



Natural Resources Conservation Service
U.S. DEPARTMENT OF AGRICULTURE

Agricultural Conservation Easement Program Financial Assistance Explained

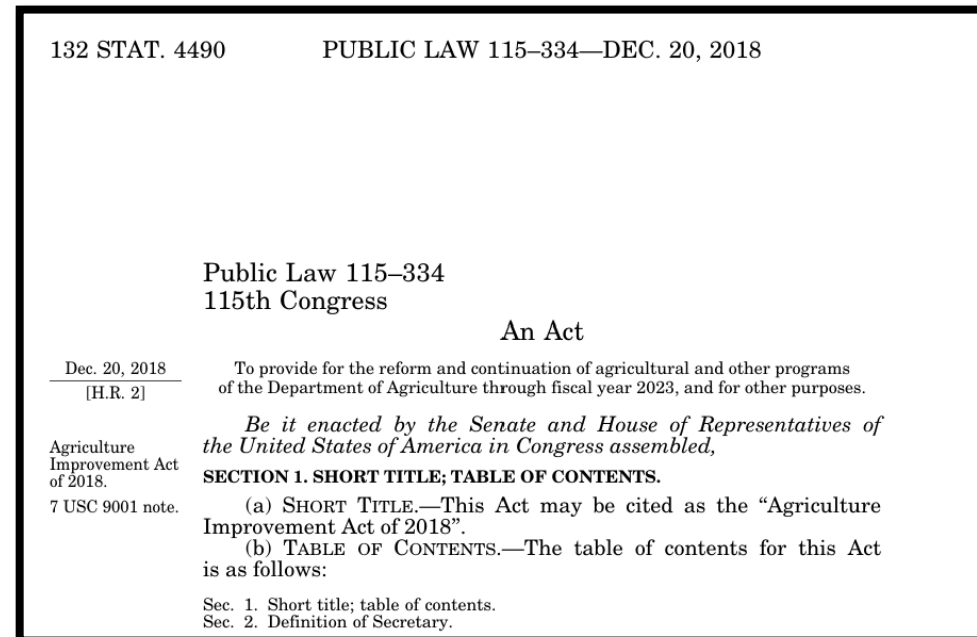


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FARM PRODUCTION AND CONSERVATION
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Statutes

- Agriculture Improvement Act of 2018
- Working Families Tax Cuts Act 2025 (One Big Beautiful Bill Act)
 - ACEP Funding
 - \$625M in 2026
 - \$650M in 2027
 - \$675M in 2028
 - \$700M in 2029-2031



Meeting the Chief's Priorities

- Preserve and Protect Agricultural Lands
 - **Goal:** *Reduce the loss of productive working lands and safeguard the long-term viability of America's agricultural landscapes.*
- Expand Wildlife Conservation and Outdoor Access
 - **Goal:** *Strengthen voluntary conservation efforts that improve wildlife habitat, expand outdoor access, and support rural communities while respecting private property rights and keeping working lands productive.*



ACEP Funds Allocation (Annual)

Funding *	Amount	Notes
Authorized Funding	\$650,000,000	
Sequestration (5.7%)	\$612,950,000	Estimated Based on historic data
Farm Production and Conservation	\$603,193,123	
Split Financial and Technical Assistance	\$482,554,498	Estimated (80/20 split)
Carryover Funding**		As apportioned by OMB Estimated (95/5 split)
Holdouts from Financial Assistance	\$307,553,498	
Program Component Split	\$153,776,749	50-50 split

*This is a proposal, final allocations are being approved through NRCS leadership.

**Carryover is only estimated at this time, funding depends on FY2026 obligations.

ACEP Funds Allocation (Annual)

- Initial allocations for states in FY 2027 proposed to consist split 50/50 between ALE and WRE. These funds support new enrollments, ancillary costs, modifications, and restoration.
- Regardless of enrollment history, each state should receive a minimum amount for both program components to encourage program development.
- NHQ communicates initial allocation amounts and associated limitations and requirements in the annual allocation letter to State Conservationists.
- The remaining funds, including carryover funds from prior years and funds that are returned, are re-distributed throughout multiple funds assessments established each year.

