

ACEP-WRE RECOMMENDATIONS



from the Wetland Conservation Policy Coalition

The United States has lost more than half of its original, naturally occurring wetlands. Wetlands are critically important to the environment and wildlife because they provide quality habitat for migratory birds and other wetland-dependent wildlife, improve downstream water quality, recharge ground water and reduce flooding. The United States continues to lose more than 80,000 acres of these valuable resources each year.

U.S. Congress has long recognized the Wetlands Reserve Program (WRP) and the Agriculture Conservation Easement Program – Wetland Reserve Easements (ACEP-WRE) as highly effective USDA conservation programs. Originally authorized in the 1991 Farm Bill, the program is administered by the Natural Resources Conservation Service (NRCS), which provides technical and financial support to help landowners with wetlands protection, restoration and enhancement efforts. The program has demonstrated its value in restoring several different types of ecosystems throughout the country, including forested wetlands, prairie potholes, floodplain wetlands and coastal tidal marshes.

ACEP-WRE not only restores previously converted wetlands, but also provides landowners and producers a financially viable alternative to farming land with low or negative profits and still retain property ownership, all while reducing expenditures of commodity and crop insurance programs. In addition to these measurable benefits, ACEP-WRE also creates habitat for migratory birds and resident wildlife, which diversifies local, rural economies as sportsmen and other wildlife enthusiasts recreate on these lands.

Celebrating 25 Years of Wetland Restoration Success

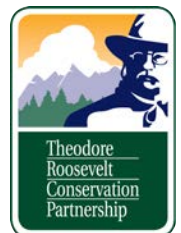
In the 25 years of WRP and ACEP-WRE implementation (1992-2017):

- Almost 3 million acres have been restored and protected.
- Assistance has been provided to over 15,000 WRP/E landowners and producers.
- Landowner and producer demand for WRP/E exceeds available funding with less than 25% of eligible applications funded annually.
- WRP/E has a continual backlog of unfunded applications; the 2017 backlog comprises more than 1,000 applications representing approximately 180,000 acres and \$400 million.
- WRP/E popularity is very high in the Mississippi River Valley states of Arkansas, Illinois, Iowa, Kentucky, Louisiana, Minnesota, Mississippi, Missouri, Tennessee, and Wisconsin, where more than 50 percent of the program acreage exists.



NRCS staff working with private landowners

Wetland Conservation Policy Coalition



ACEP-WRE Policy Recommendations

The partners of the Wetland Conservation Policy Coalition have collaborated to identify and support the following priorities to significantly strengthen ACEP-WRE:

1. Provide at least \$500 million annually in baseline funding for ACEP and work toward restoring funding for the program to the historic \$780 million level.

During the 2008 Farm Bill (2009 – 2013), funding for programs now under ACEP averaged \$780 million annually. Adequate funding ensures WRE will continue to be an important tool for private land conservation. Demand for new enrollment remains high with an increasing backlog of applications. Funding is necessary for new easement acquisitions and restoration, as well as for management and monitoring of existing easements.

2. When scoring future WRE funding, Congress should ask the Congressional Budget Office to consider the cost savings from crop insurance and commodity program payments for cropland that has been enrolled in WRE.

Enrollment of an acre of cropland in WRE avoids commodity program payments and Federal crop insurance costs of \$53 per acre per year. If approximately 100,000 acres of cropland are enrolled in WRE each year (the historic average), the total cost avoidance benefits over the 10-year CBO scoring period would amount to about \$292 million.

3. As in the 2014 Farm Bill, there should be no mandatory designation of specific percentages of ACEP for agricultural versus wetland easements.

The relative importance and utilization of agricultural and wetland easements vary throughout the country from state to state. Discretion for use of ACEP funding for the two easement types should remain flexible and continue to be based on historical percentages dictated by landowner and producer demand.

4. Eliminate the 10% county cap on total WRP/E acres, while maintaining the 25% county cap for combined acres of WRP/E and CRP.

This exemption would allow more landowners to enroll in WRE without exceeding the 25% cap on total cropland enrolled. Enrollment in WRE and CRP would be based on landowner demand depending on the most beneficial use of the land. Multiple counties and parishes have reached or are approaching the 10% cap, while landowner demand for the program remains high. Often, these counties contain higher acreages of hydric, poorly drained soils that severely impair or prevent farming, resulting in low or negative profits.

5. Exempt ACEP and other NRCS cost-share programs from complying with SAM and DUNS reporting requirements.

The Federal Funding Accountability and Transparency Act requires landowners and producers organized as a business to comply with the federal government's System for Award Management ("SAM") and obtain a Data Universal Numbering System ("DUNS") number. This regulation, which was intended for managing large government contracts, inadvertently burdens landowners and producers, and subsequently decreases their participation in voluntary conservation programs, including ACEP-WRE.

6. Exempt WRE conservation payments from the AGI eligibility requirement.

The trend of farm consolidation is continuing and voluntary conservation by producers should not be restricted by AGI, which may not reflect the financial status of the landowner or producer and ignores the conservation benefits to enrolling the parcel of land. The current AGI restriction has had a negative effect on WRE enrollment and conservation in general and should be eliminated.

7. Retain the following ACEP-WRE authorization from the 2014 Farm Bill:

- Wetland Reserve Enhancement Option
- Spending WRE funding on existing easements (WRP and WRE)
- 24-month ownership eligibility requirement

- County cap exemption for cropland in Land Capability Classes IV – VIII with subclass w (wettest soils)
- "No Year Funding"
- "Wetland Reserve" as the program identity
- Eligibility for CRP acres already planted in trees



Land enrolled in WRP adjacent to mature forested wetlands



Hunters and anglers are having a major economic impact in rural America, as WRP/E increases wildlife habitat.



WRP/E is having a positive impact on water quality in the Gulf of Mexico where ~40% of the nation's seafood is produced.