United States Department of Agriculture

Regulatory Impact Analysis

for the

Agricultural Conservation Easement Program (ACEP)

Agriculture Improvement Act of 2018 (2018 Farm Bill)
Title II – Conservation
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Regulatory Impact Analysis
for the Agricultural Conservation Easement Program

Contents

Tables

Figures

Regulatory Impact Analysis
For the Agricultural Conservation Easement Program
(ACEP)

SUMMARY

The Agriculture Improvement Act of 2018 (2018 Farm Bill) reauthorized, with some minor amendments, the Agricultural Conservation Enhancement Program (ACEP) administered by the Natural Resources Conservation Service (NRCS). NRCS provides technical and financial assistance to assist customers (farmers, ranchers, landowners, and other land users) in addressing natural resource concerns. ACEP was originally established under the Agricultural Act of 2014 (2014 Farm Bill) through the consolidation of three existing NRCS easement programs—the Wetlands Reserve Program (WRP), the Farm and Ranch Lands Protection Program (FRPP), and the Grassland Reserve Program (GRP)—into a single easement program. ACEP has two distinct components:

- The agricultural land easement (ACPE-ALE) component protects the agricultural use, future viability, and conservation values of eligible land by limiting non-agricultural uses of that land or protects grazing uses and related conservation values by restoring or conserving eligible land (consistent with FRPP and GRP, respectively), and
- The wetlands reserve easement (ACEP-WRE) component restores, protects, and enhances wetlands (as previously available under WRP).

The 2018 Farm Bill included mandatory changes to ACEP that NRCS must implement and changes over which NRCS has some discretion. Additionally, NRCS continues to have discretion over other program aspects that were unchanged by the 2018 Farm Bill, such as the allocation of funds. Together, these various changes and discretionary provisions may affect ACEP program costs and the resulting impacts on natural resource concerns, but those changes are expected to be small. Because ACEP is voluntary, the program does not impose any burden upon agricultural landowners who choose not to participate.

One of the most significant ACEP changes in the 2018 Farm Bill is to the existing contribution requirements for the non-Federal share under ACEP-ALE (see Appendix A for a summary of changes). This change adds flexibility for eligible entities to meet the non-Federal share requirement by no longer specifying a minimum cash contribution amount to be provided by the eligible entity and allowing the total of the non-Federal share to be comprised of a charitable donation or qualified conservation contribution from the private landowner. It also includes provisions for costs related to securing the easement to be included in the calculation of the non-Federal share.

There are six states and one territory (Alabama, Arkansas, Hawaii, Louisiana, Missouri, North Dakota, and Puerto Rico) that currently have no enrollment in ACEP-ALE. This may have been due to a lack of available financial resources for an eligible entity to meet the minimum cash

contribution requirement or may be due to a lack of entities that meet the eligibility requirements to participate in ACEP-ALE. The changes to the non-Federal share requirements may result in increased ACEP-ALE enrollments in areas where enrollment has been limited due to a lack of financial resources available for entities that meet the ACEP-ALE eligibility requirements. To address these statutory changes, NRCS in the ACEP interim rule eliminated a specified minimum cash contribution amount and incorporated provisions for considering costs related to securing the easement. These changes are applicable to all eligible entities in all States and as a result, analysis of historical NRCS administrative data indicates that the amount of the Federal contribution toward ACEP-ALE easements will increase by an estimated 8 to10 percentage points. No changes are being made by the final rule that affect the original analysis in the interim rule Regulatory Impact Analysis on this topic or any other topic addressed in this analysis.

Another change under the 2018 Farm Bill provides NRCS with authority to enter into legal arrangements with eligible entities to conduct buy-protect-sell transactions under ACEP-ALE. Under a buy-protect-sell transaction, NRCS may provide ACEP-ALE cost-share assistance to an eligible entity for the purchase of an agricultural land easement on private or Tribal agricultural land owned on a transitional basis by an eligible entity when the ownership of that land will be timely transferred to a qualified farmer or rancher. Buy-protect-sell transactions are intended to help farmers and ranchers acquire agricultural land they could not otherwise afford and to protect agricultural land that may have otherwise been developed or removed from agricultural production.

NRCS continues to have the discretion to rank and prioritize projects and to select individual applications based on their ability to achieve program purposes and to assess and determine the appropriate allocation of funds for the acquisition of agricultural land and wetland easements. The 2018 Farm Bill does not limit NRCS's discretion to determine the allocation of funds between ACEP-WRE and ACEP-ALE. The relative emphasis NRCS places on these two program components depends on State and national priorities, environmental impacts, and local demand. It is anticipated that enrollment in ACEP will be consistent with historic enrollment trends.

Land enrolled in ACEP-WRE easements produces onsite and offsite environmental impacts. Those include: restoring and protecting high value wetlands; controlling sheet and rill erosion as lands are restored from cropland to wetlands and associated habitats; restoring, enhancing, and protecting habitat for fish and wildlife, including threatened and endangered species and migratory birds; improving water quality by filtering sediment and chemicals; reducing flooding and flood-related damage; recharging groundwater; protecting biological diversity; controlling invasive species with planting of native vegetation; and providing opportunities for educational, scientific, and recreational activities. Soil health and air quality are improved by reduced wind erosion, reduced soil disturbance, increased organic matter accumulation, and an increase in carbon sequestration.

For land enrolled in ACEP-ALE, the suite of conservation effects on protected grasslands are different than those on protected farmland; the impacts are not valued here as one being more beneficial than another. For example, ACEP-ALE easements on grasslands limit agricultural activities to predominantly grazing and haying, whereas easements on farmland allow crop cultivation and pasture-based agriculture. As such, farmland protection effects are derived from onsite and ecological services, as well as preserving highly productive agricultural areas from development or fragmentation. Impacts on grasslands are derived from onsite and ecological impacts as well as preventing conversion to nongrassland uses. The net conservation effects through time from farmland protection include direct access benefits (pick-your-own, agri-tourism, and nature based activities like hunting), indirect access benefits (open spaces and scenic views), and nonuse benefits (wildlife habitat and existence values). Grassland protection conservation effects include direct, indirect, and nonuse benefits, and also on-farm production gains and carbon sequestration.

The authorized level of funding for ACEP for the period of FY 2019-2023 is $2.25 billion (assuming future funding is set at authorized amounts). This represents an increase in ACEP average annual funding over the 2014 Farm Bill of 11 percent—from $405 million per year to $450 million per year in nominal dollars.

The regulatory impacts of ACEP funding consist of payments for the purchase of easements or real property interests; the costs incurred by the agency related to the acquisition, such as title companies, appraisers, licensed land surveyors; and the costs of restoring wetlands. Although these transfers create incentives that likely cause minor changes in the way society uses its resources, NRCS lacks data with which to identify where these resources would otherwise be used.

NRCS also recognizes that applicants and participants incur costs in terms of time used to gain access to the program. NRCS estimates the imputed value of applicant and participant time spent in accessing the program from FY 2019-2023 at $1.1 million for the five years.

NRCS estimates of costs, benefits and transfers of ACEP on an annual basis are reported in Table 1. Given a 3 percent discount rate, the projected annualized real cost to producers of accessing the program is $229,000 and the projected annualized real transfers are $433 million. Conservation benefits from the easement are difficult to quantify at a national scale, but have been described by studies at an individual project or watershed or local scale.

Table 1: Annualized Real Estimated Costs, Benefits and Transfers[a]

Category	Annual Estimate
Cost[b]	$229,000
Benefits	Qualitative
Transfers	$433,000,000

[a]All estimates are discounted at 3 percent to 2019. Note that this table focuses on the costs, benefits, and transfers of the entire program, not the marginal change in a comparison of the 2014 and 2018 Farm Bills.
[b] Imputed cost of applicant time to gain access to the program.

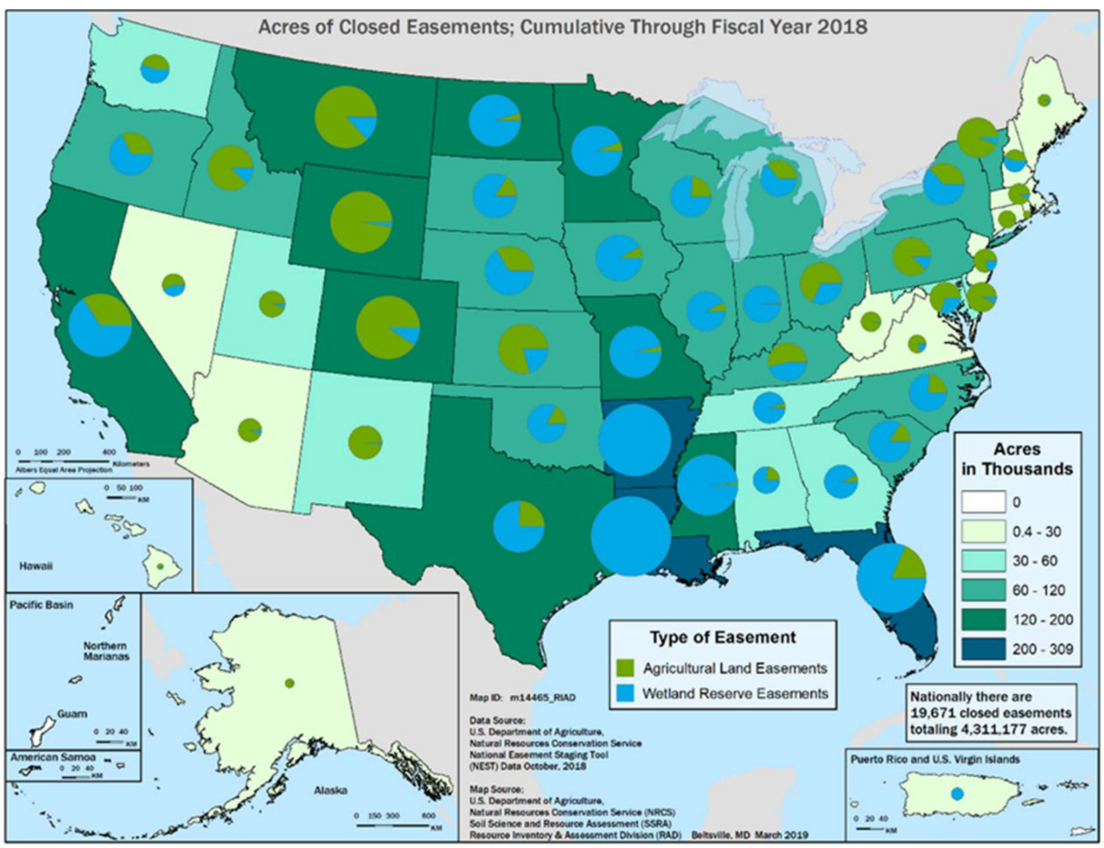
OVERVIEW

The 2018 Farm Bill reauthorized ACEP, which is administered by the Natural Resources Conservation Service (NRCS), authorizing $450 million annually in Commodity Credit Corporation (CCC) funding. The 2014 Farm Bill established ACEP and repealed and combined the purposes of three predecessor NRCS easement programs, WRP, FRPP, and GRP. NRCS has a long history of implementing conservation easements--starting with WRP in 1992, FRPP in 1996, and GRP in 2002. The 2018 Farm Bill reauthorized ACEP with minor amendments and additional funding.

