

# ACEP-ALE PROGRAM AGREEMENT INFORMATIONAL SHEET – APRIL 2020

## BACKGROUND

ACEP-ALE prior to fiscal year 2019 utilized only cooperative or grant agreements with eligible entities. The ACEP Statute allows partnership agreements to execute and distribute the funds needed for easements. ACEP-WRE currently uses this authority to enter into an option agreement to purchase with landowners. The ACEP-ALE program agreement concept utilizes the same partnership agreement authority for ACEP-ALE.



## PROGRAM AGREEMENTS WITH PARCEL CONTRACTS

ACEP-ALE agreements consist of a two-document structure. In the first document, known as the program agreement, the ACEP-ALE eligible entities sign an agreement describing the ACEP-ALE roles and responsibilities for eligible entity participants and for NRCS. There are no funds obligated in the program agreement.

The second document, known as the parcel contract, provides the funds for the individual easement between NRCS and the entities involved in the acquisition of the individual parcel. The parcel contract details the funding and cost-share for the ACEP-ALE easement. The parcel contract is similar in concept to an Environmental Quality Incentives Program (EQIP) contract or other NRCS cost-sharing contracts, and the parcel contract lists the easement and associated actions as cost-shared items in which NRCS provides funding assistance.

## ACEP-ALE PROGRAM AGREEMENT PILOT IN FISCAL YEAR 2019

ACEP-ALE program agreements were successfully piloted in four States in Fiscal Year 2019. The States were allocated funds to enroll ACEP-ALE easements using the program agreement and parcel contracts. The Easement Programs Division (EPD) staff trained NRCS state office staff on the program agreement implementation and provided a webinar to eligible entities within these pilot States. EPD collected feedback and input from NRCS state office staff and entity staff prior to initiation of the pilot after the webinars. The pilot resulted in five individual program agreements and obligation of 39 parcel contracts for \$14.1 million and allowed for obligation through the end of the fiscal year.

### **PROGRAM AGREEMENT CONCEPT CHANGES FROM COOPERATIVE AGREEMENTS**

- Removes flexibility to move funds between parcels as funding is only tied to one parcel
- Agreements require all roles of entities involved
- Entities will be required to formally provide all partners upfront or through amendment
- Program Agreement provides framework but will only receive funding in a parcel contract
- Applicants will have to enter into program agreement prior to receiving funding in parcel contracts

### **PROGRAM AGREEMENT ADVANTAGES**

- Program Agreement lists all possible entities in easement transactions
- Entities can clearly identify their potential roles and modify agreement to add additional entities
- Funds and parcels identified in the cost-share contracts
- Simplifies agreement approval
- Minimizes time and need for amendments
- Better defines roles of entities who have interests and responsibilities in individual parcels
- Parcels can be funded at varying times of Program agreement lifetime
- Retains ability to substitute parcels in a parcel contract

### **FY2020 ACEP-ALE Program Agreements and Parcel Contracts**

All States have the authority to utilize ACEP-ALE program agreements and parcel contracts in FY 2020. Eligible entities can apply for an ACEP-ALE program agreement utilizing form NRCS-CPA-41 “Entity Application for an Agricultural Land Easement (ALE) Agreement.” The program agreement duration can be for up to five years.

Eligible entity can also apply for individual ACEP-ALE parcel contracts concurrently with the program agreement and subsequently for the life of the program agreement, utilizing form NRCS-CPA-41A “Parcel Sheet for Entity Application for an Agricultural Land Easement (ALE) Agreement.”