

AGRICULTURAL CONSERVATION EASEMENT PROGRAM

AGRICULTURAL LAND EASEMENTS

OVERVIEW

The Agricultural Conservation Easement Program (ACEP) is a voluntary federal conservation program implemented by the USDA Natural Resources Conservation Service (NRCS). The program protects agricultural land and conserves wetlands. There are two enrollment options: Agricultural Land Easements (ALE) and Wetland Reserve Easements (WRE).

ACEP-ALE provides matching funds to eligible entities to buy conservation easements on farm and ranch land. The purpose of the program is to "... protect the agricultural use and future viability, and related conservation values, of eligible land by limiting non-agricultural uses of that land; and protect grazing uses and related conservation values by restoring and conserving eligible land" (16 U.S.C. § 3865). In general, NRCS may pay up to 50 percent of the appraised fair market value of the easement, though a waiver is available to increase the cost-share for grasslands of special environmental significance. The ACEP-ALE component consolidates the Farm and Ranch Lands Protection Program (FRPP) and the Grassland Reserve Program (GRP).

ELIGIBILITY

Eligible Land

To be eligible for enrollment, the land must:

- Be privately owned or tribal agricultural land on a farm or ranch;
- Be subject to a written pending offer from an eligible entity to purchase an agricultural land easement;
- Contain at least 50 percent prime, unique, or farm or ranch land of state or local importance; contain historical or archaeological resources; protect grazing uses and related conservation values; **or** support a state or local policy consistent with the purpose of the program;

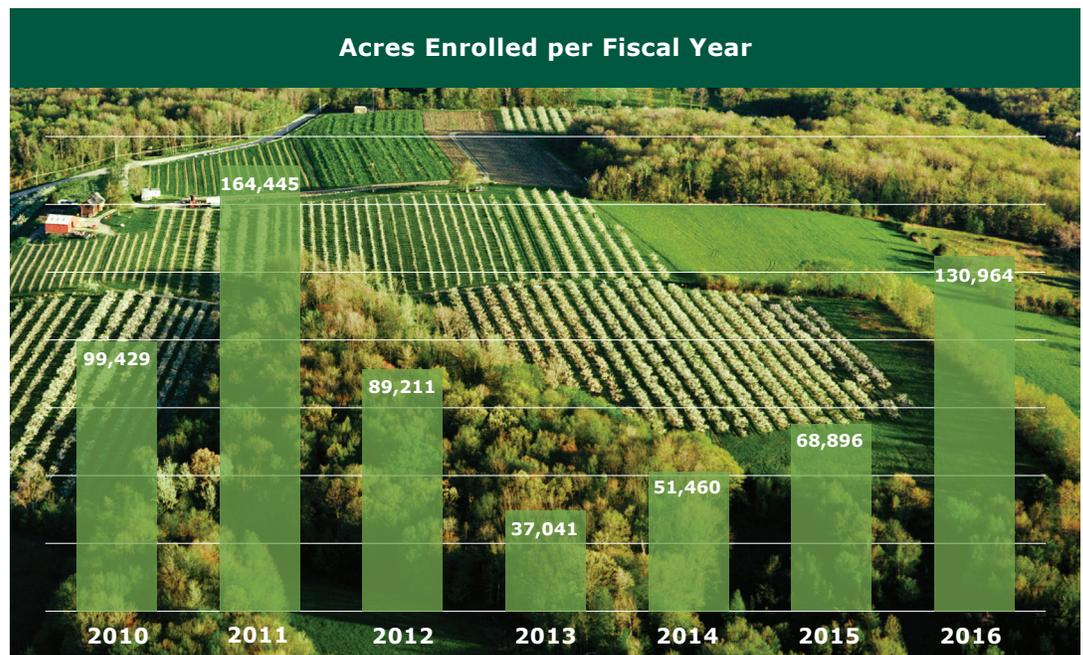
- Be identified as cropland, pastureland, rangeland, grassland or other grazing land, and/or nonindustrial private forest land that contributes to the economic viability of the parcel or serves as a buffer from development;
- Have access to markets, infrastructure and other agricultural support services; and
- Be experiencing development pressure.

Forest land may not make up more than two-thirds of the acreage submitted in the pending offer, but the NRCS State Conservationist can waive the limit for sugar bush acreage that contributes to the viability of the operation. NRCS requires a forest management plan for forest land in excess of 40 acres or 20 percent of the enrolled easement area. Other incidental land may be considered eligible if inclusion would help with management of the easement.