ACEP is a voluntary program that provides technical assistance (TA) and financial assistance (FA) to eligible landowners to restore, enhance, and protect wetlands under ACEP-WRE and to eligible entities to protect working agricultural lands under ACEP-ALE. ACEP is available in all U.S. States and territories and applications are accepted on a continuous signup basis. Under ACEP-WRE, NRCS enters into an agreement with eligible private and Tribal landowners to provide financial assistance for the purchase of a wetland reserve easement held by the United States. Under ACEP-ALE, NRCS provides cost-share assistance to eligible entities for their purchase of agricultural land easements.

Figure 1: Cumulative ACEP* Acres Enrolled and Closed

***ACEP-ALE (including FRPP and GRP) and ACEP-WRE (including WRP) through FY 2018**



Landowners choose to protect their land with conservation easements under ACEP for many reasons, including farmland preservation, wetland restoration and protection, estate planning, income diversity, expanded recreational opportunities, and improved conservation benefits. Landowners may participate in part to meet challenges they face in managing their operations. For example, a landowner may decide to sell an agricultural land easement to protect highly productive grasslands from conversion to crop production and thus limit soil and chemical runoff into a nearby stream. Landowners may decide to enroll in a wetland reserve easement to restore farmland that is marginal for agricultural production back to wetlands—and, at the same time, gain critical habitat for wetland-dependent wildlife, create additional recreation opportunities, improve water quality and groundwater recharge, and reduce impacts from flooding.

On a broader scale, factors such as USDA priorities, the geographic distribution of wetlands and development pressure, the extent of land trust organization activities in a state, and other factors play a role in determining historic participation in ACEP and the acreage distribution shown in Figure 1:[1]

- **State geography**--ACEP-ALE accounts for virtually all ACEP participation in arid states such as Arizona, New Mexico, and Utah. In contrast, states such as Louisiana, Arkansas, and Florida have considerable lost wetland acreage due to a combination of topography and other factors (such as USDA priorities discussed below), and account for significant ACEP-WRE enrollment.
- **USDA priorities**—USDA has prioritized ACEP-WRE enrollment in North American flyways, the primary routes that shorebirds and waterfowl follow in their annual migration. These easements enhance habitat and food resources for migrating bird populations. This prioritization partially explains the significant number of ACEP-WRE acres in the Midwest and lower Mississippi basin.
- **Development pressure**—ACEP-ALE is designed to reduce the conversion of farmland to non-agricultural uses. Given urban development pressures in the Northeast, California, and certain other states, these states have relatively stronger participation in ACEP-ALE than ACEP-WRE.
- **Proportion of the state that is publicly owned**—ACEP enrollment is limited to private and Tribal land. Many western states have extensive acreage in public ownership. Such states have a relatively smaller share of their acreage available for potential ACEP enrollment. For example, 80 percent of Nevada's acreage is Federally owned, as is 63 percent of the land in Utah and 62 percent of the land in Idaho (Vincent et al., 2017).
- **Extent of land trust activity in the state**—ACEP-ALE enrollment requires the involvement of eligible entities, many of which are land trusts, while under ACEP-WRE NRCS works directly with agricultural landowners. Land trusts are found in virtually every state, but the highest concentrations are in California, the Northeast, and the Upper Midwest (Land Trust Alliance). The more active land trusts are in a given area,

[1] Note that ACEP participation is a relatively small share of farmland in any state. Montana has the greatest number of ACEP-ALE acres, but those account for only 0.3 percent of farmland in the state. Louisiana has the greatest number of ACEP-WRE acres, but those acres account for only 0.4 percent of farmland in the state. See appendix tables for acreage enrolled by state and other data. For more information, see Appendix B, tables D and G.

everything else held equal, the greater the expected interest by landowners in ACEP-ALE.

Over the life of ACEP and its predecessor easement programs—WRP, FRPP, and GRP—over 4.3 million acres of wetlands, farmlands, and grasslands have been protected through these voluntary NRCS conservation easement programs. Between fiscal years FY 2014-2018, NRCS enrolled 2,171 individual easements on 798,023 acres in ACEP (Table 2)—including 547,433 acres in ACEP-ALE (Table 3) and 250,590 acres in ACEP-WRE (Table 3). Enrollment levels in ACEP-WRE and WRP before it are highest in the central and southeastern U.S. and California. Enrollments in ACEP-ALE, including FRPP and GRP, are highest in the Northeast and Great Plains (Figure 1). A summary of program statistics by State from FY 2014-2018 is presented in Appendix B.

Funding for ACEP's predecessor easement programs reached its highest level under the 2008 Farm Bill from FY 2008 through FY 2013, when WRP, FRPP, and GRP received an average of $691 million in aggregate funding. WRP was the dominant program, receiving $514 million in average funding annually compared to $138 million for FRPP and $39 million for GRP. Under the 2014 Farm Bill, the authorized funding level for ACEP averaged $405 million per fiscal year for FY 2014-2018.

Under the 2014 Farm Bill, approximately $1.75 billion in ACEP FA and TA[2] was obligated. Nearly $1.3 billion in ACEP FA was obligated of which 34 percent ($428.3 million) was obligated for ACEP-ALE enrollments and 66 percent ($838.6 million) was obligated for ACEP-WRE enrollments (Table 3). The weighted average ACEP FA cost was $1,588 per acre; for ACEP-ALE, the average FA cost is $782 per acre[3] and for ACEP-WRE, it is $3,346 per acre.[4] Table 4 provides the breakdown in acreage associated with the data in Table 2 and Table 3 by program subcategory.

[2] For ACEP-WRE, TA costs include expenses for NRCS or a qualified third party hired by NRCS to conduct activities associated with administering the program, such as: conducting onsite inspections and analysis of resource concerns; review of due diligence and title materials; restoration planning, design, and supervision of practice installation; conducting annual monitoring, enforcement, and management activities; and developing and administering contracts, agreements, business tools, agency infrastructure, and other instruments needed to secure implementation, oversight, and tracking of the program.

[3] The average FA cost for general ACEP-ALE enrollments is $1,271 per acre and for ACEP-ALE GSS, it is $392 per acre. Note that the FA costs for ACEP-ALE include the Federal share provided to the eligible entity for their purchase of the agricultural land easement, as well as NRCS costs to procure limited due diligence items such as a technical review of the appraisal provided by the entity and a hazardous materials record search, to ensure the amount of the Federal investment is supported and the long-term risk is low.

[4] For ACEP-WRE, the FA costs include the cost of the easement purchased and held by the United States, the procured items for title review and clearance, legal surveys, and due diligence sufficient to meet Department of Justice Title Standards, and the costs associated with restoration, enhancement, and management of the wetland functions and values on the easement area.

Table 2: Historical Program Highlights, FY 2014-2018, Total ACEP

Total ACEP	Number of Easements	Acres Enrolled	Total FA Cost ($1,000)	Total TA Cost ($1,000)	Total NRCS Cost($1,000)
FY 2014	402	116,394	$223,537	$90,739	$314,275
FY 2015	304	102,721	$187,169	$99,511	$286,680
FY 2016	457	159,520	$232,236	$100,968	$333,203
FY 2017	649	296,366	$410,453	$104,484	$514,937
FY 2018	359	123,022	$221,478	$86,672	$308,150
Total	**2,171**	**798,023**	**$1,274,873**	**$482,373**	**$1,757,246**
Average Annual	434	159,605	$254,975	$96,475	$351,449

Table 3: Historical Program Highlights, FY 2014-2018, ACEP-ALE and ACEP-WRE FA

ACEP - ALE	Number of Easements	Acres Enrolled	Total FA Cost ($1,000)
FY 2014	141	70,642	$72,127
FY 2015	111	59,504	$58,174
FY 2016	189	123,065	$95,361
FY 2017	212	205,793	$118,962
FY 2018	164	88,429	$83,696
Total	**817**	**547,433**	**$428,321**
Annual average	163	109,487	$85,664

ACEP - WRE	Number of Easements	Acres Enrolled	Total FA Cost ($1,000)
FY 2014	261	45,752	$143,409
FY 2015	193	43,217	$128,995
FY 2016	268	36,455	$136,874
FY 2017	437	90,573	$291,491
FY 2018	195	34,593	$137,783
Total	**1,354**	**250,590**	**$838,552**
Annual average	271	50,118	$167,710

Sources: USDA-NRCS Administrative Data; Acres and agreements from NEST October 2018 and dollars from FMMI data processed July 6, 2018, December 17, 2018 and January 25, 2019.

