservation;
- Capability to acquire, manage, and enforce GRP easements;
- Sufficient staff to monitor easement stewardship; and
- Availability of matching funds.

Non-governmental organizations are required to provide evidence of dedicated funding to ensure long-term management, monitoring, and enforcement.

Landowners working through a cooperating entity must meet program eligibility requirements. The land will be ranked using NRCS State ranking criteria.



### ***How GRP Works***

Applications may be filed for a rental contract or an easement with NRCS or FSA.

Participants voluntarily limit future development and cropping uses of the land while retaining the right to conduct common grazing practices and operations related to the production of forage and seeding, subject to certain restrictions during nesting seasons of bird species that are in significant decline or are protected under Federal or State law. Participants may conduct fire rehabilitation and construct firebreaks and fences.

GRP rental contracts and easements prohibit crop production (other than hay), fruit trees, and vineyards and any other activity inconsistent with maintaining grazing land. A grazing management plan is required.

Each State establishes ranking criteria to prioritize enrollment of working grasslands. Ranking criteria will consider threats of conversion including cropping, invasive species, urban development, and other activities that threaten plant and animal diversity on grazing lands.

GRP enrollment options include:

*Rental Contract.* Participants may choose a 10-year, 15-year, or 20-year contract. USDA will provide annual payments in an amount that is not more than 75 percent of the grazing value established by the Farm Service Agency. Payments will not exceed \$50,000 per year per person or legal entity and will be disbursed annually.

*Permanent Easement.* These conservation easements are perpetual, or the maximum length allowed by State law. Easement compensation will not exceed fair market value, less the grazing value of the land encumbered by the easement. "Grazing value" means the financial worth of the land used for grazing or forage production. Easement compensation will be the lowest of an area-wide market survey or appraisal, a Geographic Area Rate Cap, or the landowner offer.

USDA will provide all administrative costs associated with easement recording, including survey costs, title-insurance, and recording fees. Easement payments may be provided at the participant's request, in lump sum or annual payments (equal or unequal amounts), for up to 10 years.

*Restoration Agreement.* Certain grassland easements or rental contracts may be eligible for cost-share assistance up to 50 percent of the cost to re-establish grassland functions and values where the land has been degraded or converted to other uses. Participants may contribute to the application of a cost-share practice through in-kind contributions. The combined total cost-share provided by all sources may not exceed 100 percent of the total actual cost of restoration. Payments will not exceed \$50,000 per year per person or legal entity.

### ***Legislative and Regulatory Changes***

The 2008 Farm Bill:

- Increases the acreage that may be enrolled in the program by 1,220,000 acres during the years 2009 through 2012.
- Provides priority for enrollment of expiring acreage from the Conservation Reserve Program into the GRP, with a limit of 10 percent of the total acres enrolled that year.
- Authorizes USDA to enter into cooperative agreements with entities to enable them to acquire easements. The Federal government will pay up to 50 percent of the purchase price of the easement. The right to enforce the easement is the responsibility of the cooperating entity; if the entity fails to enforce the terms of the easement, Federal enforcement is required.

### ***More Information***

For more information and updates about the Farm Bill, visit [www.usda.gov/farmbill](http://www.usda.gov/farmbill), or the NRCS Web site at [www.nrcs.usda.gov/programs/farmbill/2008/](http://www.nrcs.usda.gov/programs/farmbill/2008/); for more information on GRP, visit [www.nrcs.usda.gov/programs/grp](http://www.nrcs.usda.gov/programs/grp).