

## EXHIBIT B – To National Instruction 440-310

### Agricultural Conservation Easement Program (ACEP) Ranking Guidance

#### (A) ACEP – Agricultural Land Easements (ALE)

- (1) Separate national ranking templates have been developed based on ALE-agreement type (ALE Cooperative/Grant Agreements and ALE Program Agreements) and enrollment type (ACEP-ALE General enrollments and ACEP-ALE Grasslands of Special Significance (GSS) enrollments).
- (2) States must create ranking pools in CART based on the available national ranking templates for the ALE-agreement types and enrollment types that occur in the State. The same questions for the ranking pool display group should be used by enrollment type, irrespective of the ALE-agreement type. For example, the ranking pool display group questions for General ALE enrollments will be the same for General ALE program agreements and General ALE cooperative/grant agreements and likewise the applicable ACEP-ALE-GSS questions will be the same for ACEP-ALE-GSS cooperative/grant agreements and ACEP-ALE-GSS program agreements. States may create additional ranking pools in CART from the applicable national ranking templates for ACEP-ALE General Sage Grouse, ACEP-ALE-GSS Sage Grouse, or State-identified resource concerns and priorities (see National Instruction (NI) 440-310, paragraph (1)D).
- (3) Points for ranking questions in the program priority and resource priority sections cannot exceed 400 points. The ranking questions in program priority section must only be comprised of those that address the ACEP-ALE national ranking criteria (7 CFR Section 1468.22(b)) and must comprise at least 50 percent of these 400 available points (at least 200 of 400 total points). The ranking questions in the resource priorities section may only be comprised of questions that address the ACEP-ALE State ranking criteria (7 CFR Section 1468.22(c)) and cannot exceed 200 points.
- (4) Required ranking criteria and questions:
  - (i) The following questions based on the ACEP-ALE national ranking criteria must be included in the program priorities section of the ranking pool display group for every ACEP-ALE ranking pool:
    - Percent of prime, unique, and important farmland soils in the parcel to be protected.
    - Percent of cropland, rangeland, grassland, historic grassland, pastureland, or nonindustrial private forest land in parcel to be protected.
    - Ratio of the total acres of land in the parcel to be protected to average farm size in the county according to the most recent USDA Census of Agriculture. ([USDA - NASS - Census of Agriculture](#))
    - Decrease in the percentage of acreage of farm and ranch land in the county in which the parcel is located between the last two USDA Censuses of Agriculture. ([USDA - NASS - Census of Agriculture](#))
    - Decrease in the percentage of acreage of permanent grassland, pasture, and rangeland, other than cropland and woodland pasture, in the county in which the parcel is located between the last two USDA Censuses of Agriculture. ([USDA - NASS - Census of Agriculture](#))
    - Percent population growth in the county as documented by the U.S. Census. ([Census Bureau Home Page](#))
    - Population density (population per square mile) as documented by the most recent U.S. Census. ([Census Bureau Home Page](#))
    - Existence of a farm or ranch succession plan or similar plan established to address agricultural viability for future generations.

