Question and Answer Session of the June 21, 2011 Webinar on the Grassland Reserve Program (GRP) hosted by the Partnership of Rangeland Trusts and American Farmland Trust's Farmland Information Center. Answers provided either during the program or after the program by NRCS National GRP Program Managers, Elizabeth Crane-Wexler and Barbara Eggers.

Eligibility and Selection Criteria

Q: Does Land Trust Accreditation make a difference in becoming an eligible entity?
A: Answered during Webinar @ 37:11

Q: Are cooperative agreements with eligible entities more likely to be funded, and is the eligible entity commitment included in the original GRP application? Are appraisal and survey costs reimbursed through GRP?
A: Answered during Webinar @ 37:31

Q: Has NRCS identified priority grasslands in the U.S.?
A: Answered during Webinar @ 39:44

Q: Are prospective projects that are to be held by NRCS ranked against those to be held by land trusts, or separately?
A: Answered during Webinar @ 52:19

Q: Is the ranking criteria the same throughout the US and are there bonus points for certain animals or plants?
A: Answered during Webinar @ 1:01:24

Q: Do the grasslands have to be in native vegetation to qualify for GRP or does domesticated tame grass species qualify?
A: Answered during Webinar @ 1:02:46

Stewardship

Q: Are long-term stewardship funds (dedicated funds to enforcement and management) available or does the entity raise this money from other non-federal funds?
A: Answered during Webinar @ 41:20

Q: Is the $50K Stewardship Fund per project or the organization's overall stewardship endowment account?
A: Answered during Webinar @ 41:40

Q: Are wind turbines allowed on GRP easements?
A: Answered during Webinar @ 47:24

Q: Has NRCS had an easement violation yet? If so, how was it dealt with? And, have any of the cooperating entities had violations?
A: Answered during Webinar @ 59:00

Q: Does the GRP conservation plan allow or have fencing practices in its components to allow protection of GRP land? What typically is covered in a grasslands conservation plan?
A: Answered during Webinar @ 59:57

Q: Does the landowner have to graze livestock or can they leave it vacant such as a recreational property?
A: Answered during Webinar @ 1:03:53

Funding

Q: What is the FY12 request $ for GRP?
A: $74 million.

Q: How are GRP funds allocated to States? Are there discretionary funds (unallocated) held back by the Chief for "unique" projects that would otherwise go unfunded?
A: Answered during Webinar @ 39:28

Matching Formula and Requirements

Q: Please describe the matching formula used for GRP when a project involves an eligible entity and how does this differ from the formula used in the Farm and Ranch Lands Protection Program (FRPP)?
A: Answered during Webinar @ 30:28

Q: Does GRP pay 50% of fair market value of the conservation easement, if working with an NGO, vs one of the two other methods NRCS uses to create a GRP value? So the landowner may have a higher value for their CE, if they work with an NGO?
A: For easements held by the United States, NRCS will not pay more than the fair market value of the land, less the grazing value of the land encumbered by the easement. To determine this amount, USDA will pay as compensation the lowest of:

> (1) The fair market value of the land encumbered by the easement using either the Uniform Standards of Professional Appraisal Practice or an area-wide market analysis;
> (2) The amount corresponding to a geographical cap, as determined by the State Conservationist, with advice from the State Technical Committee; or
> (3) The landowner's offer.

When an eligible entity signs the Cooperative Agreement with USDA, they agree to abide by the Office of Management and Budget (OMB) Circular A-110 http://www.whitehouse.gov/omb/circulars_a110 A-110 dictates that appraisals will be used to determine fair market value. These principles apply to all federal grants.

NRCS does not have adequate data to evaluate whether a compensation for a parcel through a Cooperative Agreement or through a Geographic Area Rate Cap (GARC) would be more or less to an individual landowner. The amount of matching funds provided by the eligible entity would have greater effect on whether the amount paid to the landowner at closing was higher through a Cooperative Agreement.

