

# WISCONSIN Conservation Reserve Enhancement Program 2019 Annual Report



*Conservation in a  
Changing  
Agricultural  
Landscape*

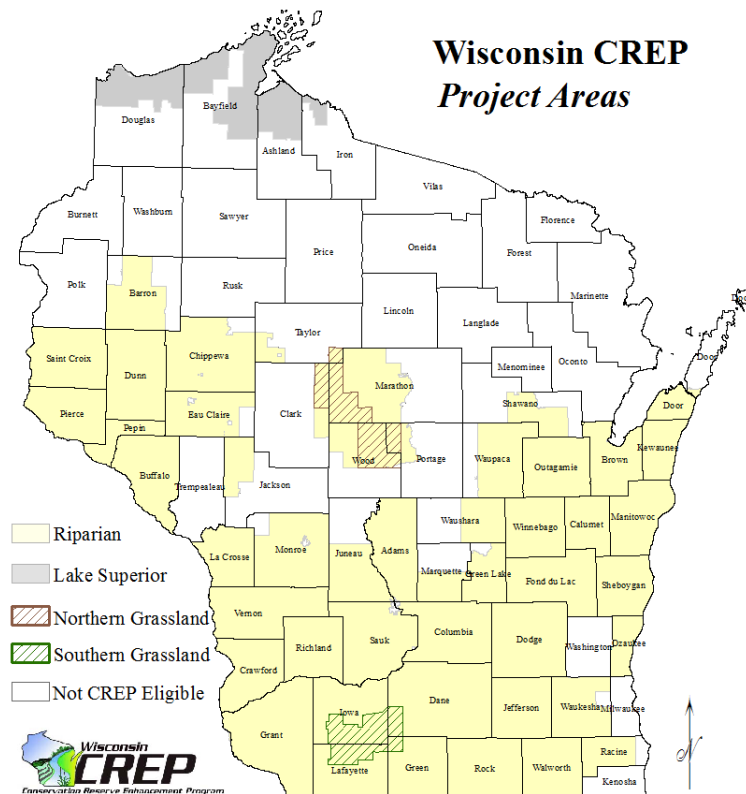


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## INTRODUCTION

Wisconsin's Conservation Reserve Enhancement Program (CREP) is a cooperative effort with the USDA Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS); the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP); Wisconsin counties through county land conservation committees (LCC); and private landowners. Wisconsin's CREP was signed into effect by the USDA Secretary on October 26, 2001 and continues to allow new enrollment and reenrollments. The 2018 Farm Bill was passed on December 20, 2018, which included provisions for CREP sign-ups at the federal level. The state of Wisconsin continues to implement CREP as it is defined in the agreement with USDA. CREP was available in federal fiscal year 2019 in all or part of 53 Wisconsin counties (Figure 1).



**Figure 1: WI CREP Project Areas**

enrolled, 80,000 acres of riparian conservation practices are allotted for the riparian project area and 5,000 in the Lake Superior project area. The remaining 15,000 acres are focused on grassland practices in the southern and northern grassland project areas.

Wisconsin CREP experienced substantial activity in 2019. Another year of excess soil moisture and flooding convinced many landowners that CREP conservation practices along with payments may be the best option for some of their agricultural land. Interest in new enrollment was high throughout the CREP project areas and the majority of landowners with expiring contracts chose to keep the conservation practices in place under a reenrolled contract. Many perpetual easements had their federal contracts expire and the state and counties undertook efforts to monitor those sites. Also, partners continued to promote CREP throughout the state.

The goal of Wisconsin's CREP is to establish conservation practices such as filter strips, riparian buffers, grassed waterways, wetland restorations and grassland habitat on existing agricultural land in order to improve water quality and wildlife habitat (see Appendix A). Landowners choose to enroll their land into either a 15-year agreement or a perpetual conservation easement. Wisconsin CREP has four project areas: riparian, southern grassland, northern grassland, and Lake Superior. DATCP estimates 362,000 acres of land are eligible for CREP within the project areas. The program aims to enroll 75,000 acres into agreements and 25,000 acres into perpetual easements for a total of 100,000 acres. Of the 100,000 acres available to be

## ENROLLMENT

Enrollment in Wisconsin CREP opened June 3, 2019 and closed August 18, 2019, allowing landowners under 3 months to enroll. In that limited time, Wisconsin’s federal, state and county CREP partners worked together to contribute toward meeting the project’s goals. Table A outlines the progress made over the past 3 years as reported by USDA FSA. Overall, 2019 saw an increase in total acres enrolled under federal contracts, with 36% of the 100,000 acre goal currently enrolled.