Eligible Landowners

Landowners are individuals, legal entities or Indian tribes that own land or have an agreement to purchase land. Eligible entities usually are not considered landowners unless the NRCS Chief makes an exception. Eligible landowners must:

- Comply with USDA's conservation requirements for highly erodible land and wetlands;



- Meet the new Adjusted Gross Income (AGI) limits for program eligibility. Landowners that have an average AGI exceeding \$900,000 for the three preceding tax years are not eligible. This is a significant change from the 2008 Farm Bill, which set a \$1 million nonfarm income limit for conservation programs and allowed a waiver to the AGI limit if at least 66 percent of the participant's income was from farming;
- Agree to provide access to the property and other information to NRCS to determine eligibility; and
- Have records established in the USDA Service Center Information Management System (SCIMS)—a repository of customer information for Farm Service Agency (FSA), NRCS and Rural Development. Landowners and eligible entities can work with FSA to set up customer records.

Eligible Entities

Eligible entities are federally recognized Indian tribes, states, units of local government or nongovernmental organizations that buy agricultural land easements to protect agricultural uses, including grazing, and related conservation values. "Nongovernmental organization" means a tax-exempt organization as described in sections 501(c)(3) and 509(a)(1-3) of the Internal Revenue Code that was formed for one of the conservation purposes set forth in Internal Revenue Code Section 170(h)(4)(A). These purposes include the preservation of land areas for outdoor recreation, natural habitat, open space—including farmland and forest land—and the preservation of historic resources.

Eligible entities must demonstrate to the applicable State Conservationist:

- Authority and capacity to acquire, manage and enforce conservation easements;
- An established farmland protection program that buys conservation easements to protect agricultural use and related conservation values by limiting non-farm development;
- Commitment to long-term conservation of agricultural lands;
- Staff dedicated to easement monitoring and stewardship (in house or through agreements with other entities);
- Funds available at the time of application to meet the entity's cost-share; and
- The ability to meet the program requirements.

CERTIFICATION

The 2008 Farm Bill established "certified entities" as a special class of eligible entities that have demonstrated a capacity to complete agricultural land easement acquisitions and an ongoing commitment to monitoring and stewardship. NRCS has streamlined procedures and clarified the certification benefits since the initial rounds.

Entities submit written requests for certification at any time to the applicable State Conservationist. Entities seeking certification in multiple states must submit their request to the State Conservationist for the state in which the entity has

completed the most FPP/FRPP/ACEP-ALE projects and list all states for which it is seeking certification.

To be certified, eligible entities must:

- Agree to use the preferred easement valuation methods outlined in federal regulations for ACEP-ALE funded projects;
- Hold, manage and monitor a minimum of 25 agricultural conservation easements, unless the State Conservationist has granted a waiver in which case an entity may hold as few as 10 conservation easements;
- Hold at least five agricultural conservation easements funded by the federal farmland protection program;
- Demonstrate ability to complete projects in a timely manner unless a waiver is secured from the State Conservationist;
- Have the capacity to enforce the terms of the easements;
- For nongovernmental organizations, possess a dedicated fund for the management, monitoring and enforcement of easements held by the entity; and
- Agree to use the ACEP-ALE "grant agreement."

NRCS Regional Conservationists make final determinations based on State Conservationists' recommendations. Certified entities may enter into an ACEP-ALE grant agreement with NRCS for up to five years, use their own deed terms and conditions, and bypass NRCS review of appraisals, deeds and titles prior to closing. NRCS will review a percentage of easements closed each year to ensure that entities continue to meet certification standards.

APPLICATION AND RANKING PROCESS

NRCS accepts applications for ACEP-ALE on a continuous basis, but NRCS state offices may opt to announce one or more application rounds each fiscal year.

Landowners apply to eligible entities who then submit applications to the State Conservationist. NRCS state office staff review applications to determine eligibility and to rank projects received before the cutoff date.