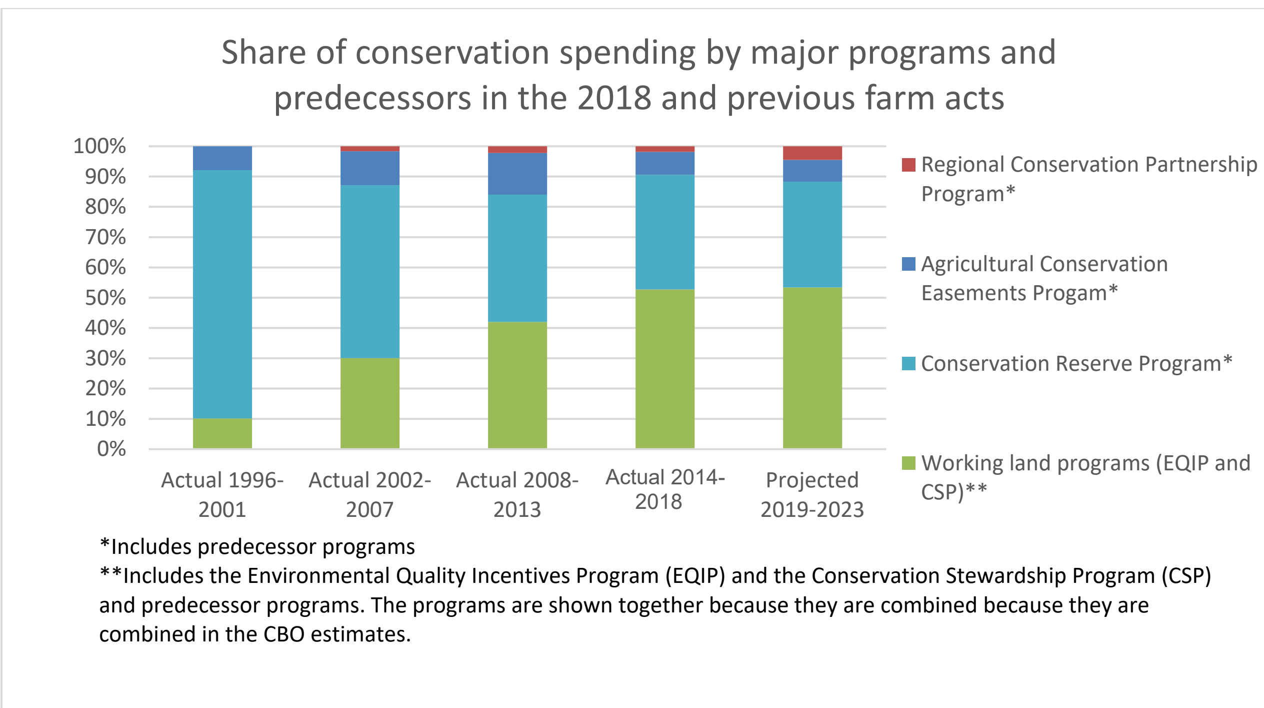
Table 4: Historical Average Acreage Distribution, FY 2014-2018

ACEP - Agricultural Land Easements	Program Acres	Program Acres Distribution (%)
ALE for cropland and regular grasslands	243,452	31%
Grasslands of special environmental significance	303,981	38%
Total ACEP-ALE	547,433	69%
ACEP - Wetland Reserve Easements		
Permanent easements	214,008	27%
30-year easements	35,464	4%
30-year contracts (tribal)	1,118	0.4%
Total ACEP-WRE	250,590	31%

Source: USDA-NRCS Administrative Data; Acres and agreements from NEST October 2018.

The 2018 Farm Bill authorizes $450 million per fiscal year for FY 2019 through FY 2023, a ten percent increase relative to average annual authorized funding under the 2014 Farm Bill.[5] Of the various conservation programs administered by USDA, Figure 2 shows the share of conservation spending on ACEP relative to other programs. Although ACEP funding is small compared to other USDA conservation programs, ACEP provides the longest-term resource protection by protecting agricultural land and restoring and protecting wetlands and associated habitats, primarily in perpetuity.

Figure 2: Share of Conservation Spending by Major Programs Historically



[5] Funding in any given year may be limited by Appropriations bills.

ACEP-AGRICULTURAL LAND EASEMENTS

Under ACEP-ALE, NRCS provides financial assistance to eligible entities for their purchase of an agricultural land easement that is conveyed for the purpose of protecting natural resources and the agricultural nature of the land. It also permits the landowner to continue agricultural production and related uses. More specifically, ACEP-ALE protects cropland, pasture, and other working land from development and protects grassland from conversion to more intensive agricultural uses. Agricultural land easements also promote agricultural viability for future generations, limit nonagricultural uses that negatively affect agricultural use and conservation values, preserve open space, provide scenic amenities, and protect grazing (including grassland, rangeland, pastureland, and shrubland) and related conservation values by restoring and conserving eligible land. The only enrollment option under ACEP-ALE is a permanent (or the maximum duration allowed by State law) easement.

During FY 2014-2018, NRCS enrolled 547,433 acres in ACEP-ALE through 817 easements, of which 44 percent (243,452 acres) were enrolled in general ACEP-ALE and 56 percent (303,981 acres) were enrolled as grassland of special environmental significance (GSS) (see Figure 3 and Appendix B for data by State). The five States with the highest number of acres enrolled in ACEP-ALE—Montana, California, Wyoming, Colorado and Oregon—account for approximately 61 percent of the total acres enrolled in ACEP-ALE during the 2014 Farm Bill. Montana alone enrolled 186,113 acres, which accounts for one-third of total ACEP-ALE acreage and 53 percent of the ACEP-ALE-GSS acreage.

During FY 2014-2018, FA obligations for ACEP-ALE totaled $428.3 million. The five States with the highest FA funds obligated through ACEP-ALE agreements are Montana, California, Colorado, Florida, and Texas (see Appendix B Table D). These five States account for approximately 38 percent ($165 million) of total ACEP-ALE FA obligations and 56 percent of ACEP-ALE acreage enrolled under the 2014 Farm Bill.

2018 Farm Bill Changes

The 2018 Farm Bill included mandatory and discretionary changes to ACE-ALE. These include: additional certification requirements for eligible entities; elimination of the requirement to have an agricultural land easement plan for all easements; increased flexibility in how eligible entities may meet their non-Federal share requirements and the creation of a buy-protect-sell transaction. (See Appendix A for a summary of 2018 Farm Bill changes to ALE.)

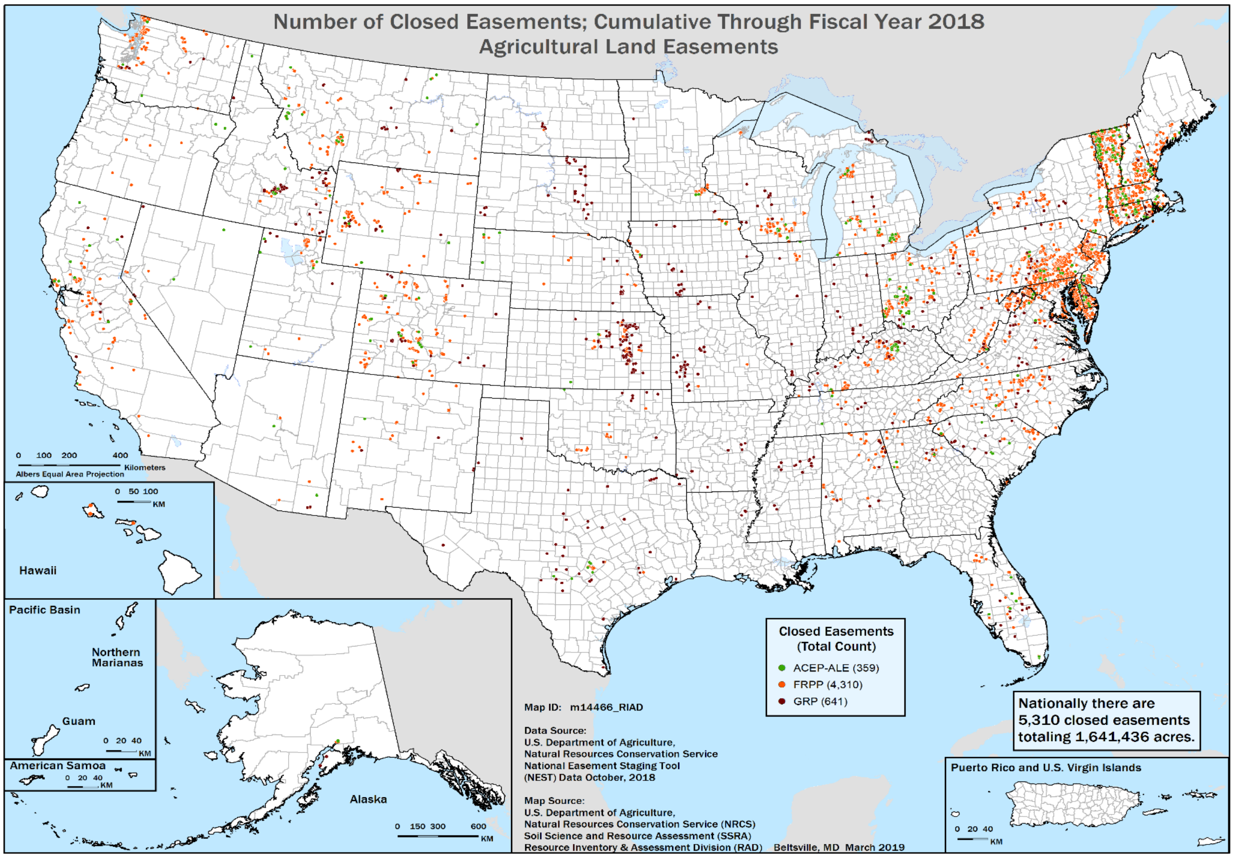
ACEP-ALE Eligible Entities

NRCS enters into an ALE-agreement with an eligible entity through which NRCS provides financial cost-share assistance for the eligible entity's purchase of an agricultural land easement. Eligible entities may be State or local governments, Indian tribes, or nongovernmental organizations (NGOs)[6] that have a farmland or grassland protection program through which they purchase agricultural land easements to protect agricultural uses (including grazing uses) and

[6] "Nongovernmental organization" means a tax-exempt organization as described in sections 501(c)(3) and 509(a)(1-3) of the Internal Revenue Code that was formed for one of the conservation purposes set forth in Internal Revenue Code Section 170(h)(4)(A).

related conservation values. Examples of participating eligible entities that are State or local governments are the Pennsylvania Department of Agriculture and the Farmland Protection Board of Fayette County, West Virginia. Examples of participating eligible entities that are NGOs are The Nature Conservancy and the Colorado Cattlemen's Agricultural Land Trust.

