

For: State and County Offices

Announcing CRP 1-Year Contract Extensions

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

On June 1, 2018, the Secretary announced that all CRP participants (except as noted below) with CRP contracts that are scheduled to expire on September 30, 2018, may modify all or part of that CRP contract to extend the expiration date for a 1-year period at the same per acre payment rate. No general signup is scheduled for 2018.

Note: A 1-year extension is not available to CRP participants if an extension would have the effect of a contract with a duration exceeding 15 years.

CRP contracts on about 1.5 million acres are currently scheduled to expire on September 30, 2018.

A 1-year extension signup is authorized beginning June 4, 2018, through August 17, 2018, for CRP contracts expiring on September 30, 2018. General and continuous signup expiring CRP contracts are eligible for a 1-year extension. CREP signup CRP contracts are not eligible for a 1-year extension.

B Purpose

This notice provides:

- policy for contract modifications to extend the expiration date for CRP contracts for 1 year
- policy for early land preparation
- an example of CRP-1F Addendum (Exhibit 1)
- an example of the letter, mailed by the National Office, to CRP participants with a CRP contract(s) expiring September 30, 2018 (Exhibit 2).

Disposal Date

November 1, 2018

Distribution

State Offices; State Offices relay to County Offices, NRCS Offices and State CREP Partnering Agencies

Notice CRP-853

1 Overview (Continued)

C Extension Signup Period

Participants may submit requests to extend the expiration date of general and continuous expiring CRP contracts by filing CRP-1F Addendum from June 4, 2018, through August 17, 2018.

2 Voluntary Modification to the CRP Contract

A General Provisions

All participants with CRP contracts scheduled to expire on September 30, 2018, will receive a letter mailed by the National Office (Exhibit 2), informing them of the opportunity to extend expiring CRP contracts.

The following provisions apply to CRP contract modifications to extend the expiration date for 1 year.

- All signatories on CRP-1, or their duly-appointed representative, must sign the CRP-1F Addendum (Exhibit 1) on or before August 17, 2018. CRP-1F Addendum requires continuing the terms and conditions of the CRP-1.

Exception: COC may determine **not** to require a tenant's signature on CRP-1F Addendum if the tenant:

- no longer has a right in interest to the land, such as a written lease for the time period of CRP-1F Addendum or a maintenance agreement (not necessarily written) with the landlord
- is not otherwise involved in farming other acreage on the farm.

Note: When the tenant's signature is **not** required on CRP-1F Addendum, the full rental payment may be made to the landowner.

2 Voluntary Modification to the CRP Contract (Continued)

A General Provisions (Continued)

- The 1-year extension is only available for CRP contracts that expire on September 30, 2018.
- Eligible participants may extend the expiration date for all or a portion of the acreage under CRP contracts expiring on September 30, 2018; however, no new acreage may be added.

Notes: If only a portion of the acreage under a CRP contract will be extended, the CRP contract must be divided in the Conservation Contract Maintenance System (CCMS) before the extension is completed.

County Offices will need to process all pending 2018 Farm Records reconstitutions and CCMS revisions before loading the CRP contract extension.

Producer changes for 2019 shall not be processed until after October 1, 2018, after the extension has been loaded.

- A 1-year extension is not available to CRP participants if an extension would have the effect of a contract with a duration exceeding 15 years.
- Participants must obtain a modified conservation plan.

B No Liquidated Damages

Participants may cancel the 1-year modification agreement on or before September 30, 2018, without assessment of liquidated damages. Agreements terminated after this date are considered contract terminations and are subject to standard termination policy in 2-CRP.

3 Provisions for Contracts Not Eligible for Extensions

A Re-Enrollment or Early Land Preparation

CRP participants with CRP contracts that are **not** eligible for the 1-year extension may:

- offer the land expiring from CRP on September 30, 2018, for re-enrollment under continuous signup criteria, provided all other eligibility requirements are met according to 2-CRP and Notice CRP-854

3 Provisions for Contracts Not Eligible for Extensions (Continued)

A Re-Enrollment or Early Land Preparation (Continued)

- destroy the cover on acreage before the CRP-1 expiration to prepare a seedbed for fall-seeded crops according to 2-CRP beginning July 1, 2018, for contracts scheduled to expire September 30, 2018.

Notes: CRP participants who perform early land preparation in the last year of the CRP contract or have destroyed their cover are **not** eligible to extend their CRP contract.

Participants who perform early land preparation after submitting an offer to extend their CRP contract will void the extension offer and may be considered in violation of the CRP contract.

B HEL and WC Requirements

Land enrolled under a CRP contract scheduled to expire September 30, 2018, that is **not** extended or re-enrolled under continuous signup, may be subject to HELC and WC provisions in 6-CP.

FSA is **not** responsible for environmental compliance in cases where the land is no longer enrolled in CRP and, therefore, not subject to CRP requirements.