The State Conservationist prioritizes parcels for funding using a combination of state and national ranking criteria. National criteria account for at least 50 percent of the total score and include:

- Percent of prime, unique and important soils;
- Percent of cropland, pastureland, historic grassland, grassland and rangeland, or nonindustrial private forest;
- Ratio of total acres to average farm size in the county;
- Percent decrease in the acres of farm and ranch land in the county between the last two USDA Censuses of Agriculture;
- Percent of county population growth;
- Population per square mile;
- Existence of a farm or ranch succession plan or similar plan to address future farm viability;
- Proximity to other protected land;

- Proximity to other agricultural operations and infrastructure;
- Maximizing the protection of contiguous or proximal acres devoted to agricultural use;
- CRP enrollment status (whether current contract is set to expire within one year and land is grassland that would benefit from protection under a long-term easement);
- Decrease in the percentage of permanent grassland, pasture and rangeland in the county; and
- Other criteria determined by NRCS.

State Conservationists with advice from state technical committees—advisory groups made up of representatives from state and federal agencies and the private sector—develop state criteria. State offices post the current ranking worksheet prior to an announced application deadline. State criteria may only include:

- Location in an area zoned for agriculture;
- Entity’s experience managing and enforcing easements;
- Additional values including: social, economic, historical and archaeological benefits, carbon sequestration, climate change resiliency, at risk species protection or other conservation benefits;
- Regions where enrollment may help achieve national, state and regional conservation goals or enhance existing conservation projects;
- Diversity of natural resources to be protected or improved;
- Land Evaluation and Site Assessment score or similar measure for grasslands; and
- Other criteria determined by NRCS.

ALE AGREEMENTS

When an application is approved, NRCS enters into ALE agreements with eligible entities. The agreements are the legal documents that authorize the cost-share under ACEP-ALE. They describe the transaction; the project cost, including the federal cost-share; outline the roles and responsibilities of each party; and incorporate all program requirements, including minimum deed requirements. Agreements include an attachment listing parcels tentatively selected by the State Conservationist for funding. NRCS permits entities to substitute acres within a pending easement offer and pending offers within the agreement as long as the proposed changes meet eligibility requirements, have equivalent or greater conservation value, do not exceed allocated dollars, and maintain the same number of farms overall. Given this flexibility, the attachment may also include high-ranking, unfunded, substitute parcels.

NRCS publishes an agreement template each fiscal year. Entities may submit requests to alter the template to the State Conservationist. If endorsed the request is sent to the Easement Programs Division for approval. Certified entities, in contrast, cannot request changes to the grant agreement. Acceptance of the published grant agreement is a condition of certification.

Cooperative agreements with a non-certified eligible entity may be executed for up to three years while the grant agreements with certified eligible entities can span up to five years. Agreements may be amended each fiscal year with a new list of parcels receiving ACEP-ALE funds that fiscal year. The amendment and new attachment serve as the “obligating documents” for the subsequent fiscal years.

Agricultural Land Easement Plan (ALEP)

An ALEP is a document that describes a “...farm or ranch management system, conservation practices that address the resource concerns for which the easement was enrolled, and any required component plans such as a grasslands management plan, forest management plan or conservation plan [for highly erodible cropland]...” It can be developed by NRCS, a qualified technical service provider, or certified conservation planner in consultation with the landowner and eligible entity. Plans must be approved by NRCS prior to closing.

AGRICULTURAL LAND EASEMENT DEEDS

The agricultural land easement deed must meet the requirements listed in the rule and the ALE agreement. Requirements include:

- A right of enforcement for NRCS, which empowers the agency to inspect and enforce the easement if the eligible entity fails to uphold it. The right of enforcement is considered a “vested property right” and cannot be condemned by state or local governments;
- Compliance with an “agricultural land easement plan” approved by NRCS;
- An impervious surface area limit of 2 percent of the easement area. The State Conservationist may grant waivers up to 10 percent. Approved conservation practices, roads and parking areas with soil or gravel surfaces, or temporary greenhouses are not considered impervious surfaces;
- An indemnification clause protecting the United States from any liability that may arise related to the property;
- An amendment clause requiring that changes to the deed after it is recorded be consistent with the program purposes;
- Limits on commercial and industrial uses that are incompatible with agriculture;
- Limits on subdivision;
- Inclusion of protections related to the purposes for which the easement is being acquired (e.g., protection of historic resources or grasslands). The minimum terms for ALE grassland enrollments also limit the types of agricultural operations that can occur. Crop cultivation is listed as a non-agricultural use; and
- Other terms specified by NRCS to ensure that the purposes of the program are met. For instance, current minimum deed terms limit construction of new structures, granting of