Figure 3. Number of Closed Agricultural Land Easements through Fiscal Year 2018



Eligible entities interested in receiving ACEP-ALE funds must provide NRCS sufficient evidence of:

- Commitment to long-term conservation of agricultural lands;
- A capability to acquire, manage and enforce conservation easements;
- Sufficient number of staff dedicated to easement monitoring and stewardship;
- Ability to satisfy the non-Federal cost share requirements; and
- Other information as specified by NRCS needed to establish eligibility.

The 2014 Farm Bill included provisions under which an eligible entity could become certified,[7] thus requiring less NRCS oversight and engagement in the easement acquisition process. The 2018 Farm Bill retains the existing criteria and adds certification criteria for eligible entities that have been accredited by the Land Trust Accreditation Commission or are State Departments of Agriculture or other State agencies with statutory authority for farm and ranchland protection. It also clarifies that certified entities can use their own deed terms and conditions as long as those terms and conditions are consistent with the purposes of ACEP-ALE (see Appendix A for a summary of 2018 Farm Bill changes).

According to the 2018 Farm Bill managers' report, ". . . a certified entity should be able to write its own deed terms, subject to minimum deed terms set by NRCS." The managers' report further stated, "*. . . the Managers have provided three pathways for eligible entities to be certified. The first is the Agricultural Act of 2014's retained provision enabling any eligible entity to be certified if it demonstrates to the Secretary certain capabilities around acquiring, administering and enforcing agricultural land easements. Two additional pathways have been created – one for accredited land trusts, and the other for State agencies with statutory authority for farm and ranch land protection. In order to become certified, the entity must have acquired a certain number of easements through a Federal easement program and successfully met program responsibilities in doing so.*"

<u>ACEP-ALE Plan Requirements</u>

Under the 2014 Farm Bill, all ACEP-ALE enrollments were required to have, and be subject to, an agricultural land easement plan. The 2018 Farm Bill eliminates this requirement except for those easements containing cropland that is highly erodible land (HEL). A conservation plan required on HEL must meet the requirements of 7 CFR 12, and may include an erosion control plan, a limit on impervious surfaces consistent with agricultural activities, and other criteria. To encourage continued comprehensive planning on ACEP-ALE enrollments where an agricultural land easement plan is not required, NRCS will include optional ranking considerations to allow States to prioritize applications on which the eligible entity agrees to develop an agricultural land easement plan, including any grassland or forest management plans. Eligible entities will be responsible for any planning done on ACEP-ALE (except for NRCS-developed HEL conservation plans), but landowners may request NRCS assistance with planning through NRCS conservation technical assistance.

<u>ACEP-ALE Federal and Non-Federal Share</u>

The Federal share that may be contributed toward the purchase of an agricultural land easement is limited to 50 percent of the appraised fair market value of the agricultural land easement. The eligible entity is required to provide a non-Federal share that is at least equivalent to the Federal

[7] "Certified entities" are eligible entities that have demonstrated proficiency in acquiring, managing, and enforcing agricultural land easements, and have the requisite expertise, staff, and funding to accomplish these activities for the long-term. Certified entities operate with less oversight from NRCS, including drafting and use of their own deed terms and acquisition of easements using appraisals, title review, and due diligence that is not reviewed by NRCS prior to NRCS providing cost-share funds to the certified entity. Reviews of a percentage of certified entity transactions are conducted by NRCS after the fact as part of quality assurance.

share. The exception to this is for agricultural land easements that will protect grassland of special environmental significance (GSS) as determined by NRCS, where NRCS may contribute up to 75 percent of the fair market value of the agricultural land easement and the eligible entity must provide the remainder as the non-Federal share.

Under the 2014 Farm Bill, the non-Federal share provided by the eligible entity was required to be comprised of the eligible entity's own cash resources in an amount at least 50 percent of the amount contributed by NRCS. The non-Federal share could also include a charitable donation or qualified conservation contribution provided by the landowner. The exceptions were for GSS, where the eligible entity was required to contribute an amount that was at least 16.67 percent of the Federal share, or for projects of special environmental significance, where the required eligible entity cash contribution amount could be reduced if it was offset by additional contributions from the landowner.

The 2018 Farm Bill maintains the same limits to the Federal share, authorizing NRCS to provide up to 50 percent of the fair market value of the agricultural land easement, and maintains the requirement that the eligible entity provide a non-Federal share that is at least equivalent to the Federal share. However, the 2018 Farm Bill adds flexibility for eligible entities to meet the non-Federal share requirement by no longer specifying a minimum required amount of the eligible entity's own cash resources. Under the 2018 Farm Bill, the non-Federal share may be comprised of the eligible entity's own cash resources, a landowner donation as either a qualified conservation contribution or charitable donation, costs associated with securing a deed to the agricultural land easement, or other costs as determined by NRCS.

As discussed in the Analysis section, these changes could potentially result in increased ACEP-ALE enrollment in areas where enrollment was limited[8] due to lack of financial resources on the part of eligible entities. In addition, with the elimination of a specified minimum eligible entity cash contribution requirement for all eligible entities in all States, it is anticipated that at a program level these provisions will result in an increase in the amount of the Federal contribution toward ACEP-ALE easement implementation. (See the Analysis section for discussion of potential impacts.)

ACEP-ALE Buy-Protect-Sell Transactions

The 2018 Farm Bill introduced a new transaction type under ACEP-ALE, for buy-protect-sell transactions, which are a legal arrangement between NRCS and the eligible entity on eligible private or Tribal agricultural land that is owned or being purchased by the eligible entity. A buy-protect-sell transaction allows an eligible entity to purchase a vulnerable agricultural property, hold that property for a limited period of time, secure an agricultural land easement to protect the agricultural nature and related conservation values of the property, and timely sell the property to a farmer or rancher at not more than agricultural value. Under a buy-protect-sell transaction, within specified time frames, the land owned by the eligible entity must be conveyed to a 'farmer or rancher' at 'agricultural value plus any reasonable holding and transaction costs' either before or after closing on the agricultural land easement. Buy-protect-sell transactions are not anticipated to have an impact on the Federal share (FA funds) provided by NRCS to the eligible

[8] There are six States and one territory (Alabama, Arkansas, Hawaii, Louisiana, Missouri, North Dakota, and Puerto Rico) that currently have no enrollment in ACEP-ALE.

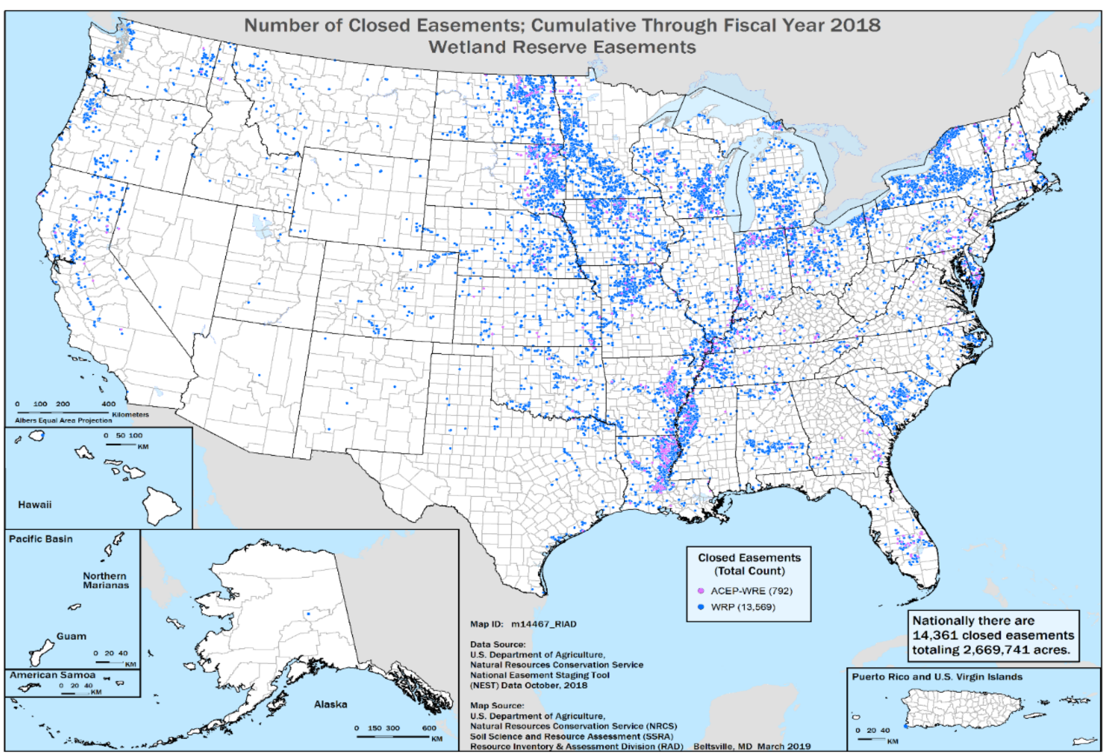
entity, but are anticipated to potentially increase the TA costs incurred by NRCS due to the increased complexity of buy-protect-sell transactions.