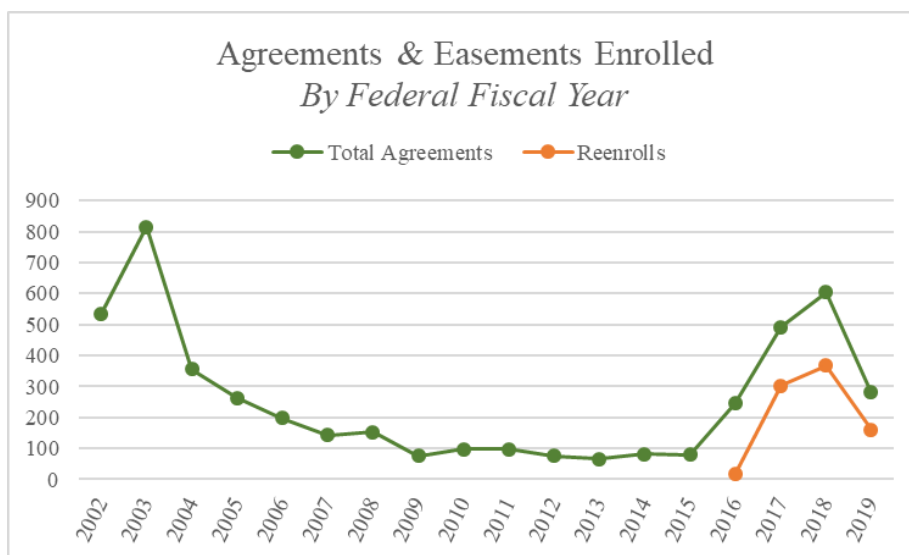
*TABLE A: Wisconsin Total Acres Offered into CREP (Acres by Year)*

	Goal	Enrolled or In Process October 1, 2017	Enrolled or In Process October 1, 2018	Enrolled or In Process October 1, 2019
Grassland Practices	15,000	9,567	10,303	11,044
Riparian/Lk Sup Practices & Wetland Restoration	85,000	26,809	24,760	24,567
<b>Total of all practices</b>	<b>100,000</b>	<b>36,376</b>	<b>35,063</b>	<b>35,611</b>

*Based on FSA October 1, 2017, October 1, 2018, and October 1, 2019 report on acres offered for CREP*

As of October 1, 2019, FSA reported 35,611 active acres enrolled in Wisconsin CREP. These acres are enrolled with 2,656 farms through 3,643 contracts. In 2019, enrollment in Federal CREP agreements (CRP-1) was higher than the amount of acres that expired on September 30<sup>th</sup>, resulting in a slight increase in overall enrolled acres compared to the previous year. Agreements with riparian practices saw acreage reduction while there was a small increase in grassland practices (Table A).

State CREP enrollment totals are slightly different than federal totals, as multiple CRP-1 contracts can be associated with a single State CREP contract. Additionally, active CREP contracts include 15-year agreements and perpetual easements. Accounting for new and reenrolled contracts in 2019, the state shows 3,181 active CREP contracts on 36,161 acres as of October 1, 2019 (Table B).



**Figure 2: State CREP Enrollment by Fiscal Year**

Even with the short enrollment period, Wisconsin CREP saw considerable activity this year. Many new agreements were the result of record-setting rainfalls and flooding over the past two years. With surplus soil moisture levels and high water tables, landowners are searching for options on flooded and saturated agricultural land along streams and wetlands.

During the 2019 federal fiscal year, the state processed 280 CREP contracts totaling 3,028 acres, including 274 15-year agreements and 6 easements. Of these contracts, 120 were new CREP contracts on 863 acres (Figure 2). However, CREP applications are often received by the state after the end of the fiscal year. Including the 242 applications received by the end of the calendar year, in 2019 the state processed a total of 522 contracts covering 6,171 acres, of which 236 contracts covering 2,429 acres were new. This brings the total active state CREP contracts at the time of this report to just over 39,300 acres (Table B). Active CREP enrolled land is shown on the map in Exhibit 1.