- Proximity of the parcel to other protected land, such as compatible military installations; land owned in fee title by the United States or an Indian Tribe, State or local government, or by a nongovernmental organization whose purpose is to protect agricultural use and related conservation values; or land that is already subject to an easement or deed restriction that limits the conversion of the land to nonagricultural use or protects grazing uses and related conservation values.
  - Proximity of the parcel to other agricultural operations and agricultural infrastructure.
  - Parcel ability to maximize the protection of contiguous or proximal acres devoted to agricultural use.
  - Whether the land is currently enrolled in CRP in a contract that is set to expire within one year and is grassland that would benefit from protection under a long-term easement or is land under a CRP contract that is in transition to a covered farmer or rancher pursuant to 16 U.S.C. 3835(f) (range of points 5 to 20).
  - Land is grassland of special environmental significance that would benefit from protection under a long-term easement.
  - Percent of the fair market value of the agricultural land easement that is the eligible entity's own cash resources for payment of easement compensation to the landowner and comes from sources other than the landowner.
- (ii) The State-developed ranking questions that address the applicable ACEP-ALE State ranking criteria and must be populated in the resource priorities section of the ranking pool display group for every ACEP-ALE ranking pool.
- The location of a parcel in an area zoned for agricultural use.
  - The eligible entity's performance in managing and enforcing easements. Performance must be measured by the efficiency by which easement transactions are completed or percentage of parcels that have been monitored annually and the percentage of monitoring results that have been reported annually. For example, efficiency may take into account whether an eligible entity requested and received certification under ACEP-ALE and is operating as a certified entity, or for noncertified eligible entities, may include the eligible entity's election to attach the ALE minimum deed terms addendum as written or use of an EPD-approved entity-specific ALE deed template.
  - Multifunctional benefits of farm and ranch land protection including—
    - Social, economic, historic, and archaeological benefits;
    - Enhancing carbon sequestration;
    - Improving climate change resiliency;
    - At-risk species protection;
    - Reducing nutrient runoff and improving water quality;
    - Other related conservation benefits.
  - Geographic regions where the enrollment of particular lands may help achieve national, State, and regional agricultural or conservation goals and objectives, or enhance existing government or private conservation projects.
  - Diversity of natural resources to be protected or improved.
  - Score in the land evaluation and site assessment system as identified in 7 CFR part 658 or equivalent measure for grassland enrollments, to serve as a measure of agricultural viability (access to markets and infrastructure).
  - Measures that will be used to maintain or increase agricultural viability, such as succession plans, agricultural land easement plans (not including required highly erodible (HEL) conservation plans), or entity deed terms that specifically address long-term agricultural viability.
  - Criteria specific to ranking pools that will facilitate the prioritization of parcels within designated ranking pools that will best achieve ACEP-ALE purposes and

maximize the benefit of the Federal investment under the program for which the ranking pools were designated.

- (iii) See 440-CPM, Part 528.41, for additional information on ACEP-ALE ranking procedures.

(B) ACEP – Wetland Reserve Easements (WRE)

- (1) A single national ranking template has been developed for ACEP-WRE general enrollments. There is a separate national ranking template for ACEP-WRE Reserve Rights Grazing enrollments. For general ACEP-WRE enrollments, States must create at least one ranking pool in CART based on the available national ranking template for ACEP-WRE general enrollments. States wishing to utilize the Reserved Rights Grazing Option with ACEP-WRE funding must create at least one ranking pool in CART based on the Reserved Rights Grazing national ranking template for ACEP-WRE Reserved Rights Grazing enrollments. States may create additional ranking pools from the ACEP-WRE national ranking template for other applicable ACEP-WRE enrollment options offered within the State, such as ACEP-WRE bog turtle initiative, in areas with approved Wetland Reserve Enhancement Program agreements, or conversion of 30-year easement duration to permanent projects. States also have the option to create separate ranking pools in CART for the ACEP-WRE national ranking template for other State-identified resource concerns and priorities (see NI 440-310.1D).
- (2) States also have the option to create categories within a single funding pool instead of or in addition to creating separate ranking pools (see NI 440-310.1D).
- (3) Points for ranking questions in the program priority and resource priority sections cannot exceed a total of 400 points.
- (4) For ACEP-WRE, the States may develop the individual ranking questions used to address the required ranking criteria. These State-developed ranking questions must be included in the program priority or resource priority sections as identified below.
  - (i) The following ranking criteria must be addressed in State-developed ranking questions included in the program priorities section of the ranking pool display group for every ACEP-WRE ranking pool:
    - Cost effectiveness of enrolling the land to maximize the environmental benefits per dollar expended, applications that have a lower cost per environmental benefit ratio will receive higher rankings.
    - Whether the landowner or another person or entity is offering to contribute financially to the cost of the easement or other interest in the land to leverage Federal funds.
    - Extent to which ACEP-WRE purposes would be achieved on the offered land.
    - The productivity of the offered land.
    - The on-farm and off-farm environmental threats if the land is used for the production of agricultural commodities.
  - (ii) The following ranking criteria must be addressed in State-developed ranking questions included in the resource priorities section of the ranking pool display group for every ACEP-WRE ranking pool:
    - The conservation and environmental benefits of obtaining an easement or other interest in the land, including but not limited to—
      - Habitat that will be restored for the benefit of migratory birds and wetland-dependent wildlife, including diversity of wildlife that will be benefitted or life-cycle needs that will be addressed;
      - Extent and use of habitat that will be restored for threatened, endangered, or other at-risk species or number of different at-risk species benefitted;
      - Protection or restoration of native vegetative communities;