ACEP-WETLAND RESERVE EASEMENTS

Under ACEP-WRE, NRCS provides technical and financial assistance directly to private landowners and Indian Tribes to restore, protect, and enhance wetlands and associated habitats through the purchase of wetland reserve easements held by the United States through NRCS. Land eligible for ACEP-WRE includes farmed or converted wetland that can be successfully and cost-effectively restored, with a focus on restoring degraded wetlands; maximizing benefits for wetland-dependent wildlife and migratory birds; protecting and improving water quality; reducing the impact of flood events; and increasing ecosystem resilience. NRCS prioritizes applications based on the easement's potential for protecting and enhancing habitat for migratory birds and other wildlife.

Once an application is selected for funding, NRCS enters into a purchase agreement directly with the eligible private landowner or Indian tribe wherein the landowner agrees to convey an easement or enter into a 30-year contract that will include the right for NRCS to develop and implement a wetland reserve easement restoration plan to restore, protect, and enhance the wetland's function and values.

Figure 4: Number of Closed Wetland Reserve Easements through Fiscal Year 2018



During FY 2014-2018, NRCS enrolled 250,590 acres in ACEP-WRE in 1,354 easements (see Table 3 , Figure 4 and Appendix B, Table F for data by State). The five States with the highest number of acres enrolled in ACEP-WRE during the 2014 Farm Bill— Louisiana, Arkansas, Florida, Georgia, and North Dakota —accounted for approximately 46 percent of ACEP-WRE acreage. Louisiana had the largest number of acres enrolled with 34,780 acres, which account for approximately 14 percent of total acreage.

During FY 2014-2018, ACEP-WRE FA obligations totaled $838.6 million. The five States with the highest amounts of FA funds obligated through ACEP-WRE agreements were Arkansas, Florida, Louisiana, Iowa, and Kentucky (see Appendix B, Table G). These five States account for approximately 46 percent ($384.4 million) of ACEP-WRE FA obligations and 42 percent of ACEP-WRE acreage. Arkansas' FA obligations accounts for 13 percent of total ACEP-WRE obligations.

ACEP-WRE provides eligible landowners with the option to enroll in a permanent (or the maximum duration allowed by State law) and 30-year easement, or for acreage owned by Indian Tribes, a 30-year contract. More specifically, NRCS may enroll eligible land through:

- **Permanent Easements** – Permanent easements are in perpetuity. NRCS pays up to 100 percent of the easement value for the purchase of the easement and between 75 to 100 percent of the restoration costs.
- **30-year Easements** – 30-year easements expire after 30 years. NRCS pays 50 to 75 percent of the easement value for the purchase of the easement and between 50 to 75 percent of the restoration costs.
- **Term Easements -** Term easements are for the maximum duration allowed under State law. NRCS pays 50 to 75 percent of the easement value for the purchase of the term easement and between 50 to 75 percent of the restoration costs.
- **30-year Contracts** – 30-year contracts are only available to enroll acreage owned by Indian tribes and program payment rates are commensurate with 30-year easements.

As shown in Table 3, there were 1,354 easements and 250,590 acres enrolled in ACEP-WRE under the 2014 Farm Bill. Of these, 1,204 enrollments and 214,008 acres were in the ACEP-WRE permanent easement option, accounting for 89 percent of the ACEP-WRE enrollments and 85 percent of the acres enrolled. The 147 enrollments in the ACEP-WRE 30-year easement option accounted for 11 percent of ACEP-WRE enrollments on 14 percent (35,464 acres) of the acres enrolled. There were three 30-year Contracts on 1,118 acres of land owned by Indian Tribes enrolled.

Easement compensation for ACEP-WRE is based on the lowest of:

- The fair market value of the land as determined using the Uniform Standards of Professional Appraisal Practice or based on an area-wide market analysis or survey,

- A Geographic Area Rate Cap, or
- A landowner offer.

Payments for 30-year easements, 30-year contracts, and term easements are less than payments for permanent easements. These payments are discounted because they do not provide wetland protection in perpetuity. For easement or 30-year contract payments of $500,000 or less, payment may be made in one lump sum or annually for up to 10 years. Payments in excess of $500,000 are made in not less than 5 and not more than 10 annual payments unless a lump sum payment is approved by NRCS. ACEP-WRE easements are conveyed by the landowner to the United States and easement payments are made to the landowner. NRCS also pays all costs associated with due diligence prior to acquiring the easement, including title searches and commitments, appraisals, boundary surveys, hazardous materials record searches, and costs associated with recording the easement in the local land records office, including title insurance and recording fees.

ACEP-WRE funds are also used to implement the restoration on the easement or 30-year contract. Because NRCS provides up to 100 percent of the restoration costs for permanent easements, landowners with this easement type generally do not incur costs for the initial implementation of restoration practices.[9] For 30-year easements, term easements, and 30-year contracts, NRCS provides up to 75 percent of the costs to implement restoration. The remaining restoration costs are incurred by the landowner or can be provided by a third-party.

2018 Farm Bill Changes

The 2018 Farm Bill mandatory changes to ACEP-WRE add water quality as a priority consideration in the acquisition of ACEP-WREs and add criteria and parameters for evaluating and authorizing compatible economic uses. In addition, specificity is added regarding the development of wetland restoration plans, including alternative naturalized plant communities and support for migratory waterfowl and wetland wildlife. These changes are not expected to have a significant impact on overall enrollment or the geographic distribution of enrolled acreage. (See Appendix A for a summary of 2018 Farm Bill changes.)

ACEP STATE ALLOCATION PROCESSES

As part of the NRCS allocation process, States and territories receive an individual annual allocation of ACEP FA and TA dollars.[10] NRCS national headquarters allocates ACEP funding based upon State-generated assessments of priority natural resource needs. These State-developed assessments, following national guidelines, are submitted to NRCS leadership and

[9] Landowners are responsible full providing sufficient title and access to the property; therefore, landowners may have costs for attorney's fees, costs associated with clearing unacceptable title encumbrances (removing or subordinating mortgages, leases, etc…), securing access, addressing unacceptable items identified as part of due diligence (such as cleaning up debris or waste), or other costs that are the landowner responsibility. Since these costs vary by transaction, are the landowner's responsibility, and would be incurred in any real property transaction, they are not included in total economic costs.

[10] Note that some states and territories may not receive an ACEP allocation in any given year.

final allocations are based upon requests and needs through an allocation formula process. Allocation formulas may include land use data, soil erosion estimates, rangeland health data, and various attributes from soil survey data. These and other data layers are used to identify critical natural resource concerns/acres within the State/Territory. Obligation of FA funds occur once an ACEP agreement or contract is developed by NRCS that identifies the terms of the contract or agreement, including associated funding, and is executed by all required parties.

ACEP RANKING PROCESSES

NRCS assesses each application's ability to maximize benefits through onsite evaluation and use of ranking and prioritization factors. The ranking factors for ACEP-ALE and ACEP-WRE assess the anticipated environmental benefits, the threats and stressors, the likelihood of success, the cost-effectiveness of the project, and other attributes appropriate based on the purpose of the program component. The ranking process enables NRCS to prioritize enrollment offers by determining applications that most merit enrollment, as discussed in the paragraphs below.

NRCS provides national ranking criteria guidance, which are incorporated into the specific ranking criteria and factors developed at the State level. The State Conservationist, with advice from the State Technical Committee, establishes a weighted ranking process to prioritize all eligible applications within the State, incorporating the National ranking criteria. In addition, for both ACEP-ALE and ACEP-WRE, other land that is incidental to eligible land may be eligible if NRCS determines that it is necessary for the efficient administration of the easement.

For ACEP-WRE, ranking factors are based on prioritizing hydrology restoration potential, habitat connectivity, habitat diversity, species diversity, extent of wetland losses, water quality protection or improvement, and other values that maximize environmental benefits. Additionally, the national ranking criteria require that, at a minimum, the State ranking process must address the following cost considerations:

- Estimated easement or 30-year contract cost per acre, if appropriate.
- Estimated restoration costs.
- Partnership contributions that reduce NRCS costs.
- A comparison of costs relative to environmental benefits.
- Potential near- and long-term management, repair, replacement, or operation and maintenance costs.

This cost-effectiveness is maximized within the States' ranking criteria by considering the positive wetland functions and values of the individual proposed easement area, hydrologic and vegetative restoration capacity, historic and existing conditions, habitat diversity, proximity to other protected areas and wetlands, at-risk species use and habitat needs, and location within physiological regions of importance (such as migratory bird flyways, impaired watersheds, landscape initiatives, and critical wetland complexes).

For ACEP-ALE, ranking factors include the threat and stressors to agricultural land, the percent decrease in farm and ranch land acres in the county, and population growth in the county.

Ranking factors that address agricultural viability include the percent of prime and important soils on the parcel; proximity of the parcel to agricultural infrastructure, other agricultural operations, and land protected for the purpose of agricultural use; and the presence of a succession plan. Other factors assess the diversity of resources to be protected and whether those contribute to goals of larger landscape plans or initiatives, and the performance of the eligible entity. The 2018 Farm Bill adds language that reaffirms that NRCS may adjust evaluation and ranking criteria to account for geographic differences so long as it meets the purposes of the program and continues to maximize the benefits of federal investment under the program and may give priority to applications that maintain agricultural viability.

NRCS is striving to increase the use of quantitative measures in the ranking processes described above. For example, when available, Conservation Effects Assessment Project (CEAP) results—which quantify the environmental effects of conservation practices—are incorporated. Further, the Conservation Assessment Ranking Tool (CART) is being designed to help conservationists automate preliminary resource assessments to improve efficiencies in the conservation planning process.

2018 FARM BILL IMPACT ANALYSIS

The regulatory impacts for ACEP consist of transfer payments from the Federal Government to eligible entities under ACEP-ALE or directly to landowners for ACEP-WRE for the purchase of real property interests. Transfer payments are also made to the various third parties from which NRCS secures items related to the acquisition, such as title companies, appraisers, licensed land surveyors, and contractors that implement restoration. Although these transfers create incentives that likely cause minor changes in the way society uses its resources, NRCS lacks data with which to quantify the resulting social costs or benefits.