Notes: NRCS may be obligated to perform an environmental review in cases including, for example, converting cover on HEL to crop production or other use.

Producers may want to maintain the conservation benefits accrued during the life of the CRP contract. Producers should be informed of other FSA, NRCS, and USDA conservation programs that may assist the producers' transition to agricultural production systems that will protect the natural resources.

C Base Acre Reductions for Expiring Contracts

Base acres may have been reduced at the time the land was enrolled in CRP. CRP participants must contact their local County Office to request reinstatement of those base acres, if applicable after expiration.

Note: Base acres cannot be restored until the beginning of the next fiscal year.

4 Expiring Contract Reports and Letters

A Expiring CRP Contract Letters

The National Office will mail letters directly to participants with CRP contracts scheduled to expire on September 30, 2018 (Exhibit 2). The same letter will be sent for each of the following expiring CRP contracts:

- CRP contracts eligible for the 1-year extension
- CRP contracts **not** eligible for the 1-year extension
- continuous signup contracts generally eligible for re-enrollment under the continuous signup.

The letter will **not** include information about which of the 3 categories may apply to the expiring CRP contract. Each participant will only receive 1 letter for each county in which they have expiring CRP contracts administered.

Letters will be mailed:

- without listing the unique CRP contract number(s)
- for each participant with a share greater than zero, for up to the first 5 participants with the highest shares on each applicable CRP contract
- with the administrative county mailing address shown as the return address.

Note: County Offices must use alternative participant notification measures **promptly** for all returned letters.

B Reports

The 2018 expiring CRP contract letter mailing recipients list will be e-mailed to SED's and State Office Specialists for distribution to County Offices.

This list will:

- allow County Offices to know that participants were issued a letter
- show all CRP contracts expiring on September 30, 2018, and contain a column for "1-year Extension Eligible" with a "Yes" or "No" for each CRP contract.

For participants requesting early land preparation before letters are available, County Offices may use the lists to inform the participant if they are eligible for a contract extension.

Notice CRP-853

5 Action

A State Office Action

State Offices shall:

- forward copies of this notice to NRCS State Offices
- ensure that County Offices follow the provisions of this notice
- provide County Offices with the 2018 Expiring CRP Contract Letter Mailing Recipient list.

B County Office Action

County Offices shall:

- follow the provisions of this notice
- review the list provided by the State Office for all CRP participants with contracts eligible for the 1-year extension that were mailed a letter
- print CRP-1F Addendum for 1-year extensions from the forms website at <https://formsadmin.sc.egov.usda.gov/eFormsAdmin/searchAction.do>
- for general signup contracts, process 1-year extensions in CCMS according to Section 10, 1-Year Extensions, in the CCMS User Guide by September 18, 2018
- for continuous signup contracts, the ability to process 1-year extensions in CCMS is not yet available

Note: Further instructions will be provided when this function is made available.

- process all Farm Records reconstitutions and CRP contract modifications before processing the 1-year extension.


CRP-1F Addendum

The following is an example of CRP-1F Addendum.

<p>This form is available electronically.</p> <p>CRP-1F Addendum U.S. DEPARTMENT OF AGRICULTURE (06-01-18) Commodity Credit Corporation</p>				1A. State Code	1B. County Code
<p align="center">CRP-1 MODIFICATION TO EXTEND THE CONTRACT EXPIRATION DATE FOR 1 YEAR</p>				2. Contract Number	
				3. Farm Number	
<p>4. TERMS TO EXTEND EXPIRATION DATE OF THE CRP-1 CONTRACT</p> <p>This contract modification is entered into by the Commodity Credit Corporation (CCC) and the undersigned participant(s) of the Conservation Reserve Program (CRP) under the contract in Item 2 above.</p> <p>By signing this contract modification, the participant(s) and CCC agree:</p> <ul style="list-style-type: none"> to extend the expiration date of the CRP contract identified in Item 2 above to September 30, 2019. to continue to comply with the terms and conditions of the cited contract as contained in the corresponding CRP-1, CRP-1 Appendix, and any addendum thereto. to extend the lifespan of all CRP practices established for the contract identified in Item 2 above for 1 year longer than indicated on AD-245, page 2, or the FSA-848A as applicable or for 1 year longer than was agreed to under other extension provisions, whichever results in the later date. <p>It is so agreed and understood.</p>					
4A. Participant's Name <i>(Printed)</i>	4B. Participant's Signature (By)	4C. Title/Relationship of the Individual Signing in the representative capacity	4D. Date <i>(MM-DD-YYYY)</i>		
4E. Participant's Name <i>(Printed)</i>	4F. Participant's Signature (By)	4G. Title/Relationship of the Individual Signing in the representative capacity	4H. Date <i>(MM-DD-YYYY)</i>		
4I. Participant's Name <i>(Printed)</i>	4J. Participant's Signature (By)	4K. Title/Relationship of the Individual Signing in the representative capacity	4L. Date <i>(MM-DD-YYYY)</i>		
4M. Participant's Name <i>(Printed)</i>	4N. Participant's Signature (By)	4O. Title/Relationship of the Individual Signing in the representative capacity	4P. Date <i>(MM-DD-YYYY)</i>		
5A. Signature of CCC Representative		5B. Date <i>(MM-DD-YYY)</i>	6A. County FSA Office Name and Address <i>(Including ZIP Code)</i>		
			6B. Telephone No. <i>(Including Area Code)</i>		
<p>NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a – as amended). The authority for requesting the information identified on this form is 7 CFR Part 1410, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine eligibility for a modification to extend an existing CRP contract. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for a modification to extend an existing CRP contract.</p> <p>This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title II, Subtitle G, Funding and Administration). The provisions of criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</p> <p><small>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</small></p> <p><small>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</small></p> <p><small>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.</small></p>					