ACEP-ALE Funds Allocation (Annual)

- ACEP-ALE FA allocations in FY 2027 are proposed to be based on resource factors:
 - public vs private acres;
 - AFT farms under threat 2040 projections;
 - percent change in number of farms;
 - acreage by land use;
 - number of certified entities; and
 - amount of prime, unique, statewide, and locally important soils.
- Minimum allocation of \$1,100,000



ACEP-WRE Funds Allocation (Annual)

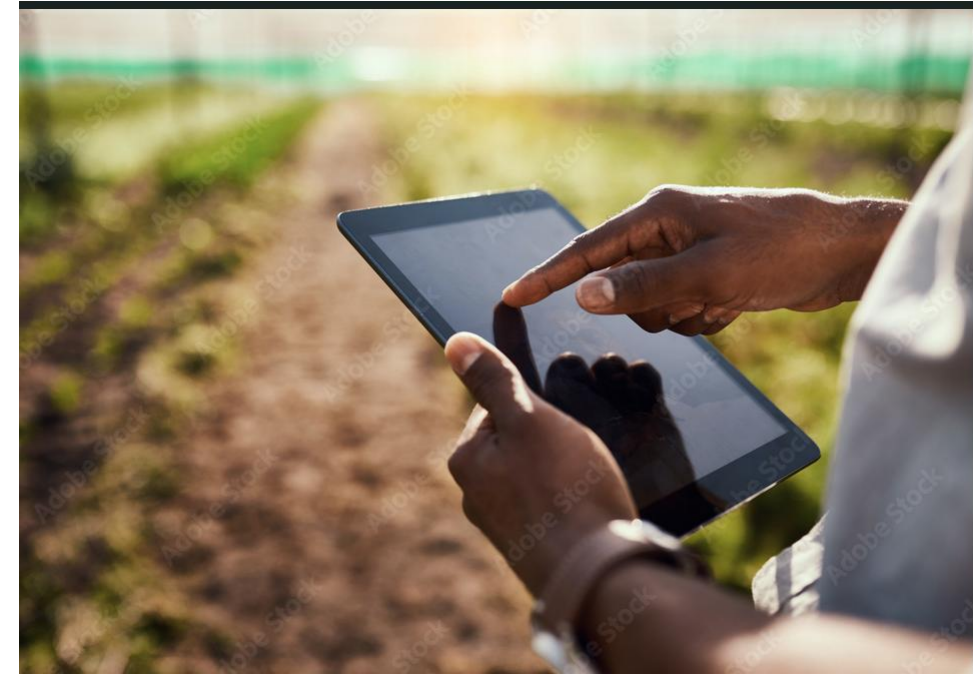
- ACEP-WRE FA allocations in FY 2027 are proposed to be based on resource factors:
 - public vs private acres;
 - loss of wetlands from 1790s to 1980s;
 - acres hydric soils;
 - acres of Histosols and Mollisols;
 - application backlog.
- Minimum allocation of \$1,100,000



Figure 2. States with notable wetland loss, 1780's to mid-1980's. (Source. Modified from Dahl, 1990.)

