# **Farm Service Agency**



Fact Sheet March 1999

# **Conservation Reserve Program - North Carolina Enhancement Program**

## Background

USDA's Commodity Credit Corporation (CCC) and the State of North Carolina have agreed on a plan to implement a Conservation Reserve Enhancement Program (CREP) to improve the water quality of the Albemarle-Pamlico Estuary.

This voluntary program encourages farmers to enroll in the Conservation Reserve Program (CRP) in contracts of 10 to 15 years duration to remove lands from agricultural production. CRP is a CCC program implemented through the Farm Service Agency.

The North Carolina CREP was developed to help protect the Albermarle-Pamlico Estuarine System (APES) from the effects of excessive nutrient and sediment loading due to agricultural runoff. The State of North Carolina and the U.S. Environmental Protection Agency (EPA) targeted the APES for protection as signs of environmental stress became increasingly evident in the area.

#### **Program Targets**

The program is targeted primarily in the Neuse, Tar-Pamlico, and Chowan River Basins. 95,000 acres will be allocated among these watersheds. The remaining 5,000 acres are allocated to the Jordan Lake watershed.

## **Program Responsibilities**

For an enrollment of 100,000 acres, the financial Federal and State obligation will be approximately \$275 million over 15 years, with \$221 million coming from the Federal Government, and \$54 million coming from the State.

The State share is approximately 20 percent of the total program costs and the Federal Government share is approximately 80 percent.

# Payments and Incentives

The annual rental payment is based on the soil rental rate as calculated by the Farm Service Agency. It includes an incentive payment above the mean annual per acre rental rate based on the conservation practice installed. Incentive rates will be 70 percent for filter strips and 100 percent for riparian buffers and wetland restoration.

The Federal Government will pay 50 percent of the cost of installing conservation practices (installing new vegetation, fencing, etc.). For producers who enroll solely in a 15-year CREP contract, the State will pay 25 percent of the cost of establishing trees, 20 percent of the approved costs of livestock exclusion and remote watering, and 10 percent of the costs of installing grassed filter strips.

Participants will receive \$5 per acre for annual maintenance regardless of the conservation practice installed.

For producers who also enroll in North Carolina CREP permanent or 15-year conservation agreements, North Carolina will provide a onetime bonus payment.

Regardless of the type or length of CREP agreement, lands enrolled in trees will receive \$100 bonus payment per contract.

# Eligible Practices

Eligible CRP practices are:

CP 3A (Hardwood Tree Planting)

CP 21 (Filter Strip)

CP 22 (Riparian Buffer)

CP 23 (Wetland Restoration)

CP 25 (Rare and Declining Wildlife Habitat)

Producers may also offer eligible acreage for general or continuous CRP signup.

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