

# 2018 Farm Bill Update

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# Farm Bill Timeline

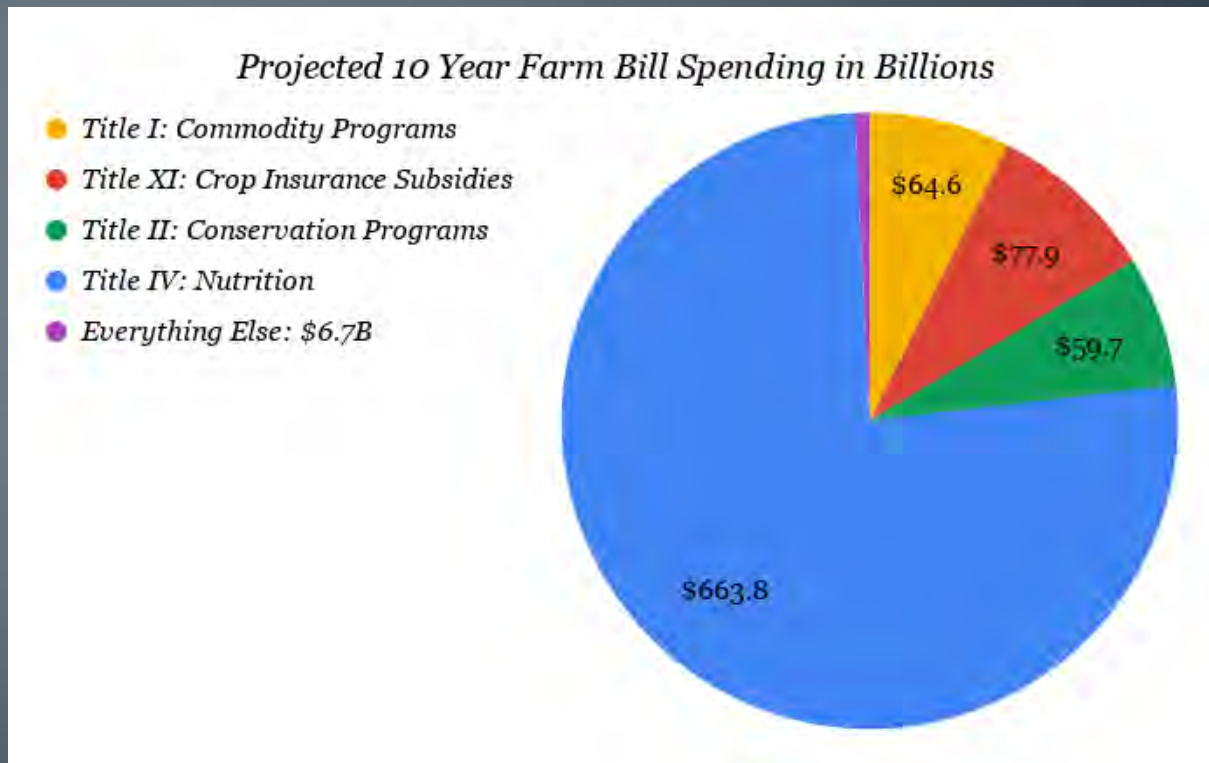
- Signed into law **December 20, 2018**
- Government shutdown may slow implementation
  - new funding levels and program changes timeline

## Rulemaking

- **Process of taking the legislative language and putting it into regulations and practice**
- Takes time
- Public comments