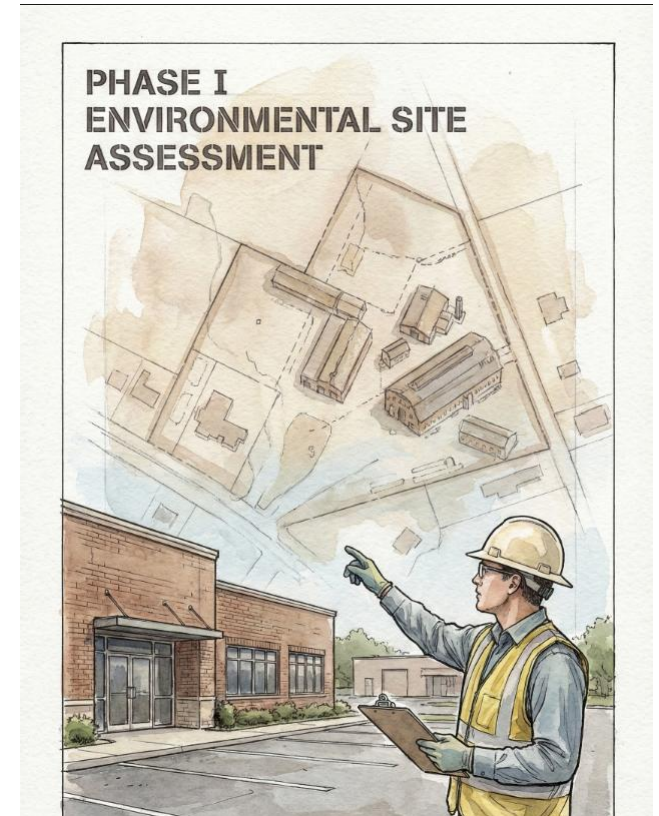
Funds Assessments

- Deadlines are announced through a national bulletin. The SharePoint site is available at the first of the month prior to the deadline for states to submit requests.
- All applications within the batching period for which funds are requested must have onsite visits completed, final eligibility determinations made, and have the ranking submitted and pre-approved in Select Application Tool (SAT), by the funds assessment deadline.
- Requests should be submitted by individual project, with the National Easement Staging Tool (NEST) or ProTracts parcel contract number, total funds being requested, project specifics, and ranking order.



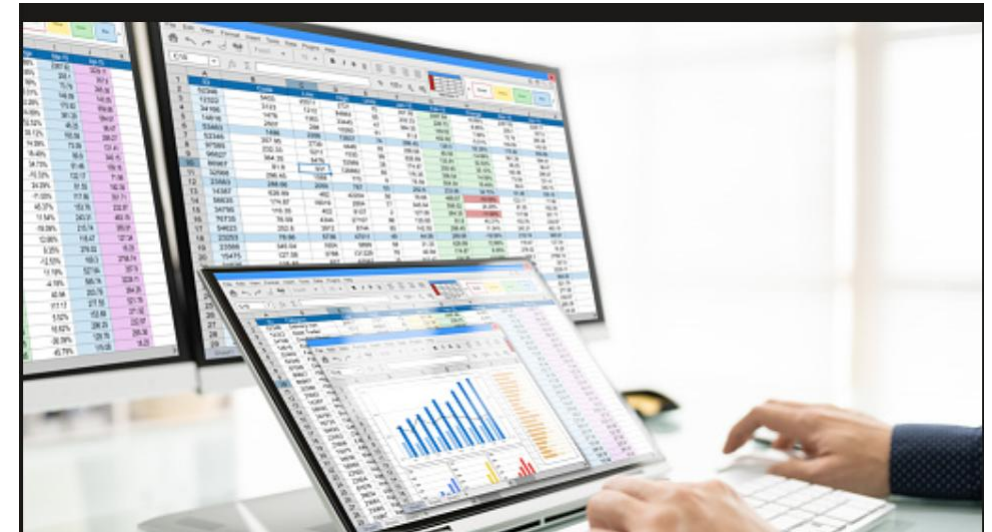
Funds Assessments - Continued

- Prior to requesting additional funds for increased appraisal amounts or due diligence, states must first utilize their initial allocation.
- States must return any unused ACEP funds to NHQ as soon as identified for redistribution. The associated TA return rate is established in the state's initial allocation letter.
- All unutilized ACEP funds typically must be returned to NHQ by end of July.