*TABLE B: Active CREP Agreement & Easement Contracts - Acres (Contracts)*

	Active Contracts 10/1/2018	New FFY 2019	Reenroll FFY 2019	Active Contracts 10/1/2019	New FFY2019 by 12/31/2019	Reenroll FFY2019 by 12/31/2019	Active FFY2019 by 12/31/2019
Perpetual Easements	6,726 (493)	39 (4)	21 (2)	6,783 (510)	0 (0)	0 (0)	6,783 (510)
15-year Agreements	29,340 (2,681)	824 (116)	2,144 (158)	29,378 (2,671)	1,605 (120)	1,538 (122)	32,521 (2,913)
<b>Total</b>	<b>36,066</b> <b>(3,174)</b>	<b>863</b> <b>(120)</b>	<b>2,165</b> <b>(160)</b>	<b>36,161</b> <b>(3,181)</b>	<b>1,605</b> <b>(120)</b>	<b>1,538</b> <b>(122)</b>	<b>39,304</b> <b>(3,423)</b>

\* Perpetual easements continue as "Active Contracts" at the State after the CRP-1 expires.

This was the fourth year CRP-1 contracts were scheduled to expire, with 342 CREP agreements signed in 2004 that covered 3,790 acres expiring on September 30, 2019. Of these, 291 were CREP 15-year agreements on 3,052 acres and the remaining 51 were CREP easements on 738 acres. Expirations of federal CRP-1s from 2016 to 2019 includes 32,229 acres under 2,366 CREP contracts. (Table C)

CREP perpetual easements remain under state authority after the Federal CRP-1 expires. National CRP guidelines do not allow reenrollment of perpetual conservation easements into a new federal CREP contact. Currently there are 359 easements covering 5,242 acres that no longer have a contract with FSA. These CREP sites are now managed by the state side of CREP and are reflected in the state acreage and contract totals but not in FSA CREP totals.

*TABLE C: Wisconsin CREP Agreements with Expiring Federal CRP-1 Contracts*

Exp. Year	15-Year Agrmt	15-Year Agrmt Acres	Perpetual Easement	Perpetual Easement Acres	Total Contracts	Total Acres	Reenroll Contracts	Reenroll Acres
2016	387	4,572	47	1,004	434	5,576	192	1,955
2017	895	14,067	155	2,130	1,050	16,197	461	6,652
2018	434	5,296	106	1,370	540	6,666	176	2,354
2019	291	3,052	51	738	342	3,790	113	1,491
2020	214	1,912	26	247	240	2,160	-	-
2021	155	1,280	22	357	177	1,637	-	-

Landowners with expiring CREP 15-year agreements can reenroll eligible acres into a new CREP agreement or perpetual easement. Incentive, cost share and annual payment for reenrolling acres on an expiring CREP agreement are the same as enrollment of new acres. However, landowners do not receive the federal signing incentive payment (SIP) for a reenrollment. About half of expiring agreements reenroll into another CREP contract. Those who don't reenroll is due to either landowner choice or ineligibility due to compliance issues with the original contract. In federal fiscal year 2019, the state processed reenrollments on 2,165 acres under 160 agreements that expired between 2017 and 2019. Two expiring 15-year agreements on 21 acres were reenrolled into perpetual easements in 2019 (Table C).

Enrollment into CREP in 2019 also came from expiring contracts from both Continuous CRP and General CRP. Although these acres are CRP reenrolls, the state considers these contracts entirely new agreements and acres under Wisconsin CREP.

As existing CREP agreements mature, the workload of maintaining the agreements continues to build. These tasks include tracking landowner transfers, processing buyouts, monitoring agreements and easements, and answering questions from landowners. Thirteen 15-year agreements on 51 acres were bought out in 2019. Of the original contracts, over 200 covering 2,400 acres have been bought out from CREP. The state also processed 63 landowner transfers in 2019, which occur when land with a CREP contract is sold. These can be either full or partial transfers. Partial transfers result in a new state agreement number which is administered as a separate agreement. Of the 63 landowner transfers, 38 transfers occurred for 15-year agreements and 25 for perpetual easements.

## PAYMENTS AND COSTS

Wisconsin authorized \$28 million in funding for CREP. As of October 1, 2019, the state has made over 11,000 CREP incentive and cost share payments to landowners totaling almost \$19 million. In addition, counties reported they spent \$3.6 million in non-federal staff and other costs to administer CREP. Since inception, state and local costs for CREP total \$22.6 million. These funds leverage over \$100 million in federal funds to be paid over the life of the CREP contracts.