FINAL OBLIGATIONS BY STATE AND FISCAL YEAR

State	FARMLAND PROTECTION PROGRAM – FPP					FARM AND RANCH LANDS PROTECTION PROGRAM – FRPP					
	1996	1997	1998	2000	2001	2002	2003	2004	2005	2006	2007
Alabama	—	—	—	—	—	—	\$1,188,068	\$1,035,500	—	\$1,622,284	\$661,237
Alaska	—	—	—	—	—	—	—	—	—	—	\$430,000
Arizona	—	—	—	—	—	\$1,750,000	—	\$663,500	—	—	—
Arkansas	—	—	—	—	—	—	—	—	—	\$153,572	—
California	\$2,000,000	\$400,000	\$1,000,000	—	\$1,073,100	\$2,470,500	\$3,128,523	\$3,611,391	\$5,768,410	\$2,391,200	\$2,407,474
Colorado	\$1,000,000	—	\$1,000,000	—	\$518,100	\$2,099,700	\$3,398,953	\$3,404,538	\$4,370,521	\$2,256,668	\$2,058,150
Connecticut	\$1,000,000	—	\$1,000,000	—	\$598,200	\$2,101,035	\$1,980,875	\$2,879,270	\$3,309,177	\$3,018,949	\$2,826,847
Delaware	\$1,000,000	—	\$1,330,000	—	\$592,200	\$1,956,500	\$2,738,266	\$4,084,800	\$4,042,384	\$3,148,328	\$3,030,045
Florida	\$433,000	—	\$600,000	—	\$700,200	\$1,000,000	\$3,149,185	\$2,772,476	\$4,352,013	\$1,663,103	\$1,636,020
Georgia	—	—	—	—	—	\$1,095,900	\$1,103,872	\$1,399,340	\$1,553,555	\$785,000	\$911,681
Hawaii	—	—	—	—	—	—	—	—	\$2,075,726	\$1,839,412	\$1,090,028
Idaho	—	—	—	—	\$204,000	\$450,000	\$878,600	\$352,500	\$50,000	\$609,189	\$400,000
Illinois	—	—	—	—	\$500,000	\$1,319,430	\$1,404,650	\$1,740,502	\$1,753,291	\$1,754,250	\$1,414,296
Indiana	—	—	—	—	—	\$901,200	\$98,719	—	—	—	—
Iowa	—	—	—	—	\$278,000	\$766,311	\$370,500	\$240,500	\$1,027,000	—	—
Kansas	—	—	—	—	—	\$165,000	\$473,913	\$100,000	\$62,500	\$485,474	\$1,308,314
Kentucky	\$400,000	—	\$700,000	—	\$610,000	\$2,172,700	\$3,054,008	\$2,785,050	\$3,616,799	\$2,409,934	\$2,912,295
Louisiana	—	—	—	—	—	—	\$20,000	—	\$7,000	—	—
Maine	—	—	\$360,000	—	\$636,900	\$972,000	\$1,111,410	\$1,523,400	—	\$922,136	\$1,060,469
Maryland	\$1,500,000	\$100,000	\$1,399,997	—	\$689,400	\$2,622,400	\$4,900,464	\$6,535,603	\$8,427,976	\$2,888,651	\$2,796,175
Massachusetts	\$1,000,000	\$200,000	\$1,200,000	—	\$611,900	\$2,304,200	\$2,855,566	\$4,395,945	\$4,588,989	\$3,670,202	\$3,875,889
Michigan	\$1,000,000	\$350,000	\$1,050,000	—	\$539,200	\$2,238,600	\$3,020,330	\$2,607,555	\$4,025,417	\$1,748,337	\$1,599,075
Minnesota	—	—	—	—	—	—	\$1,268,000	\$1,108,928	\$1,548,846	\$543,731	\$669,391
Mississippi	—	—	—	—	—	—	—	—	—	—	—
Missouri	—	—	—	—	—	\$408,000	\$1,187,828	\$642,100	\$611,975	—	\$1,211,975
Montana	—	—	—	—	\$99,200	\$1,338,400	\$1,951,000	\$2,221,120	\$1,204,025	\$1,537,768	\$901,706