Funds Assessment Workflow

- National Program Managers quality assure data, ensure projects are viable, and make sound recommendations to NRCS Leadership for projects with a high likelihood to successfully preserve agricultural lands and provide funding to farmers and ranchers effectively and efficiently.
- Confirm NEST/parcel contract number, funding amounts requested, and review comments accompanying submission.
- Review business tools to ensure data entry is accurate and complete, landowner is Farm Bill eligible, and parcel has been assessed and ranked in the Conservation Assessment Ranking Tool (CART).

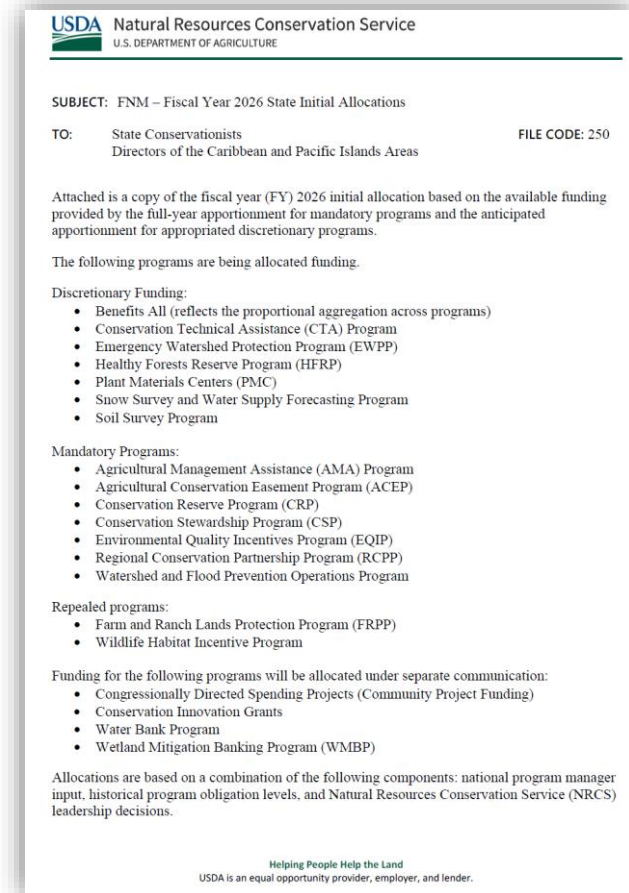


Funds Assessment Workflow - Continued

- Discuss request with state to ensure site visits have been completed with no concerns (e.g., land eligibility, hazmat issues, title concerns, landowner-entity-NRCS goal alignment, etc.).
- For states serviced by the Easement Acquisition Branch (EAB), confirm parcels have been submitted for Advanced Due Diligence, or a Full-Service Request has been made, in accordance with published guidance.
- Conduct analyses regarding total funding requested versus funding available, breakdown allocations by budget period to reduce carryover, and develop well-founded recommendations to NRCS Leadership.

State Program Management and Budgeting

- Initial allocations are transmitted to state conservationists as the allocation holder through an annual allocation letter.
- The allocation letter provides funding for discretionary, mandatory, and repealed programs, and disseminates associated guidance related to the same.
- State program managers must consider the entirety of their ACEP-ALE portfolio when budgeting annual allocations including, but not limited to, existing closed easements, current enrollments, due diligence, and typical application volume.



State Program Management and Budgeting – Continued.

- Prior to selecting new ACEP-ALE applications, states will determine funding needs for appraisal technical reviews on existing enrollments, environmental database records searches for incoming applications and existing enrollments, and any other outstanding needs related to ACEP-ALE such as increased appraisal amounts on prior-year enrollments.
- States interested in accommodating increased appraisal amounts must utilize their initial allocation before requesting such funds in the funds assessment.
 - If requested in the funds assessment, for non-certified transactions, appraisal must be supported by an approved appraisal technical review, and NRCS national appraiser review as applicable.



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Questions?

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