# Agricultural Improvement Act of 2018

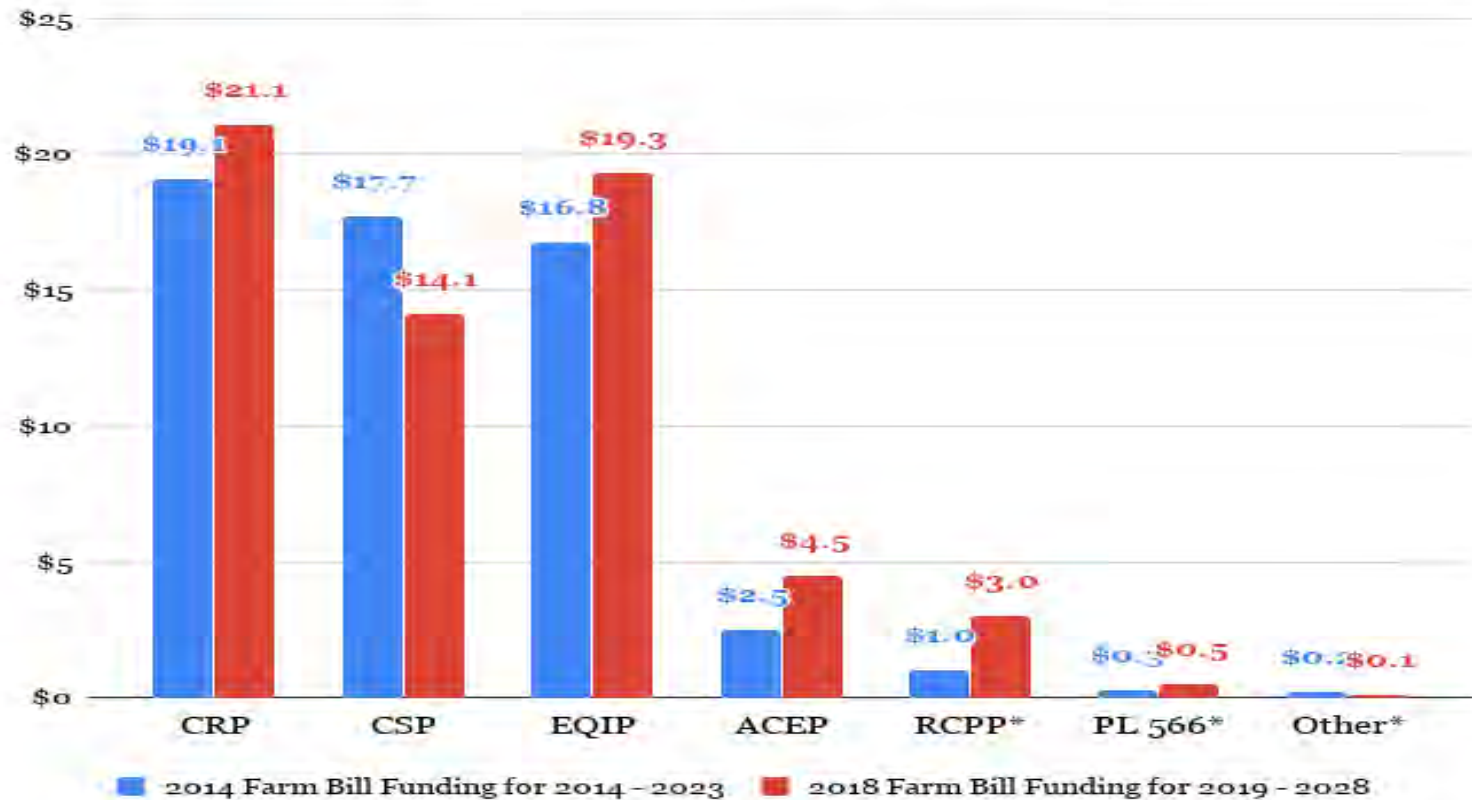
## Overview of Funding



Source: National Sustainable Ag Coalition

# Farm Bill Conservation Funding

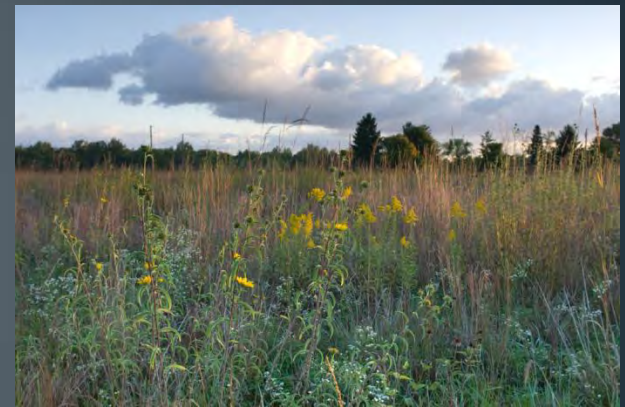
*Conservation Funding in the Farm Bill*  
Projected 10 Year Funding in Billions