Cost and Impact Analysis

The ACEP funding authorization levels by fiscal year under the 2018 Farm Bill are presented in Table 5 without reduction for sequester. The total authorization is higher under the 2018 Farm Bill than under the 2014 Farm Bill. The average amount authorized under the 2014 Farm Bill was $405 million per fiscal year, not accounting for sequestration or the required seven percent contribution to the Regional Conservation Partnership Program (RCPP). In comparison, $450 million per fiscal year is authorized under the 2018 Farm Bill, again not accounting for sequestration. When projected inflation is taken into account, the average real annual authorization over the 2018 Farm Bill is $433 million per fiscal year. Table 5 provides a range of discount rates from 3 percent to 7 percent with corresponding estimated transfer payments of $1.8 to $2.2 billion total over the life of the 2018 Farm Bill. The annualized net present value of the 2018 Farm Bill's total authorization at 3 percent discount rate is $433 million and $434 million at the 7 percent rate (Table 5).

Table 5: Proposed Conservation Transfer Payments Facilitated by ACEP Funding

(in millions of dollars; 2019 price base)

Farm Bill Allocation	Year	FY	Nominal-dollar Farm-Bill Authorization	Real-dollar Authorization GDP Deflator at 2.0%[a]	Real Dollar Authorization Discounted (NPV) at 3%	Real Dollar Authorization Discounted (NPV) at 7%
$450	0	2019	$450	$450	$437	$421
$450	1	2020	$450	$441	$416	$385
$450	2	2021	$450	$433	$396	$353
$450	3	2022	$450	$424	$377	$324
$450	4	2023	$450	$416	$359	$296
		Total	**$2,250**	**$2,164**	**$1,985**	**$1,779**
		Annualized (NPV) [b]			**$433**	**$434**

[a] The GDP adjustment is 2.00 percent (OMB Economic Assumptions and Overview and OMB Circular A-94)

[b] The annualized net present value (ANPV) is an annuity-equivalent amount of net present value spread over the project life. It is akin to spreading the costs equally over each period, taking account of the discount rate. This is the annualized amount needed over a number of years to equal a given present value at a particular discount rate. If the initial year is year zero, which results in no discounting in that year, the annualized costs will be larger than the annual nominal costs.

The government transfer payments represented in Table 5 do not represent the only costs of this program. Even though the program is voluntary, participants incur costs with respect to the time they spend to apply to the program and receive payments. While these costs are not explicit they represent a cost borne by participant or entity to gain access to the program. NRCS has estimated that these costs, based on average number of applications and contracts per year to be about $222,300 annually or about $1.1 million from FY 2019 through FY 2023. Over this period NRCS estimates that it will receive 8,000 applications (1,600 per year) of which it will enter into 2,375 contracts (475 per year). NRCS estimates this will involve a total time of 58,072 hours on the part of applicants and participants combined (24.5 hours per fully completed contract). NRCS estimates the average value of applicants and participants time to be $19.14 per hour based on the median hourly wages for all occupations in May 2019 (see https//www.bls.gov/oes/current/oes_nat.htm#45-0000).

The increase in funding is expected to increase environmental benefits from the program. These benefits are difficult to quantify at the national level. However, the changes in the 2018 Farm Bill may result in reduced environmental benefits per easement under ACEP-ALE due to the removal of the requirement that agricultural land easements be subject to an agricultural land easement plan and an anticipated increase in Federal costs resulting in fewer acres protected for the same dollars expended. Changes in the environmental benefits related to ACEP-WRE per easement are not anticipated.

Impacts of Changes to the ACEP-ALE Non-Federal Share Requirements

The 2018 Farm Bill Managers' report describes that the changes to the non-Federal share requirements were driven in part by the goal of improving access to ACEP-ALE:

> "The Managers' intent behind allowing flexibility and additional options in the non-federal share of cost share assistance (matching funds) is to broaden the ability of entities to participate in ALE, including for grasslands of special environmental significance, across a more diverse geography. The intention of the language is to provide better access to the program in states where farm and ranchland preservation funding is not readily available like South Dakota, Texas, and Alabama. The Managers do not believe the program should be limited only to entities that can provide cash match. It is important to acknowledge other expenses that an entity must take on, such as the long-term expense of monitoring an easement or other additional upfront costs. The Managers believe that the long-term strength of the program is derived from making the program available as broadly and equitably as possible across diverse regions of the country. The Managers do not intend for USDA to reject cash match entirely but to broaden the options available to eligible entities."

The 2018 Farm Bill changes to the non-Federal share provisions are of benefit to the eligible entity—particularly those with difficulty providing a cash contribution. As indicated in the managers' language, this may provide additional options for eligible entities, especially where the landowner is willing to provide a substantial charitable donation or qualified conservation contribution (essentially, a reduction in the net amount that they are willing to accept for the easement). Under both the 2014 and 2018 Farm Bills, the landowner contribution, which is a component of the non-Federal share, can be at any level.[11]

Narrative examples and Table 6 are provided below to illustrate potential impact of the relationship between various Federal, entity, and landowner contribution scenarios under the 2014 and 2018 Farm Bills. Assume for these examples, and as shown in Table 6, that an easement is valued at $1,000 per acre.[12] The Federal share—under the 2014 Farm Bill and now—is limited to no more than 50 percent of the easement value, and thus for these scenarios cannot exceed a maximum of $500 per acre.

Under the 2014 Farm Bill provisions, the eligible entity was required to contribute its own cash resources in an amount that is at least 50 percent of the Federal share. For this $1,000 per acre easement scenario, if the eligible entity provided only a $200 per acre cash contribution, then the maximum Federal share is limited to $400 per acre (see the 5th scenario row in Table 6). The remaining $400 per acre would be the landowner contribution (the $1,000 per acre easement value minus the Federal share ($400 per acre) and the eligible entity cash contribution ($200 per

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[11] The landowner contribution reflects the difference between the estimated easement valuation and the combined Government and eligible entity contribution. A higher landowner contribution means that the landowner is willing to accept a lower combined Federal/eligible entity payment. The landowner either accepts the amount (the combined Government/eligible entity contribution) and sells the easement, or they do not.

[12] In practice, easement valuation is determined by an appraisal to determine fair market value. In this example, $1,000 is the assumed fair market value. The Federal share provided by NRCS cannot exceed 50 percent of the fair market value of the agricultural land easement, unless waived in special circumstances.

acre)). If in this scenario the total Federal share provided was $50,000, this would facilitate the purchase of a 125-acre easement ($50,000 Federal share total/$400 per acre Federal share).

Under the 2018 Farm Bill, the entity is no longer required to provide a minimum contribution of the entity's own cash relative to the Federal share. As a result, the Federal share is limited only by the easement value and would not be reduced based on a lesser amount of cash contributed by the eligible entity. Looking again at the same scenario (5th scenario row in Table 6), where the landowner donation remains at $400 per acre, the eligible entity cash contribution need only be $100 per acre, and the resulting Federal share would be $500 per acre. Under this scenario (5th scenario row in Table 6) the eligible entity cash contribution relative to the Federal contribution declines from 50 percent (as required by the 2014 Farm Bill) to 20 percent (no minimum requirement under the 2018 Farm Bill), while the Federal share of the easement cost increases from 40 percent (under the 2014 provisions) to 50 percent (under the current provisions) and the landowner contribution stays the same at 40 percent of the easement cost. If the same total Federal share of $50,000 is provided, it would facilitate the purchase of a 100-acre easement ($50,000 Federal share total/$500 per acre Federal share).

Table 6: Comparison of ACEP-ALE Eligible Entity Contributions under the 2014 and 2018 Farm Bills

		2014 Farm Bill			2018 Farm Bill		
Easement Value	**Landowner Donation**	**Federal 1/**	**Eligible Entity Cash Contrib.**	**Eligible Entity Contribution Relative to Federal Contribution 2/**	**Federal 1/**	**Eligible Entity Cash Contrib.**	**Eligible Entity Contribution Relative to Federal Contribution 3/**
1,000	100	500	400	80%	500	400	80%
1,000	200	500	300	60%	500	300	60%
1,000	250	500	250	50%	500	250	50%
1,000	300	467	233	50%	500	200	40%
1,000	400	400	200	50%	500	100	20%

1/ Limited to no more than 50 percent of the easement value.

2/ The 2014 Farm Bill required a cash contribution from the eligible entity equal to at least 50 percent of the Federal share.

3/ There is no restriction on the eligible entity's cash contribution match amount in the 2018 Farm Bill.

The 2018 Farm Bill changes are also likely, as illustrated in the example above and shown in Table 7, to increase Federal government out-of-pocket outlays (the actual amount of the Federal share provided by NRCS)—which implies that, for any given aggregate funding level, fewer acres would be enrolled than under the previous rules. In particular, in the scenario 5 described above, the same $50,000 amount provided by NRCS would facilitate the purchase of a 125-acre easement under the 2014 Farm Bill but may only facilitate the purchase of a 100-acres easement under the 2018 Farm Bill. In addition, with the potential for a lower contribution by the eligible entity, increased pressure may exist on landowners to make a greater contribution—which means they would accept a lower combined Federal and entity payment.

Further, additional oversight will be necessary since previously cash was the only allowable entity match. As stated in the Managers' report, other costs may be considered as part of the entity match, "…such as the long-term expense of monitoring an easement or other additional upfront costs." Monitoring these activities will require additional implementation resources from NRCS.

It is unknown the extent to which the lack of participation in areas with low or no enrollment in ACEP-ALE is constrained by a lack of qualified eligible entities operating within those areas or the ability of any entities operating in those areas to secure cash to contribute toward the acquisition of agricultural land easements. If the limitation is caused by the latter, this change could potentially increase enrollment in ACEP-ALE in such areas.