Participant Notification Letter

The following is an example of the letter the National Office is mailing to CRP participants with contracts expiring on September 30, 2018.

<p>Farm Production and Conservation</p> <p>Farm Service Agency</p> <p>1400 Independence Ave, SW Washington, DC 20250 Mail Stop 0513</p>	<p>USDA</p> <p>United States Department of Agriculture</p>
	<p>June 1, 2018</p>
	<p>Dear CRP Participant:</p>
	<p>Thank you for being part of the Conservation Reserve Program (CRP). Our records show that one or more of your CRP contract(s) expires on September 30, 2018. CRP continues to experience record demand while having a lower acreage cap. No CRP General Signup will be offered this year. Continuous signup will restart beginning June 4, 2018. You may consider the following options for your expiring general or continuous signup CRP contract(s):</p>
	<ol style="list-style-type: none"> 1-Year Extension: If you have an expiring general or continuous CRP contract (excluding CREP), that is 14 years or less, you may submit a request to extend the expiration for an additional year under the same terms and conditions as your expiring contract(s), including the per acre rental rate. Contracts 15 years in length are not eligible for an extension, but may be eligible for a combination of the other options described below. The sign-up period for the 1-year extension is June 4, 2018, through August 17, 2018. Continuous Enrollment/Re-enrollment or CRP Grasslands: All or a portion of your acreage may be eligible for enrollment in a continuous CRP contract or CRP Grasslands Program. If you plan to return a portion of your land to production, important conservation benefits may still be achieved by re-enrolling sensitive acres such as buffers or wetlands. Offers for the next CRP Grasslands ranking period must be submitted no later than August 17, 2018. Offers for continuous enrollment will be considered on a first come-first serve basis, so submit your offer as soon as you can, but no later than August 17, 2018. Only selected practices are available under continuous enrollment. If enrollment demand is high, some offers may not be accepted because of the 24 million acre cap. The effective start date of the new contract would be October 1, 2018. Transition Incentives Program (TIP): If you are not planning to farm the land from the expiring contract yourself, TIP may provide you two additional annual rental payments on the condition you sell or rent your land to a beginning farmer or rancher or a member of a socially disadvantaged group. New landowners or renters are required to use sustainable grazing or farming methods as they return the land to production. TIP offers a way to create new farming opportunities while continuing conservation efforts. TIP is not applicable to contracts under a CREP. If you are interested in TIP, contact your local FSA office no later than August 17, 2018. Contract Expiration. If you do nothing, your CRP contract will expire. You will receive your final payment in October of 2018. You may plant, graze, or hay the acreage after September 30, 2018. Since CRP land typically does not have a recent history of pesticide or herbicide application, the land may be valuable for organic production. Prior to contract expiration, you should visit your local FSA office and review the current crop acreage base re-instatement provisions. Before planting, check with FSA or Natural Resources Conservation Service (NRCS) to see if your land may be subject to conservation and wetland compliance provisions. Conservation Easements or Working Lands Programs. CRP land may transition into conservation easements to provide longer term benefits. NRCS's Agricultural Conservation Easement Program (ACEP) or state or private easement programs may be an option. If you are planning to convert your CRP land to agriculture use, USDA's working lands programs, including FSA's CRP Grasslands, NRCS's Conservation Stewardship Program (CSP) or the Environmental Quality Incentives Program (EQIP) may be available to address your resource needs. In many cases, a combination of approaches can be taken on the same parcel. For example, riparian areas or other sensitive parts of a parcel may be enrolled in continuous CRP and the remaining land that is returned to farming can participate in CSP and even receive additional ranking points.
	<p>Please contact your local USDA Service Center, or visit http://www.fsa.usda.gov/crp to explore your options.</p>
	<p>Sincerely,</p>  <p>Richard Fordyce Administrator</p>
	<p>USDA is an Equal Opportunity Provider, Employer, and Lender.</p>