Source: National Sustainable Ag Coalition

# Conservation Reserve Program (CRP)

- 22.4 million acres nationwide currently
- 1,078,937 acres in Nebraska
  - High of 1.37 million acres in 1994
  - 347,022 acres of grassland CRP



## New Farm Bill

- CRP acreage cap will increase 3 million acres to **27 million acres**
  - 1 million acres for general and continuous CRP
  - 2 million acres designated for grassland CRP



# Conservation Reserve Program (CRP)

- limits rental rates for **general** CRP contracts to **85% of the county average soil rental rate**
- limits rental rates for **continuous** CRP contracts to **90% of the county average soil rental rate**
  - these rates apply for reenrolled CRP as well as previously enrolled acres
  - a producer with less productive soils could still get 100% of their calculated soil rental rate as long as it is equal or less than 85% or 90% of the county average
  - these reductions may be waived through negotiation with a CREP partner

# Conservation Reserve Program (CRP)

- Retains the Practice Incentive Payment for continuous practices
- Cost share cannot exceed 100% of the cost of establishing the practice
  - Limits cost share for seed to 50% of seed cost
- New continuous practice enrollments will receive a **Signing Incentive Payment equal to 32.5%** of first annual rental payment
  - Had been a flat rate per acre of \$7.50-\$15.00/acre/year depending on practice

# Conservation Reserve Program (CRP)

- More wildlife habitat
- Opportunities for landowners to enroll
- Migratory Bird SAFE continues

Questions and Discussion





# Environmental Quality Incentives Program (EQIP)

## New Farm Bill

- Provides mandatory funding at the following levels:
  - \$1.75 billion for FY 2019 and 2020
  - \$1.80 billion for FY 2021
  - \$1.85 billion for FY 2022
  - \$2.025 billion for FY 2023
    - Had been \$1.75 billion



# Environmental Quality Incentives Program (EQIP)

- **Increases funding for wildlife habitat from 5% to 10%**
  - Wildlife Fund Pool
  - Should translate to an increase from about \$1 million to +\$2 million
- Wildlife practices can be up to 10 years in length
- States can designate 10 high priority practices that offer 90% cost share
- Incorporates elements of CSP



# Working Lands for Wildlife

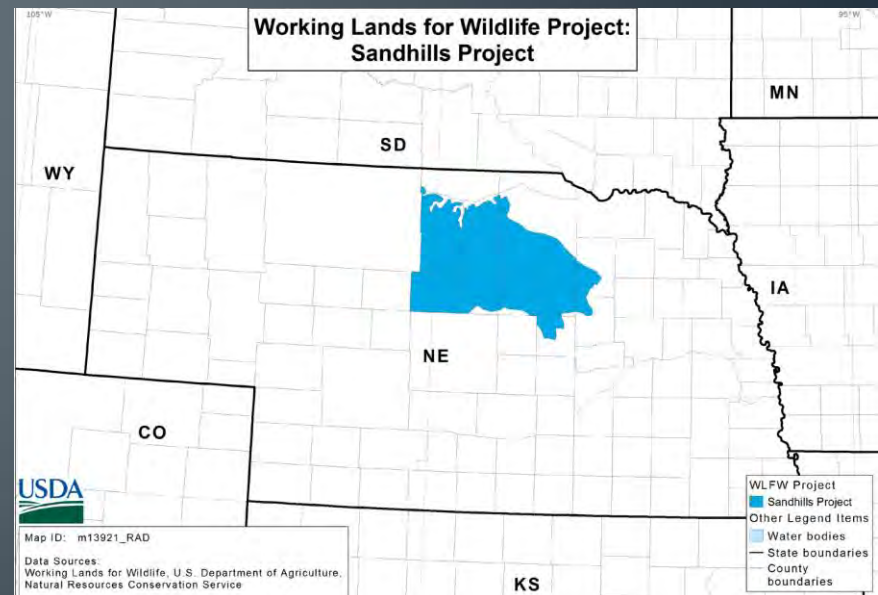
Partnership between USDA and USFWS

## Eastern Sandhills Project

- Grassland management - cedar control, grazing systems, habitat management
- RWBJV is a partner