*TABLE D: Wisconsin Progress Report: CREP Cumulative State Payments and Acres*

	<b>Goal or Estimate</b>	<b>Acres and \$\$ Paid (Contracts) Oct 1, 2017</b>	<b>Acres and \$\$ Paid (Contracts) Oct 1, 2018</b>	<b>Acres and \$\$ Paid (Contracts) Oct 1, 2019</b>
Perpetual Easement Incentive Payments	<b>25,000 acres</b> <b>\$26.4 million</b>	6,920 \$6,481,771 (486)	7,099 \$6,585,718 (505)	7,155 \$6,671,319 (522)
15-year Agreement Incentive Payments	<b>75,000 acres</b> <b>\$10 million</b>	47,461 \$7,613,275 (4,006)	55,360 \$9,820,266 (4,611)	58,500 \$10,519,991 (4,906)
Total State Incentive Payments	<b>100,000 acres</b> <b>\$36.4 million</b>	54,381 \$14,095,046 (4,492)	62,459 \$16,405,984 (5,116)	65,566 \$17,191,310 (5,428)
Total State Practice Payments *	<b>\$3.6 million</b>	\$2,211,770	\$2,323,490	\$2,396,517
Total Materials		\$42,093	\$42,467	\$42,900
Buyouts Received		-\$578,232	-\$632,348	-\$638,487
<b>TOTAL *</b>	<b>\$40 million</b>	<b>\$15,770,677 (4,492)</b>	<b>\$18,139,593 (5,116)</b>	<b>\$18,992,240 (5,428)</b>

*Based on DATCP October 1, 2017, October 1, 2018, and October 1, 2019 reports on state payments for CREP*

Table D reports the state’s cumulative payments, acres, and contracts for the previous 3 years on both new and reenrolled acres. As of October 1, 2019, Wisconsin paid \$19 million in both incentive and practice payments to 5,619 landowners on 65,566 acres. Payments include \$17.2 million for the state’s incentive payments and \$2.4 million for the state’s 20% share of practice payments along with other costs such as title searches and recording fees for CREP easements.

To date, the state has enrolled and paid for 522 CREP perpetual conservation easements covering 7,155 acres at a cost of \$6.7 million. Currently there are 510 active easements on 6,783 acres, which is 17% of the total active CREP enrolled acres. Several easements were released by DATCP in order for the landowner to enter into more restrictive federal conservation programs. Released perpetual easements require a full pay back of state funds. The goal is to enroll 25% of the maximum allowable acreage into CREP easements (Table D).

FSA reports that federal rental payments to Wisconsin landowners with CREP agreements are \$8,064,000 annually. The annual rental payments average \$226 per acres for CREP conservation practices as reported in the September 2019 USDA CRP monthly summary.

## ENVIRONMENTAL GOALS

Wisconsin CREP works with landowners to enroll agricultural land with environmental concerns into filter strips, riparian buffers, grassed waterways, wetland restorations, and grassland habitat to improve water quality and wildlife habitat. The state calculates that installing these CREP conservation practices will result in significant environmental benefits. Table E lists the 2019 estimates of the amount of stream or shoreline adequately buffered, the annual reduction in phosphorus, nitrogen and sediment runoff, and the grassland habitat established.

*TABLE E: Wisconsin Progress Report: CREP Environmental Goals*

	<b>Goal</b>	<b>Accomplishments 10/1/2017</b>	<b>Accomplishments 10/1/2018</b>	<b>Accomplishments 10/1/2019</b>	<b>% of Goal</b>
Miles of Stream or Shoreline Buffered	<b>3,700 miles</b>	999 miles	1,009 miles	878 miles	27%
Pounds of Phosphorus	<b>610,000 pounds</b>	97,698 pounds	103,968 pounds	94,167 pounds	17%
Pounds of Nitrogen	<b>305,000 pounds</b>	52,406 pounds	55,918 pounds	50,542 pounds	18%
Tons of Sediment	<b>335,000 tons</b>	47,995 tons	51,684 tons	46,651 tons	15%
Grassland Acres	<b>15,000 acres</b>	9,567 acres	10,303 acres	11,044 acres	69%

*Based on DATCP October 1, 2017; October 1, 2018; and October 1, 2019, Environmental Benefit Reports*

The Wisconsin CREP southern grassland project area reached its maximum allowable acres (10,000 acres) of grassland practice acres in 2016. FSA now reports that there are 9,595 acres of grassland practices which allows for additional enrollment of land into those practices in the coming year. The conservation practices unique to this project area include CP1 (permanent introduced grasses), CP2 (permanent native grasses), and CP25 (rare and declining habitat: prairie and oak savanna restoration). For Wisconsin CREP these practices must be placed adjacent to and within 1,000 feet of an eligible water body and be on steep slopes in order to address water quality issues as well as provide habitat for birds and pollinators.

