



Legislation Text

File #: 09-0426, Version: 1

New Farm Bill and FRPP Program Changes for 2009

Below is a synopsis of the changes for FRPP, beginning this year.

1. Forestland: No more than 2/3 of the easement acreage can be forested land. A forest management plan is required if the forested acreage is greater of: 10 acres or at least 10% of the acreage of the easement parcel.
2. Landowner eligibility:
 - a. Landowners with an adjusted gross income exceeding \$1.0 million for the 3 tax years immediately preceding the year of agreement are not eligible to receive FRPP funds, unless 2/3 of the adjusted gross income is from farming, ranching or forestry operation. (Previously the limitation was \$2.0 million.)
 - b. Landowners must have submitted the AGI, Highly erodible lands, and wetland conservation forms to FSA office, prior to applying for funds.
3. Application procedure: There is a continuous sign up for eligible properties until June 1, 2009. Details on applying and scoring are expected to be posted the FRPP website on April 10th.
4. Ranking of parcels: Additional criteria that have been added to the ranking system, include:
 - a. Percent of the easement acreage that is cropland, pastureland, and rangeland.
 - b. Ratio of the size of the farm to the average farm size in the county (according to USDA Ag Census)
 - c. Decrease in percentage of farm land in county (according to USDA Ag Census).
 - d. Percent of population growth in county.
 - e. Population density.
 - f. Proximity of parcel to other agricultural operations and infrastructure.
5. FRPP Deeds Review: U.S. is not a grantee, but reserves the right for enforcement. *A Conservation Easement. must be submitted to FRPP within 30 days of signing the cooperative agreement.* A template of the deed should be provided with the application to assist in the cooperative agreement process.
6. Appraisals: The entity (the city) has the option of two appraisal methods, USPAP or Yellowbook. The first appraisal from each appraiser in each fiscal, for each appraisal method must have a technical review. *Appraisals and title work must be submitted at least 90 days prior to closing.*
7. Certified vs. Non-certified agencies: In order to become a certified entity, the entity must have 50 parcels completed with FRPP and must have closed on at least 50% of the easements, enrolled in the past 5 fiscal years. *No one in Michigan qualifies.* The main difference between certified and non-certified agencies, is the length of the cooperative

agreements. For non-certified agencies, the cooperative agreements would be for 3 years (5 years for certified). During the timeframe of the cooperative agreement, the city could apply for additional funding and if awarded funds, an amendment would be made to the existing agreement, but a whole new agreement would not be issued. All applications (from certified and non-certified agencies) are ranked equally.

8. Closing: Closing must occur within 18 months of signing the agreement.

9. Options: An option must be in place with the landowner at the time the application is submitted. In the past a voluntary agreement was signed by the landowner, prior to applying, but a more formal agreement will be needed in the future.