Table 7: Impacts of Changes to the ACEP-ALE Non-Federal Share Requirements Compared to 2014 Farm Bill (baseline)

	Total Number of Acres per $1,000 Federal Cost	**Federal Cost ($/acre)**	**Non-Federal Cost ($/acre)**	**Total Economic Cost ($/acre)**
Cropland and Grasslands	decrease	increase	decrease	same
Grasslands of special environmental significance	decrease	increase	decrease	same
Total ACEP-ALE	decrease	increase	decrease	same

To analyze the potential change in Federal government outlays under the 2018 Farm Bill relative to the 2014 Farm Bill, historical data on closed easements were used that include information on the share of landowner, entity, and Federal contributions. Actual Federal government outlays on these easements—based on 2014 Farm Bill provisions—were compared to the maximum Federal share that could be paid under 2018 Farm Bill provisions. As described in the examples above (5^{th} scenario row in Table 6), assume the entity cash contribution was 20 percent, in which case the Federal share would be limited to 40 percent (the entity must provide a cash contribution that is at least half of the Federal share). The landowner contribution in this case would be the remaining 40 percent. Under the 2018 Farm Bill, assume the landowner contribution remained at 40 percent. The entity cash contribution would only have to be 10 percent (to meet the minimum requirement that the entire non-Federal share equal the Federal share) and the Federal share would then increase to 50 percent.

Based on the historical distribution of landowner contributions, Federal outlays under the 2018 Farm Bill would be expected to increase by approximately 8-10 percent relative to 2014 Farm Bill levels.[13] [14] This estimate is developed by comparing closed easements using the 2014 Farm Bill rules to the 2018 Farm Bill for those cases where the landowner contribution was greater

[13] This analysis assumes that the set of future ACEP-ALE applicants is similar to the set of previous applicants.
[14] Note that additional contributions can be comprised of other costs borne by eligible entitities (who are now eligible). If those contributions are not sufficient, the gap is made up by qualified charitable contributions by the landowner to the eligible entity.

than 25 percent. (Under the 2014 Farm Bill, landowner contributions above 25 percent start to affect the Federal/non-Federal split). Based on the actual distribution of historical landowner contributions over 25 percent, a weighted average Federal share under 2014 and 2018 Farm Bill rules is calculated, and the difference is 9 percent. This is presented as an 8-10 percent range because there are several unknowns, including the extent to which landowners in the future will provide larger charitable donations or qualified conservation contributions toward the easement purchase price and, ultimately, which applications will be funded. Assuming the new non-Federal share provisions had been in place for the 2014 Farm Bill, and aggregate Federal funding had not changed, approximately 45,000 fewer acres would have been enrolled between 2014 and 2018, about an 8 percent acreage reduction.

Impacts of Buy-Protect-Sell Transactions

As identified in the Manager's report language, buy-protect-sell transactions are intended to help farmers and ranchers gain access to affordable agricultural land and were specifically identified in the statute to provide the flexibility in the program to facilitate their use. This provision may be helpful for new and beginning farmers and may help ensure the protection of land that would likely have otherwise been developed or gone out of agricultural production. It is unlikely to have a significant impact on overall enrollment, however.

ACEP Conservation, Amenity, And Economic Impacts

Conservation benefits are associated with both agricultural land and wetland easements. Regarding ACEP-WRE, wetlands provide a variety of important ecosystem services and environmental benefits that are increasingly valued by society (Jenkins et al., 2010; Randall, Kidder, and Chen, 2008). These include filtering nutrients, trapping sediments and associated pollutants, improving water quality, providing fish and wildlife habitat, dampening floodwater runoff peaks, recharging groundwater aquifers, buffering shorelines from storm impacts, providing opportunities for scientific research, and educational and recreational activities (see Table 8).

The goal of ACEP-WRE is to achieve the greatest wetlands functions and societal values, along with optimum wildlife habitat, on every acre enrolled in the program. This is accomplished by restoring former wetlands and associated habitats on lands that were converted for agricultural use and have a high likelihood of successful restoration. To achieve successful restoration ACEP-WRE focuses on: enrolling marginal lands that have a history of continued flooding or saturation as indicators that the hydrology can be fully restored; restoring and protecting wetland functions and values on degraded wetlands; maximizing wildlife impacts; achieving cost-effective restoration with a priority on benefits to migratory birds; protecting and improvinwater quality; reducing the impact of flood events; increasing ecosystem resilience; and promoting scientific and educational uses of ACEP-WRE projects.

Historically, wetlands were viewed by many as land with little value or as wasteland which led to wetlands being drained and filled for farmland, housing, and other types of development. As a result, over 50 percent of the Nation's wetlands in the lower 48 States have been lost since colonial times. Since the 1780s, 22 States have lost at least 50 percent of their original wetlands.

Seven States—Indiana, Illinois, Missouri, Kentucky, Iowa, California and Ohio—have lost over 80 percent of their wetlands (Dahl, 1990). Slowing the loss of wetland habitats helps reduce the decline of wetland-dependent wildlife species and the loss of ecosystem services provided by wetlands. The greatest potential for restoration exists on private lands as over 80 percent of lands on which restoration is economically feasible are in private ownership.

Table 8: Projected Benefits from the Agricultural Conservation Easement Program

Ecosystem Function	Ecosystem Service	Wetlands Reserve Easements	Agricultural Lands Easements
Benefits likely to accrue to private landowner			
Tree growth medium	Commercial timber harvest	√	
Fish habitat	Commercial fish harvest	√	
Grassland preservation	Forage production	√	√
Benefits that potentially accrue to both private landowner and public			
Wildlife habitat	Recreational waterfowl harvest	√	
Wildlife habitat	Recreational upland species harvest	√	√
Land for Food Production	Local Food Production		√
Recreation Opportunities	Agri-tourism	√	√
Potential Social Benefits			
Flood retention	Reduced flood flows/peaks	√	√
Water filtration	Cleaner water	√	
Endangered and Threatened wildlife habitat	Biodiversity	√	√
Open Space	Scenic quality and rural characteristics	√	√
Carbon Sequestration	Carbon Storage	√	
Groundwater Recharge	Water supply	√	

Wetlands vary widely in hydrologic regime, plant and animal assemblages, and the extent of services they provide—from bottomland hardwoods that play a major role in floodplain management to estuarine wetlands that reduce damaging impacts from coastal storms and serve as nursery habitat for commercial fisheries. More than 43 percent of all federally endangered or threatened species are wetland-dependent at some point in their life cycle. Through ACEP-WRE, wetland habitats are restored back to a condition equal or similar to that which existed prior, improving the ecological conditions needed by wetland-dependent wildlife. ACEP-WRE strives to restore the wetland conditions that were historically present on the land. At the time the land is enrolled in ACEP-WRE, the pre-restoration condition is typically active agricultural land on which the wetland functions and values range from significantly degraded to entirely absent. Through ACEP-WRE activities, these wetland habitats are restored back to a condition equal or similar to that which existed prior to the degradation and thus improves the ecological conditions needed by wetland-dependent wildlife for their life cycles. Such habitat only becomes available through the voluntary actions of private landowners who decide to participate in ACEP-WRE.

The benefits associated with agricultural land easements are also likely significant. Studies of public preferences and attitudes toward farmland protection indicate that, along with providing open and green space, a strong public motivation for farmland protection is to protect the agrarian nature of a community including cultural values, heritage values, rural lifestyles, and access to fresh, local food supplies. For land enrolled in ACEP-ALE, the suite of conservation effects on protected grasslands are different than those on protected farmland. ACEP-ALE easements on grasslands limit agricultural activities to predominantly grazing and haying, while easements on farmland allow crop cultivation, orchards and vineyards, and pasture-based agriculture. As such, farmland protection effects are derived from onsite and ecological services, as well as preserving highly productive agricultural areas from development or fragmentation. Impacts on grasslands are derived from onsite and ecological impacts as well as preventing conversion to nongrassland uses. For parcels preserving farmland from development, the net conservation effects include direct access benefits (pick-your-own, agri-tourism, and nature-based activities like hunting) indirect access benefits (open spaces and scenic views) and nonuse benefits (wildlife habitat and existence values).

People derive enjoyment from farmland amenities in part based on the level of access the farming operation provides, which is dependent on the operations objectives and management practices. Direct public access is needed if the farm plan includes uses such as pick-your-own fruits and vegetables, agritourism activities (e.g., farm tours, hayrides, corn mazes), and nature-based tourism activities (e.g., hunting, fishing, hiking, and bird-watching). All of these direct access activities provide ecosystem services and value to the public. Indirect public access provides a different set of ecosystem services such as viewing, painting, or photographing the land from public property (e.g., public road or nearby public land) without direct access to the land. Nonuse benefits are ecosystem services supported by farmland that do not require access to the land, for example, preservation of wildlife habitat and species on farmland. These nonuse benefits tend to be broad ecological and environmental attributes and may be important determinants of preferences and add significantly to the benefits of farmland protection in some locations (Bergstrom and Ready, 2009). Another important locational factor is the proximity of urban areas because the uniqueness of open space in highly-developed areas tends to increase benefits associated with direct, indirect, and nonuse attributes.

The most significant potential benefits of preserving and restoring grasslands through easement purchases include improved forage production, wildlife habitat, and carbon sequestration as well as other benefits such as recreation, water infiltration areas, and runoff management (Kroeger et al., 2009). The potential benefits are variable among locations and often difficult to measure because the unique characteristics of each grassland parcel which provides a unique set of ecosystem services. Many of the potential benefits of grassland protection and restoration, like farmland and wetlands, occur on and outside of the easement area, and thus, are difficult or costly to quantify. NRCS has begun using a new software tool, the Conservation Assessment and Ranking Tool (CART), to assess and rank program applications. Through data collected in CART and modeling developed through the Conservation Effects Assessment Project, NRCS will be better prepared to conduct future analysis of the environmental benefits achieved through the program on and offsite.