Q: It would be very helpful to see a spreadsheet on possible contributions to the purchase price by NRCS, the entity and the landowner. These formulas and the related terminology are very confusing, particularly since there are similar terms in FRPP that have different meanings.
A: For FRPP, purchase price is defined as the appraised Fair Market Value (FMV) minus the landowner donation. For GRP purchase price is the FMV. Below is an example:

	FRPP	GRP
Fair Market Value (appraised)	$1,000,000	$1,000,000
Landowner donation	$350,000	$350,000
Purchase Price	$650,000	$1,000,000
Federal Contribution	$325,000	$500,000
Eligible Entity Cash	$325,000	$150,000

Because the Federal Contribution cannot exceed 50% of the purchase price for both FRPP and GRP, the definition of purchase price has an effect on the percentage paid by the eligible entity.

Q: Can you set the purchase price in GRP lower than the fair market value of the CE?
A: No, by definition the purchase price is the appraised fair market value.

Q: Did the landowners make up any part of the contribution in either of the examples covered in the presentations?
A: Answered during Webinar @ 34:29

Q: What do you think the tolerance might be for raising the amount of landowner match recognized as match for each conservation project?
A: Answered during Webinar @ 35:16

Q: Do you see any opportunity to connect the current IRS conservation deduction incentive with the GRP or FRPP match requirements?
A: Answered during Webinar @ 49:20

Q: Will the USDA sign an 8283 IRS form in the case of a landowner donation funded by NRCS - in the case the project wasn't fully funded?
A: Answered during Webinar @ 53:50

Special Funding Initiatives

Q: Is the lesser prairie chicken or sage gross on the endangered species list or will they be on the endangered species list in the future?
A: Answered during Webinar @ 43:14

Q: Where are the geographic areas of the Sage Grouse and Lesser Prairie Chicken initiatives?
A: Answered during Webinar @ 43:25

Q: What about future funds for greater prairie chicken - also declining?
A: The NRCS Chief allocated an additional $1.6 million to support the Lesser Prairie Chicken Initiative (Kansas, Oklahoma and Texas).

Combining GRP with other USDA Programs

Q: If a landowner is signed up in CRP can they still sign up for the GRP program?
A: Answered during Webinar @ 36:15

Q: What about USDA programs other than CRP? If a Landowner is currently enrolled in say CSP, are they eligible to APPLY for GRP or does the CSP contract have to be terminated before application?
A: Answered during Webinar @ 46:03

Q: If a landowner's income exceeds the AGI limit of $1 million due to a purchased easement sale, are they then ineligible in subsequent years for other cost-share habitat improvement projects? (e.g.: wildlife-friendly fencing, water developments etc...)
A: Income from selling a conservation easement is considered "farm income". If more than 2/3 of a person or legal entity's average adjusted gross income comes from farm income, then the AGI requirements do not apply. "*(2) CONSERVATION PROGRAMS.—(A) LIMITS a person or legal entity shall not be eligible to receive any benefit described in subparagraph (B) during a crop, fiscal, or program year, as appropriate, if the average adjusted gross nonfarm income of the person or legal entity exceeds $1,000,000, unless not less than 66.66 percent of the average adjusted gross income of the person or legal entity is average adjusted gross farm income"*

Also addressed during Webinar @ 57:25

Miscellaneous

Q: Could you confirm whether the GRP Easements are in perpetuity or not?
A: The GRP easement is permanent or the maximum duration allowed by state law.

Q: Had there been prior problems to cause the 30-year rental agreement to go away?
A: Thirty-year rental agreements were removed from the 2008 Farm Bill at the same time that 30-year GRP easements were removed. USDA has about 2 dozen GRP 30-year easements and just under 300, 30-year rental agreements that will begin to expire in 2033.

Q: Is there a reason why there has not been more GRP activity in Oklahoma? There is alot of range and native grassland located in Oklahoma.
A: Answered during Webinar @ 44:39

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