Nebraska	—	—	—	—	—	—	—	\$518,568	—	\$134,966	—
Nevada	—	—	—	—	—	—	—	\$550,000	\$1,230,293	\$1,489,527	\$1,895,314
New Hampshire	—	\$100,000	\$225,000	\$240,000	\$506,300	\$1,856,467	\$1,878,358	\$3,119,627	\$3,390,476	\$3,264,569	\$3,204,506
New Jersey	\$1,000,000	\$200,000	\$1,400,000	—	\$734,800	\$2,300,928	\$4,358,652	\$5,549,541	\$6,221,444	\$3,963,274	\$4,616,447
New Mexico	—	—	—	—	—	—	\$1,388,055	\$422,000	\$657,647	\$291,365	\$415,765
New York	\$400,000	\$100,000	\$1,400,000	—	\$422,600	\$1,650,782	\$2,772,312	\$3,224,430	\$5,547,629	\$2,166,297	\$1,682,614
North Carolina	\$152,000	—	\$300,000	—	\$573,800	\$2,193,428	\$2,116,072	\$2,355,124	\$3,546,307	\$1,707,634	\$1,551,983
North Dakota	—	—	—	—	—	—	\$680,000	\$438,300	\$357,192	\$406,000	—
Ohio	—	—	—	—	—	\$1,612,800	\$2,362,000	\$3,257,992	\$3,830,279	\$1,956,488	\$2,798,143
Oklahoma	—	—	—	—	\$25,000	—	\$1,165,750	\$1,350,457	\$821,000	\$681,259	—
Oregon	—	—	—	—	—	—	\$1,155,000	\$150,000	\$667,500	—	\$561,366
Pennsylvania	\$1,600,000	\$270,000	\$1,400,000	—	\$638,800	\$2,870,316	\$4,896,063	\$4,155,250	\$6,668,489	\$2,717,102	\$2,827,262
Rhode Island	\$500,000	—	\$675,000	—	\$505,700	\$1,328,600	\$1,251,672	\$2,608,113	\$3,391,069	\$3,695,125	\$2,794,778
South Carolina	—	—	—	—	\$288,000	\$534,950	\$1,120,000	\$1,622,720	\$1,566,000	\$2,352,369	\$1,189,345
South Dakota	—	—	—	—	—	—	—	—	\$267,900	—	—
Tennessee	—	—	—	—	—	—	—	\$900,000	\$500,000	\$540,494	\$737,970
Texas	—	—	—	—	\$462,000	—	\$1,285,699	\$1,529,023	\$689,650	\$1,984,424	\$1,500,000
Utah	—	—	—	—	\$112,000	\$40,500	\$1,127,829	\$1,166,668	\$1,307,000	\$455,000	\$1,304,000
Vermont	\$1,000,000	\$100,000	\$1,200,000	—	\$3,318,700	\$1,859,600	\$1,983,520	\$3,429,410	\$3,430,856	\$3,014,082	\$2,933,478
Virginia	\$100,000	—	—	—	\$500,400	\$1,496,131	\$895,000	\$1,380,300	\$1,675,000	\$898,289	\$1,045,601
Washington	\$200,000	—	\$450,000	—	\$564,800	\$2,088,422	\$1,896,792	\$1,669,904	\$2,042,588	\$1,145,581	\$1,128,350
West Virginia	—	—	—	—	—	\$400,000	\$977,536	\$1,573,952	\$1,978,751	\$1,869,726	\$2,149,592
Wisconsin	\$140,000	\$100,000	\$590,000	—	\$496,700	\$1,635,200	\$1,757,660	\$2,027,000	\$3,467,574	\$1,514,003	\$1,610,845
Wyoming	—	—	—	—	—	—	\$785,000	\$985,147	\$1,203,502	\$537,258	\$723,371
Pacific Basin	—	—	—	—	—	—	—	—	—	—	—
Puerto Rico	—	—	—	—	—	—	—	—	—	—	—
Total	\$14,425,000	\$1,920,000	\$17,279,997	\$240,000	\$16,800,000	\$50,000,000	\$75,135,700	\$88,087,544	\$106,853,750	\$70,233,020	\$69,871,797