## ANNUAL CREP ACTIVITIES REVIEW

With continued high numbers of enrollment, activities in 2019 focused on processing reenrollments, new agreements, and easements along with assisting county partners with administering state CREP application materials. CREP training for staff and outreach to landowners were offered throughout the year, and CREP partners continued the statewide effort to monitor and benchmark the status of CREP easements with expired CRP-1s.

### Training and Outreach

The state offers training for staff of all agencies at local offices working on CREP. Trainings are tailored toward the needs of the staff and include a CREP overview, agreement processing and logistics, and discussion of local CREP issues. The training often includes field visits to existing CREP sites to review local resource issues and management techniques.

Three local office trainings were held in 2019 with Jefferson, Juneau and Vernon counties. Staff from the Land Conservation Department (LCD), NRCS and FSA offices attended each training (Figure 3). In addition, CREP was part of the New Conservation Employee Trainings held in March and October of 2019. These roundtable discussions introduced new county and partner staff to CREP and gave them an opportunity to ask questions one-on-one.



**Figure 3: CREP training field visit to a CREP wetland restoration (CP23) in Jefferson County, WI**

DATCP staff gave several presentations on CREP throughout Wisconsin in 2019. In March, staff presented on techniques for advocating CREP to landowners at the annual Land and Water Conference in southeast Wisconsin. Also in March, staff presented on the benefit of CREP practices for mitigating flood effects to landowners at the Red Cedar Watershed Conference in northeastern Wisconsin. An update was provided to the Land and Water Conservation Board at their April meeting in Madison, Wisconsin. Lastly, a program briefing was provided to the new state administration in September.



The state began a new CREP promotional effort this year with financial support from the US Fish and Wildlife Service and The Nature Conservancy. The pilot project developed and installed CREP field signs on newly enrolled sites in southwestern Wisconsin. The signs are placed along areas visible to the public to help bring awareness of CREP in the landscape. Land Conservation Departments in Iowa, Green and Lafayette counties began installing the signs in fall 2019 (Figure 4).



**Figure 4: CREP Field Sign**

The state continues to publish press releases regularly to announce program opportunities. DATCP published a press release in June that announced the opening of CREP enrollment and also highlighted the value of the program to frequently flooded agricultural land. Partners at local offices around the state, including counties, FSA and NRCS, also promoted CREP in 2019. These offices reached out to landowners to provide information on reenrollment options and signing new agreements via direct mailings to landowners, announcements in newsletters and on websites, and in-the-field discussions.

### Perpetual Easement Management

The state and counties take over administration of the CREP perpetual easements when the federal contracts expire after 15 years. A total of 359 CREP perpetual easements covering over 5,200 acres have expired federal contracts.

DATCP continued to work with counties to visit easements with expired CRP-1s for compliance review and benchmarking. Several counties requested to have DATCP staff join them during field visits to provide training on monitoring protocol, while other counties opted to complete site reviews without DATCP assistance. The goals of the site visits are to reestablish easement

boundaries and to work with landowners to bring them back into compliance with the easement terms and conservation plan, if needed.

A few landowners requested changes to the conservation plan for their CREP easement. At the expiration of the federal contract, provisions in the easement document allow DATCP to make adjustments to the conservation cover or authorize the use of the CREP easement area for compatible economic uses. Compatible uses must be consistent with the long-term protection of the CREP easement area and may include managed timber harvest, periodic grazing, and haying. This year DATCP worked with county Land Conservation Departments to review proposed changes to CREP conservation plans in Jefferson, Juneau, Monroe, Sauk and Wood counties.

## **POLICY**

Wisconsin CREP was open for a fraction of federal fiscal year 2019. Both new enrollment and reenrollment started on June 3 and closed August 18, 2019, allowing less than 3 months for landowners to enroll. The shortened enrollment window resulted from the 2014 Farm Bill expiring in September 2018 and the 2018 Farm Bill not being enacted until December 20, 2018. Moreover, the USDA FSA didn't provide authority for enrollment until June 2019. CREP is a continuous enrollment CRP program; however, landowners were not able to enroll land into CREP for close to ten months, from August 18, 2018 to June 3, 2019, the longest closed period in Wisconsin CREP history.