## New Farm Bill

- In statute
- Includes CRP as eligible program



# Environmental Quality Incentives Program (EQIP)

## Opportunities

- More flexibility
- More funding for wildlife fund pool:
  - prescribed burning, Eastern redcedar control, WLFW
- New ideas (precision ag)

## Questions and Discussion

# Agricultural Conservation Easements Program (ACEP)

Agricultural Land Easements (ALE)

Wetland Reserve Easements (WRE)

- 30 year or permanent easements

## New Farm Bill

- \$450 million per year
- Certified entities
- Prioritizes management and enhancement of existing easements



Photo credit: Nebraska Land Trust



# Wetland Reserve Easements (WRE)

- More than **78,000 acres** enrolled in Nebraska (600+ contracts)
  - 30 year or permanent easements



## New Farm Bill

- Reserved Grazing Rights- requires a grazing management plan that is updated at least every 5 years
- Water quality as acquisition priority
- Removes requirement for consultation with USFWS

# Agricultural Land Easements (ALE)

## New Farm Bill

- Provides any combination of cash, charitable donation, and costs associated with securing the deed as non-federal share of easement
- Removes requirement of 50% cash match when a charitable donation
- Removes requirement for conservation plan, except for highly erodible land
- Land enrolled in ALE may also be enrolled in CRP



Photo credit: Nebraska Land Trust

# Agricultural Conservation Easements Program (ACEP)

- More funding
- More flexibility for match
- Additional certified entities (Nebraska Land Trust)

## Questions and Discussion



# Conservation Stewardship Program (CSP)

- Currently 6.3 million acres enrolled in Nebraska
- \$58 million in annual payments



## New Farm Bill

- Funding- \$700 million, increasing to \$1 billion in 2023
- Streamlined and coordinated procedures for CSP and EQIP
- Grassland Conservation Initiative
  - 5 year contracts for protecting grazing use, soil, water, and wildlife

# Regional Conservation Partnership Program (RCPP)

- Divots in the Pivots
- Cover Crops
- Grassland Bird



## New Farm Bill

- \$300 million per year
- RCPP becomes a stand alone program
- Enrollment is streamlined
- CRP is included as an eligible program
- More flexibility for projects



# Voluntary Public Access-Habitat Incentive Program (VPA-HIP)

## Open Fields and Waters Program (OFW)

- More than **317,000** acres for fishing and hunting access in 2018-19

## New Farm Bill

- A total of **\$50 million in mandatory funding** for the 5 year Farm Bill
- Directs **\$3 million** to encourage **WRP/WRE enrollment**

# Compliance

## Conservation Compliance retained

- Highly erodible land and wetland conservation compliance is required for producers to receive crop insurance premium assistance.

## Sodsaver retained

- Reduces crop insurance premium subsidy (by 50 percentage points) for four years if a landowner breaks native sod.
  - Reduction in base yield to 65% of 10 year avg.
- 6 States: NE, IA, SD, ND, MT, and MN
- Requires USDA to report on sodbusted acres annually

# Take Home Messages

Overall, funding for conservation increased

- CRP acreage cap increased **3 million acres**
- EQIP wildlife fund increases from 5% to **10%**
- Working Lands for Wildlife strengthened
- Wetland Reserve Easement funding improved
- RCPP was expanded and opportunities increased

Funding for hunting and fishing access was retained and **increased**

Compliance and Sodsaver **retained**

# Questions?

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FARM BILL