There were no obligations in fiscal year 1999.

Sources: USDA Natural Resources Conservation Service Resource Economics and Analysis Division and Easement Programs Division.

FINAL OBLIGATIONS BY STATE AND FISCAL YEAR

FARM AND RANCH LANDS PROTECTION PROGRAM – FRPP						AGRICULTURAL LAND EASEMENTS – ALE				
2008	2009	2010	2011	2012	2013	2014	2015	2016	Cumulative Totals	State
\$1,000,000	\$540,020	\$542,670	\$96,790	—	\$150,000	\$1,800	—	—	\$6,838,369	Alabama
\$355,701	\$700,000	—	—	\$431,500	—	\$809,400	—	\$801,700	\$3,528,301	Alaska
—	\$120,000	—	—	\$229,840	—	—	—	\$903,353	\$3,666,693	Arizona
—	—	—	—	—	—	—	—	—	\$153,572	Arkansas
\$5,929,000	\$3,646,078	\$5,025,748	\$3,181,319	\$3,778,857	\$4,280,096	\$6,431,460	\$5,528,052	\$9,577,654	\$71,628,862	California
\$2,735,233	\$5,541,093	\$6,451,882	\$8,394,747	\$7,134,375	\$16,036,868	\$3,625,912	\$3,274,000	\$12,948,254	\$86,248,994	Colorado
\$2,895,194	\$5,733,390	\$6,313,020	\$6,336,413	\$6,423,644	\$1,034,895	\$3,744,711	\$2,751,550	\$4,362,780	\$58,309,950	Connecticut
\$6,273,921	\$5,589,002	\$4,918,598	\$4,918,598	\$4,762,275	\$4,293,410	\$3,189,124	\$2,204,050	—	\$58,071,501	Delaware
\$2,210,040	\$1,459,160	\$8,506,300	\$5,096,345	\$4,892,600	\$2,914,298	\$5,717,700	\$5,688,210	\$3,822,297	\$56,612,947	Florida
\$1,100,000	—	—	\$791,358	\$150,000	\$2,000	\$179,200	—	\$1,127,046	\$10,198,952	Georgia
\$1,102,500	\$325,000	—	\$607,413	\$2,501,380	—	—	—	—	\$9,541,459	Hawaii
—	\$1,060,940	\$1,334,670	\$1,200,490	\$1,103,149	\$1,518,664	\$3,160,763	\$666,068	\$911,701	\$13,900,734	Idaho
\$1,799,815	\$1,581,542	\$8,250	\$3,000	—	\$224,400	\$1,459	\$301,447	\$411,060	\$14,217,392	Illinois
—	—	—	—	—	—	—	—	—	\$999,919	Indiana
—	—	—	—	—	—	\$733	\$713,609	\$448,000	\$3,844,653	Iowa
\$1,327,641	\$1,004,930	\$816,014	\$410,733	\$1,691,462	\$1,807,950	\$1,320,702	\$660,962	\$125,741	\$11,761,336	Kansas
\$2,471,031	\$3,024,151	\$2,439,980	\$2,132,360	\$339,358	\$2,006,815	\$1,813,113	\$2,118,654	\$1,835,367	\$36,841,615	Kentucky
—	—	—	—	—	—	—	\$3,015	—	\$30,015	Louisiana
\$2,183,746	\$318,114	\$620,000	\$2,078,880	\$1,360,350	\$1,152,915	\$297,000	\$349,500	\$250,750	\$15,197,570	Maine
\$2,638,020	\$4,021,972	\$4,309,573	\$2,354,660	\$1,072,668	\$11,010	\$204,457	—	—	\$46,473,026	Maryland
\$5,734,994	\$5,865,000	\$8,653,800	\$5,499,660	\$9,151,047	\$8,708,132	\$3,583,223	\$1,655,630	\$3,539,366	\$77,093,543	Massachusetts
\$2,322,550	\$2,886,230	\$6,134,428	\$2,012,173	\$3,201,052	\$2,596,719	\$1,792,084	\$1,305,280	\$1,750,495	\$42,179,525	Michigan
\$2,576,103	\$2,986,354	\$1,385,800	\$1,160,802	\$1,118,400	\$1,288,866	\$764,788	\$6,875	—	\$16,426,884	Minnesota
—	—	—	—	—	—	—	\$83,981	\$527,591	\$611,572	Mississippi
\$62,000	—	\$775	\$142,000	\$4,580	\$42,735	—	—	\$0	\$4,313,968	Missouri
\$2,030,993	\$2,710,879	\$2,588,540	\$6,368,040	\$4,162,160	\$4,848,540	\$4,899,587	\$4,140,112	\$13,987,101	\$54,989,171	Montana