Unfortunately, when CREP opened enrollment in 2019 it was long after many farmers needed to make a decision on planting. The result was missed opportunities for enrollment. In May 2019, DATCP surveyed CREP county offices for an estimate of the number of landowners in the county that had expressed interest in enrolling acreage in CREP this year. Responses were received from 44 county offices, 80% of the CREP eligible counties. Before enrollment opened, counties reported that 338 separate landowners expressed interest in enrolling in CREP agreements in 2019.

Counties also provided comments in the survey. Listed below are a few that expressed the impact of the delay in enrollment:

- *“Some are signing applications through our new county program – but CREP would likely be a better option for them.”*
- *“I’ve been telling our landowners who have been inquiring about CREP, that they should be planning on farming their land this year ever since the first of March. I’ll guess that we’ve had at least 20 – 25 landowners inquire about CREP since last fall when we were told to hold off on CREP. I’m also guessing we’ll have at least that many that will be expiring this fall too.”*
- *“Interest in CREP in our county is high. We estimate 75 inquiries and feel that is a bit conservative. Our county has 99 CREP and CRP contracts expiring on 9/30/2019. 60 of those contracts are CREP. The majority of our participants will return those acres to cropland if there is not an opportunity to continue in the program.”*

County Land Conservation Departments are the state's agents for CREP at the local level. CREP activity in Wisconsin corresponds with the amount of promotion the program receives from the local offices. County participation in CREP is purely voluntary and there is no appropriation of funds directed to counties for CREP implementation from either state or federal sources. Although partner counties have committed to work on CREP enrollments once received, the level of CREP promotion from their offices is discretionary and variable. Moving forward, it will be essential for state and federal CREP partners to continue to provide training, implement efficiencies in CREP administration for counties, and advocate for funding for the county conservation departments.

## **MONITORING**

Monitoring activities are performed by both state and county CREP staff. Farm visits are done regularly by county conservation department staff. As part of their visits, if issues with a CREP site are noted, either the state or county addresses the issue with the landowners. The goal is to work with the landowner to bring the site back into compliance with the approved conservation plan.

## **CREP IMPLEMENTATION TEAM**

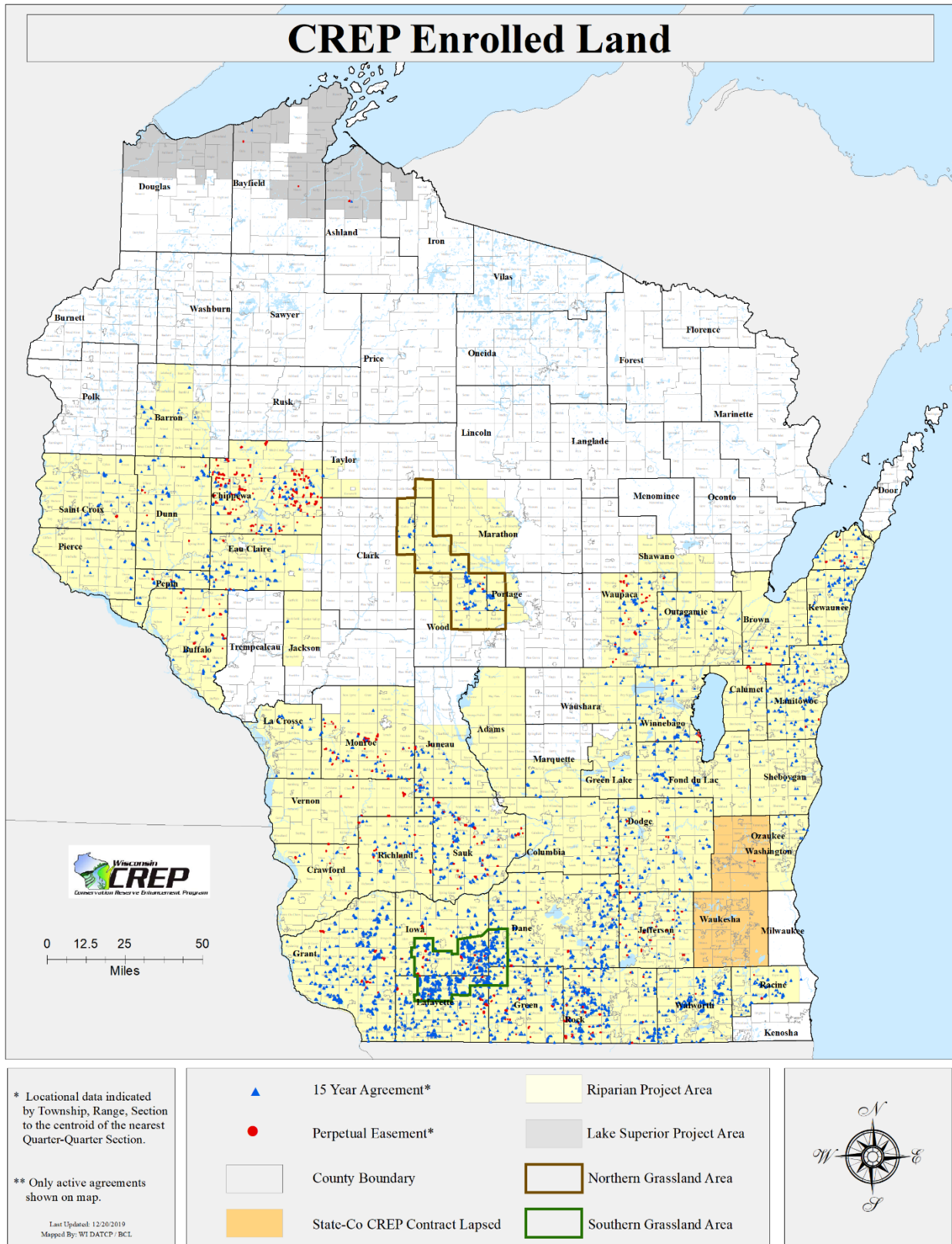
DATCP created the CREP implementation team in late 2001. The team includes representatives of agricultural and producer groups, conservation and environmental organizations, and representatives of local, state, and federal agencies working with CREP. DATCP updates members as needed to fill existing openings.