- Habitat diversity and complexity to be restored;
  - Proximity and connectivity to other protected habitats;
  - Extent of beneficial adjacent land uses;
  - Extent of wetland losses within a geographic area, including wetlands generally or specific wetland types;
  - Capacity of the wetland to improve water quality;
  - Water quantity benefits through increased water storage in the soil profile or through groundwater recharge Attenuation of floodwater flows;
  - Proximity to impaired water bodies;
  - Carbon sequestration;
  - Improving climate change resiliency.
  - Hydrology restoration potential, which must comprise at least 50 percent of the points for conservation benefits, should take into consideration:
    - The extent to which the original hydrology can be restored;
    - The extent to which the potential hydrology restoration or enhancement practices will successfully provide hydrologic conditions that are suitable for the needs of the native wetland-dependent wildlife species that occurred in the area and are appropriate to support the wetland functions and values being restored or enhanced on the site;
    - Physical site characteristics that affect hydrology restoration potential, including but not limited to—
      - Soil properties, such as soil texture, soil structure, and soil drainage classes;
      - Landscape features, such as geomorphic position, slope, and water table depths;
      - Flooding characteristics, including frequency, timing, duration, depth, and sources;
      - The source of the hydrology, the degree and type of hydrologic manipulation, existing connectivity and barriers to connectivity with hydrology sources;
      - As applicable, the reliability and availability of the water delivered through water rights, and the degree of reliance on such water rights to successfully restore hydrology.
- (iii) States may also include ranking questions that prioritize, in the program priorities section:
- Certain land types or geographic regions of the State where restoration of wetlands may better achieve State and regional goals and objectives.
  - Land that is currently enrolled in CRP in a contract that is set to expire within 1 year from the date of application or land under a CRP contract that is in transition to a covered farmer or rancher pursuant to 16 U.S.C. 3835(f) and such land is farmed wetland and adjoining land that has the highest wetland functions and values and is likely to return to production after the land leaves CRP (range of points 5 to 20).
- (iv) For ACEP-WRE, the requirement to provide higher ranking consideration to longer-term enrollments has been automatically included in the planned practice points calculated in the assessment portion of CART, based upon the selection of the easement program practice identifying the enrollment length (perpetual or 30-years).
- (v) See 440-CPM, Part 528.111, for additional information on ACEP-WRE ranking procedures.
- (vi) For applications converting an existing 30-year easement to permanent easement, that are not required to be ranked, however, in order to implement the Conservation Desktop and CART workflow a ranking pool must be developed.

- States will need to assess the 30-year easement for the resource consideration of Long-Term Protection of Land, loss of functions and values and plan the appropriate practices to acquire the permanent easement including LTPPE, permanent easement.
- The ranking pool display group should be created using the following parameters:
  - Applicability section – should be a text based question, “Is this assessment for a easement duration conversion from 30-Years to Permanent?”
  - Category section – should be a question developed based on State preference, for example “Is this assessment located in [State]?”
  - Program Priorities section – should be a text based question, “Has the State Conservationist determined that the additional protection is of significant environmental value for this assessment?”
  - Resource Priorities section – should be a text based question, “Is the existing 30-year easement in compliance based on the most recent monitoring report and has no outstanding violations or enforcement issues?”