—	\$1,451,745	\$1,120,085	\$1,495,457	\$1,035,820	\$958,126	\$641,591	\$4,240	\$509,720	\$7,870,318	Nebraska
—	\$3,559,164	\$5,292,500	\$3,244	\$5,402,480	\$2,580	\$1,470,667	\$2,332,718	—	\$23,228,487	Nevada
\$1,195,880	\$3,806,290	\$2,506,065	\$2,365,550	\$1,847,660	\$2,655,188	\$1,159,450	\$1,370,305	\$2,491,700	\$37,183,391	New Hampshire
\$8,065,074	\$6,455,820	\$8,878,894	\$8,110,104	\$9,651,055	\$6,277,030	\$4,346,525	\$4,461,584	\$3,394,075	\$89,985,247	New Jersey
—	\$601,227	\$600,000	\$791,850	\$851,200	\$600,000	—	\$1,560	\$682,385	\$7,303,054	New Mexico
\$1,330,634	\$2,409,381	\$4,159,247	\$5,591,905	\$5,191,751	\$4,280,918	\$676,300	\$1,513,545	\$1,225,910	\$45,746,255	New York
\$2,545,606	\$2,921,333	\$2,529,532	\$2,410,749	\$2,298,350	\$1,904,270	\$546,290	\$511,500	\$1,237,167	\$31,401,145	North Carolina
—	—	—	—	—	—	—	—	—	\$1,881,492	North Dakota
\$3,296,735	\$3,218,592	\$3,658,753	\$11,802,166	\$8,214,657	\$6,689,756	\$3,291,287	\$2,755,230	\$3,172,528	\$61,917,406	Ohio
—	\$268,045	\$276,485	\$270	\$278	\$643,570	\$201,750	\$1,186	\$405,725	\$5,840,775	Oklahoma
—	—	—	—	—	—	—	\$2,396,373	\$375,485	\$5,305,724	Oregon
\$5,975,636	\$5,528,462	\$6,442,991	\$4,008,218	\$4,392,622	\$3,354,818	\$360,036	\$679,391	\$1,320,302	\$60,105,757	Pennsylvania
\$1,502,500	\$5,301,184	\$2,918,540	\$4,127,500	\$6,317,060	\$2,740,000	\$370,000	\$278,525	\$1,108,400	\$41,413,766	Rhode Island
\$339,000	\$2,742,000	\$3,504,800	\$2,667,490	\$1,500,000	\$2,090,110	\$332,920	\$520,450	\$1,069,612	\$23,439,766	South Carolina
—	—	—	—	—	—	—	—	—	\$267,900	South Dakota
\$947,525	\$1,000,000	\$1,250,000	—	—	\$1,187,655	\$350,250	\$250,750	\$1,370	\$7,666,014	Tennessee
\$4,000,000	\$2,163,240	\$2,075,000	\$2,900,232	\$5,583,899	\$4,004,525	\$4,690,250	\$4,906,827	\$6,392,409	\$44,167,178	Texas
\$500,000	\$893,340	\$255,690	\$980,260	\$1,863,500	\$360,170	\$4,473,400	\$2,788,737	\$1,260,305	\$18,888,399	Utah
\$2,680,636	\$3,104,860	\$3,005,720	\$2,989,595	\$3,338,920	\$4,191,465	\$3,063,091	\$122,470	\$4,775,470	\$49,541,873	Vermont
\$2,100,006	\$1,735,371	\$1,177,500	\$912,940	\$4,141,703	\$1,731,675	\$2,915	\$914,550	\$1,705,250	\$22,412,631	Virginia
\$1,889,532	\$5,785,933	\$6,195,963	\$1,679,108	\$3,824,791	\$3,143,500	\$1,071,750	\$7,500	\$622,500	\$35,407,014	Washington
\$2,688,206	\$5,466,147	\$5,641,913	\$2,463,463	\$3,105,142	\$3,149,198	\$1,887,007	\$18,578	\$3,143,448	\$36,512,658	West Virginia
\$2,490,469	\$1,406,999	\$1,846,488	\$753,800	\$850,500	\$1,007,250	\$356,245	\$167,757	\$339,715	\$22,558,205	Wisconsin
\$2,124,359	\$3,782,175	\$20,655,541	\$52,133,959	\$15,369,160	\$5,508,551	\$1,502,925	\$719,349	\$2,797,703	\$108,828,000	Wyoming
—	—	—	—	—	—	—	—	—	—	Pacific Basin
—	—	—	—	—	—	—	—	—	—	Puerto Rico
\$90,420,279	\$112,715,163	\$144,041,755	\$160,973,640	\$138,289,245	\$109,398,668	\$72,331,865	\$58,174,120	\$95,361,433	\$1,492,552,975	Total