## **FUTURE CREP ACTIVITIES**

DATCP and CREP partners are considering the following items for the upcoming years:

- Potential amendment to expand CREP Riparian Project Area in northwest Wisconsin.
- Develop Statewide Web mapping application.
- Incorporate updated Farm Bill provisions into State CREP forms and publications.
- Continue to review perpetual easements with expiring CRP-1s for status and compliance.
- Finalize policy for providing cost share assistance for maintaining conservation practices on perpetual easements after the CRP-1 expires.
- Initiate and coordinate an effort to offer landowners currently enrolled in CREP 15-year agreements an opportunity to convert their agreement to an easement.

**EXHIBIT 1 – CREP PROJECT MAP**



## *APPENDIX A*

### **CONSERVATION RESERVE ENHANCEMENT PROGRAM (CREP) PRACTICES AND STATE PAYMENTS**

#### **ELIGIBLE CREP PRACTICES:**

##### In all CREP Project Areas

- CP8A - Grassed Waterways
- CP21 - Filter Strips
- CP22 - Riparian Buffers
- CP23 and CP23A- Wetland Restoration
- CP29 - Marginal Pastureland Wildlife Habitat Buffers

##### Only in the CREP Grassland Project Area

- CP1 - Establishment of Permanent Introduced Grasses
- CP2 - Establishment of Permanent Native Grasses
- CP10 - Grass Already Established
- CP25 - Rare and Declining Habitat: Prairie Ecosystem Restoration and Tallgrass Prairie/Oak Savanna and Savanna Ecosystem Restoration

##### Only in the CREP Lake superior Project Area

- CP30 - Marginal Pastureland Wetland Buffer

#### **CREP PAYMENTS FROM THE STATE OF WISCONSIN:**

##### **Incentive Payments**

The State of Wisconsin, through Counties, will pay eligible landowners 1.5 times the annual rental rate for land enrolled in 15-year agreements (2.5 times in the Lake superior CREP); and 12 times the annual rental rate (24 times in the Lake superior CREP) for lands enrolled in perpetual conservation easements. The annual rental rate used to calculate the state payment is determined by the USDA Farm Service Agency for the federal portion of CREP and does not include any additional incentives, maintenance payments, or other payments made by USDA for CREP.

##### **Practice Payments**

The State of Wisconsin, through Counties, will pay eligible landowners a practice payment of 20% of the total eligible costs to install or construct the CREP practices. The total eligible practice costs are determined by the USDA Farm Service Agency as part of the federal portion of CREP.