

# Leveraging Federal Agriculture Conservation Programs to Protect and Restore Wetlands

As a result of the Supreme Court's decision in *Sackett v. EPA*, which removed federal protection for over half of the nation's wetlands, America's wetlands are more at risk today than they have been in 50 years. Many of these wetlands are on farmland and retain some level of protection due to wetlands compliance provisions of the Farm Bill, often referred to as "Swampbuster." These <u>compliance provisions</u> require agricultural producers who wish to remain eligible for federal farm programs and benefits (such as subsidized crop insurance), to refrain from draining wetlands on their property. Still, wetlands on farmland are not immune to pressure for conversion to non-cropland uses (which are not prevented by Swampbuster).

Currently, more than 5 million acres of wetlands are protected through U.S. Department of Agriculture (USDA)-funded conservation easements or shorter term rental contracts. Through careful targeting, communities can leverage USDA programs to help address wetlands of local importance (e.g. flood mitigation, groundwater recharge, recreation, or ecological value).

Wetlands Reserve Enhancement Option of the Agriculture Conservation Easement
Program

The Agricultural Conservation Easement Program (ACEP) provides federal funding to conserve, restore, and acquire permanent or long-term conservation easements for wetlands, grasslands, and other farmland. According to the USDA Natural Resources Conservation Service, 2.9 million acres of wetlands have been enrolled in conservation easements through ACEP (and predecessor programs like the Wetlands Reserve Program). The program includes a Wetland Reserve Enhancement Option that authorizes USDA to enter into agreements with state or local governments, nongovernmental organizations or Tribes. USDA has used its authority to earmark funds to address state or local wetland priorities and to issue notices of funding availability to solicit proposals for WREP agreements.

For FY 2023, USDA <u>announced the availability</u> of up to \$20 million in financial and technical assistance, and invited potential partners to submit proposals. Partners were required to provide a 10% cash or in-kind match toward acquisition or restoration costs, but USDA said it would provide 100% of the easement purchase costs. In May 2023, <u>USDA announced</u> it would award \$17 million in five WREP partnerships for FY23, all of which had non-governmental primary sponsors.

#### Opportunities:

State and local governments, Tribes and non-governmental organizations can
develop and submit WREP proposals to leverage state/local/Tribal/NGO funds for
wetlands outreach, restoration, and conservation with federal funds to restore and
purchase easements on wetlands. Interested agencies and organizations should
contact their state USDA Natural Resources Conservation Service office and ask for
the easement program contact.

#### Conservation Reserve Program

The <u>Conservation Reserve Program (CRP)</u> offers landowners the opportunity to take marginal cropland out of production for 10-15 years and plant it to conservation cover (grassland, shrub, and/or tree species). Landowners are provided with a share of the planting/establishment costs and an annual rental payment. Grassland CRP contracts also allow landowners to enroll working grasslands in the program. According to the USDA Farm Service Agency, 2.3 million (or 10%) of the <u>23 million acres</u> enrolled in the Conservation Reserve Program are in wetland practices. Wetlands can be enrolled, using CRP through several means, including the <u>Conservation Reserve Enhancement Program. Farmable Wetlands Program, Continuous signup</u>, or the State Acres for Wildlife Enhancement.

The Conservation Reserve Enhancement Program (CREP) allows state and local governments, Tribes, and non-governmental organizations to put up 30% of project costs to leverage the remainder of the cost from federal CRP funds to address critical natural resource issues. The match can be in cash, in-kind contributions or technical assistance for landowners. An example of a successful CREP initiative is in Illinois, where USDA provides funds to take cropland along streams out of production, restore and conserve wetlands and plant grassland or other conservation cover. Illinois state funds are used in part to offer landowners the option to be paid for a conservation easement (federal funds pay for an annual rental payment) to protect the buffers/wetlands permanently after the CRP contract expires.

USDA expends few resources in promoting the CRP program, but past efforts have shown that state/local efforts to educate landowners about the program can significantly boost signup in a watershed or region. Partners can further boost enrollment to help address their critical resource needs by offering additional incentives for landowners to enroll, including offering a signup bonus or part or all of the landowner's share of planting/establishment costs. Partners can choose what they want to support, so efforts can focus outreach and/or added incentives on priority wetlands-related practices and payments.



### Opportunities:

- Eligible partners (state and local governments, Tribes and non-governmental organizations) can develop and submit CREP proposals focused on wetlands conservation to USDA. States with current CREP agreements with USDA could ask USDA to expand and extend their agreements. Partners can start by contacting the USDA CREP contact for their region or state.
- Partners could develop education and outreach initiatives to promote signup of area landowners in Continuous CRP wetlands contracts (see eligible practices here) State Acres For Wildlife or the Farmable Wetlands Program.
- State/Tribal/local partners could establish programs to provide additional
  incentives to landowners who enroll in CRP wetland contracts, such as a signup
  bonus or funds to help cover landowner share of planting/establishment costs.
  Those would likely do best where combined with an outreach and education
  effort to promote signup and teach landowners about the special incentives.

#### Regional Conservation Partnership Program

Under the <u>Regional Conservation Partnership Program (RCPP)</u>, USDA accepts proposals for projects that provide financial and technical assistance to landowners/managers in targeted watersheds or areas. Those proposing a project must provide matching funds (typically a 1:1 match, though "Alternative Financing Arrangement" projects can have a lower match requirement) for education, outreach, technical assistance and/or financial assistance. The 2018 Farm Bill provided \$300 million per year for the program.

RCPP proposals can target a specific set of resources, such as wetlands, and a specific set of practices, and can include the variety of incentives and payments, including: annual rental, cost-share, conservation easement, incentives, etc. Many successful RCPP applications include wetland practices as an option, although a much smaller number are currently focused primarily on wetland conservation and protection. If structured properly, a RCPP initiative could also address specific wetland needs like managing and enhancing wetlands that were enrolled in wetlands easements decades ago and now require management to preserve their wetland benefits.

## Opportunities:

 Eligible partners (state and local governments, Tribes and non-governmental organizations) can develop and submit new RCPP proposals, focused on wetlands conservation to USDA. <u>USDA can help</u> partners develop and submit these proposals.



#### Potential Hurdles and Political Considerations

The largest potential hurdle to making use of this federal funding is finding state/Tribal/local/private funds to provide the needed match for a WREP, CREP, or RCPP proposal, or the funding for outreach to promote continuous CRP contracts. The matching fund requirements differ for each program, ranging from 10% to 50% of the cost of the project.

USDA conservation programs are all voluntary, incentive-based programs, which makes them attractive to landowners and typically minimizes opposition. In general, the wetlands programs listed above are focused on wetlands on farms and ranches. Wetlands which are not in agricultural areas or not part of a farm operation may not be eligible for the programs described above, so that could limit the applicability of this approach in some geographic areas.

The voluntary, incentive-based nature of USDA conservation programs and the non-regulatory approach make for pretty easy messaging to most farmland owners. The high leverage of federal to state/local funds in most of these programs should help sell community members and officials on the advantages of this approach.