There were no obligations in fiscal year 1999.

Sources: USDA Natural Resources Conservation Service Resource Economics and Analysis Division and Easement Programs Division.

CONTINUED FROM PAGE 3

easements for utilities and roads, surface alteration, and oil, gas or mineral exploration and extraction.

Entities may use their own easement documents. Noncertified entities, however, must seek review and approval by NRCS in advance. The level of review (state vs. national office) depends on how the entity chooses to meet the regulatory deed requirements. For example, wholly incorporating NRCS minimum deed terms—the specific language NRCS has determined to be effective and enforceable—only requires state review.

COMPENSATION

In general, NRCS can pay up to 50 percent of the appraised fair market value of the agricultural land easement. Eligible entities must contribute at least as much as NRCS. Entities, however, may count qualified conservation donations toward their share as long as they contribute their own cash resources in an amount equal to half of the federal contribution.

There are two exceptions. NRCS can increase its cost-share up to 75 percent of the easement value if the lands are enrolled as “grasslands of special environmental significance.” In these cases, the entities must contribute at least 33.33 percent of the federal share. Entities may include qualified conservation donations toward their portion as long as they contribute cash resources in an amount that is at least 16.67 percent of the federal share. NRCS also may waive a portion of the eligible entity cash contribution for projects of “special significance.” Waivers for projects of special significance do not increase the federal cost-share but enable willing landowners to increase their donations.

HISTORY

The 1990 Farm Bill set the precedent for federal funding for the acquisition of agricultural conservation easements. It authorized the Resources Conservation Demonstration Program, which provided guaranteed loans and subsidized interest payments to state and local farmland protection programs.

The 1996 Farm Bill established a Farmland Protection Program (FPP) to protect farmland from conversion to non-agricultural uses. It authorized up to \$35 million in matching funds over six years to state, tribal and local programs for the purchase of agricultural conservation easements and other interests in productive farmland.

For more information, visit the [NRCS ACEP](#) Web page. To learn more about how ACEP is administered in your state, select the NRCS website link to [your state NRCS office](#). On the state page, go to “programs” and select the federal Agricultural Conservation Easement Program. The program page will provide important information including application deadlines and state ranking criteria.

For information about easement purchase programs, see the [Purchase of Agricultural Easements](#) fact sheet and [other PACE resources](#) on the Farmland Information Center (FIC) website. To find an eligible entity, go to the [Farmland Protection Directory](#) on the FIC website.

The FIC is a clearinghouse for information about farmland protection and stewardship. The FIC is a public/private partnership between the USDA Natural Resources Conservation Service and American Farmland Trust.

The 2002 Farm Bill changed the name of FPP to the Farm and Ranch Lands Protection Program (FRPP) and authorized the Grassland Reserve Program (GRP). It allowed nongovernmental organizations to participate, included farm and ranch land containing historical and archeological sites, and allowed landowner donations as part of entities’ match.

The 2008 Farm Bill changed the purpose of FRPP from protecting topsoil to protecting “...the agricultural use and related conservation values of eligible land by limiting non-agricultural uses...” It expanded the types of eligible entities and categories of eligible land and changed the nature of the program from a federal real estate acquisition program to a federal financial assistance program.

The 2014 Farm Bill consolidated three easement programs—FRPP, GRP and WRP—into the Agricultural Conservation Easement Program. The purpose of the Agricultural Land Easement component is to, “... protect the agricultural use and future viability, and related conservation values, of eligible land by limiting non-agricultural uses of that land; and protect grazing uses and related conservation values by restoring and conserving eligible land.”

FUNCTIONS AND PURPOSES

ACEP-ALE provides financial support to state, local and private farm and ranch land protection efforts. These programs protect agricultural land from residential and commercial development by acquiring agricultural conservation easements on productive farmland. Conservation easements allow farmers to free capital tied up in their land while still maintaining the right to use the land for agriculture. Income from the sale of conservation easements may be used to reinvest in agricultural operations, implement conservation measures, invest for retirement and/or reduce debt. By removing the speculative value of the land, these programs may also help keep agricultural land affordable for beginning farmers. ACEP-ALE also encourages good stewardship by requiring management in accordance with an ALEP. The ALEP, which is approved by NRCS, includes grassland management plans, forest management and/or conservation plans on highly erodible cropland, when applicable.

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