Slowing the loss of grassland habitats also helps to reduce the decline of wildlife species. Grasslands provide forage and habitat for many wildlife species, including declining populations of native grassland-dependent birds and mammals such as the greater sage grouse and black-tailed prairie dog, whose declines have paralleled the overall decline in native grassland habitat (Feather, Hellerstein, and Hanson, 1999; Samson, Knoph, and Ostlie, 1998). In addition to sage-grouse, other endemic grassland bird species showing significant declines include Lesser prairie-chickens, mountain plover, western meadowlark, and ferruginous hawk. Prairie dogs, an indicator species for reduced grassland biodiversity, have declined an estimated 98 percent since settlement in the United States.

Through the enrollment of grasslands under ACEP-ALE and wetlands under ACEP-WRE, landowners can proactively work to conserve at-risk species and, if successful, perhaps prevent them from being listed under the Endangered Species Act (ESA). The landowners voluntarily enroll in an easement which under ACEP-ALE requires the land to remain in a grassland and limits future development and fragmentation or under ACEP-WRE requires the wetlands and associated habitats to be restored and protected. The protections afforded by the enrollment in ACEP are above and beyond any protections resulting solely from the listing of a species.

Ecosystem services are site-specific, so the location and type of agricultural lands, grasslands, and wetlands enrolled in the ACEP will affect the program's environmental impacts. In addition, the agency's discretionary determination on the relative funding devoted to agricultural lands, grasslands, and wetlands under ACEP generally, and under ACEP-ALE, the funding of farmland relative to grasslands, and the determination of grasslands of special environmental significance will also influence the program's environmental impacts.

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APPENDIX A – 2018 FARM BILL CHANGES IN BRIEF

Changes to ACEP funding under the 2018 Farm Bill include an increase in ACEP funding from an average of $405 million annually to $450 million annually and removal of the seven percent ACEP "donor program" transfer to the Regional Conservation Partnership Program. The 2018 Farm Bill also made a number of other changes to ACEP program requirements, that include mandatory or discretionary provisions for agency implementation, as described briefly below and more specifically in Appendix A, Table 1.

The mandatory statutory changes include those:

Applicable to ACEP-ALE:

- Narrows the scope of the nonagricultural uses that may be limited on an agricultural land easement to those that negatively affect the agricultural uses or conservation values. (Sec 2601)
- Introduces into the statute, the term 'monitoring report'. (Sec 2602(5))
- Introduces new considerations for certification of eligible entities, including whether the entity is accredited Land Trust or is a State Department of Agriculture. (Sec. 2603(b)(4))
- The requirement that the easement be subject to an agricultural land easement plan has been removed, however a conservation plan is still required for highly erodible land. (Sec. 2603(b)(3))
- Limits the United States Right of Enforcement to identify that it does not extend to a right of inspection except under certain circumstances. (Sec. 2603(b)(3))

Applicable to ACEP-WRE:

- Removes the requirement for NRCS to seek input from the Secretary of the Interior at the local level for the determination of eligible land.
- Adds improving water quality to the priority considerations for acquiring ACEP-WREs. (Sec. 2604(1)(A))
- Adds additional criteria and parameters for the authorization of compatible economic uses on ACPE-WREs. (Sec. 2604(1)(B)(ii))
- Specificity is added for NRCS to consider in developing wetland restoration plans under ACEP-WRE (including alternative plant communities and support for migratory waterfowl and wetland wildlife). (Sec. 2604(2)(1))

The discretionary statutory changes include those:

Applicable to ACEP-ALE:

- Introduces new authority for the Secretary to enter into a legal arrangement with an eligible entity that is pursuing a 'Buy-Protect-Sell' transaction. (See Sec. 2602 for the definition of such a transaction.)
- Modifies the contribution requirements for the non-Federal share provided by the eligible entity under ACEP-ALE. Removes the requirement that at least some portion of the non-Federal share be provided by the eligible entity as a cash contribution, allows the entirety of the non-Federal share to be comprised of a qualified charitable donation by the landowner. (See Sec. 2603(b)(1))

- Includes provisions for non-easement costs to be included in the calculation of the non-Federal share for ACEP-ALE, however the Federal share is still limited to 50 percent of the fair market value of the easement for general enrollments, or up to 75 percent of the fair market value of the easement for grassland of special environmental significance.
- The scope of required planning under ACEP-ALE is now limited to a conservation plan required for any portion of the easement area that is highly erodible cropland (HEL). (Sec. 2603(b)(3))
- Introduces additional terms and conditions that may be included in the agricultural land easement deed.
- Specifies in statute the existing authority for the Secretary to adjust ranking and evaluation criteria for geographic differences and to give priority to applications that maintain agricultural viability. (Sec. 2603(b)(2))

Applicable to ACEP-WRE:

- Specifies in statute the existing authority to ensure that a WRE with a reservation of grazing rights complies with a grazing management plan that is reviewed and modified as needed every 5 years. (Sec. 2604(1)(B)(ii))
- Adds further specificity to the considerations in the development of a wetlands reserve easement plan.
- Allows NRCS to authorize the restoration of the easement area to hydrologically appropriate native vegetative communities or alternative naturalized vegetative communities, subject to certain requirements. (Sec. 2604(2)(1))

Applicable Across ACEP:

- Makes changes to the Secretary’s authorities for modification, subordination, exchange, or termination of ACEP easements. (Sec. 2605)

Appendix A—2018 ACEP Farm Bill Changes in Brief

Program Elements	2014 Farm Bill(FY2014 – FY2018)	2018 Farm Bill(FY2019 – FY2023)
Authorized Program Funding	FY 2014 - $400,000,000 FY 2015 - $425,000,000 FY 2016 - $450,000,000 FY 2017 - $500,000,000 FY 2018 - $250,000,000	$450,000,000 for each of fiscal years 2019 through 2023
ACEP-ALE Minimum Terms and Conditions	Agricultural land easement plan required for all ACEP-ALE, including required component plans for Highly Erodible Land (HEL), Grassland, or Forest lands. All easements are subject to the agricultural land easement plan.	An agricultural land easement plan, including Grassland or Forest land plans, is no longer required, except for portions of ALE that are highly erodible cropland (HEL). Development of such plans by the eligible entity is voluntary, encouraged through optional ranking provisions. Easements will not be subject to an agricultural land easement plan.
Eligible Land	ACEP-ALE - Agricultural land subject to a pending offer for purchase of an easement from an eligible entity. ACEP-WRE – Required consultation with US Fish & Wildlife Service to determine if land could be restored to maximize wildlife benefits and wetland functions and values.	ACEP-ALE - Introduces new authority for buy-protect-sell transactions in addition to those subject to a pending offer. ACEP-WRE – Removes consultation requirement.
ACEP-ALE Cost-Share Assistance, Non-Federal Share	Required a cash contribution from the eligible entity equal to at least 50% of the Federal share.	Allows entirety of non-Federal share to be comprised of a charitable donation or qualified conservation contribution from the private landowner and includes provision for non-easement costs to be included in calculation of the non-Federal share.
ACEP-WRE Alternative Plant Communities	No statutory requirement, however under NRCS regulations a vegetative plant community different from what likely existed prior to degradation of the site could be established on up to 30 percent of the easement area.	Authorizes the establishment of an alternative vegetative community on the entirety of the wetland reserve easement area pursuant to State-specific criteria and guidelines, if such community substantially benefits migratory waterfowl or other wetland wildlife or meets local resource concerns or needs.
ACEP-WRE Priority	Priority given to acquiring ACEP-WREs based on their value for protecting and enhancing habitat for migratory birds and other wildlife.	Adds value of the easement for improving water quality as a priority.

APPENDIX B – AGRICULTURAL CONSERVATION EASEMENT PROGRAM SUMMARY TABLES

Appendix B – Table A : FY 2014-2018 Agricultural Conservation Easement Program Enrollments and State Fund Obligations

State	ACEP-ALE - Ease-ments	ACEP-ALE - Acres Enrolled	ACEP-ALE - FA Funds Obligated	ACEP-WRE - Number Enrolled	ACEP-WRE - Acres Enrolled	ACEP-WRE - FA Funds Obligated	All ACEP - FA Funds Obligated - Total	All ACEP - TA Funds Obligated - Total	Total ACEP
Alabama			$1,800	14	1,477	$5,144,263	$5,146,063	$1,685,520	$6,831,583
Alaska	3	212	$2,191,000				$2,191,000	$360,379	$2,551,379
Arizona	7	25,583	$12,125,093				$12,125,093	$846,666	$12,971,759
Arkansas				97	32,330	$108,006,842	$108,006,842	$18,940,056	$126,946,899
California	30	52,462	$33,158,902	25	11,518	$40,315,695	$73,474,596	$18,780,765	$92,255,361
Colorado	37	29,714	$31,814,201	1	18	$256,101	$32,070,301	$3,867,135	$35,937,436
Connecticut	50	3,899	$16,941,656				$16,941,656	$2,947,068	$19,888,724
Delaware	22	3,319	$8,111,124	6	594	$2,733,836	$10,844,960	$1,934,153	$12,779,113
Florida	21	20,151	$26,701,474	34	18,853	$95,202,075	$121,903,549	$25,120,651	$147,024,200
Georgia	8	685	$2,341,216	29	16,179	$26,755,095	$29,096,311	$5,370,746	$34,467,057
Hawaii							$0	$328,063	$328,063
Idaho	14	14,221	$9,098,459	5	245	$1,212,576	$10,311,035	$1,486,376	$11,797,410
Illinois	5	492	$719,116	43	4,305	$21,907,036	$22,626,152	$4,241,835	$26,867,987
Indiana	1	172	$311,283	101	7,739	$33,476,046	$33,787,329	$4,807,733	$38,595,061
Iowa	3	1,551	$2,234,499	84	8,504	$59,905,744	$62,140,244	$9,446,276	$71,586,520
Kansas	3	4,136	$2,141,263	49	4,368	$14,008,750	$16,150,013	$1,963,500	$18,113,513
Kentucky	37	3,571	$12,759,191	72	11,023	$47,620,387	$60,379,579	$10,503,816	$70,883,394
Louisiana			$6,737,538	151	34,780	$73,696,640	$80,434,178	$14,086,267	$94,520,445
Maine	9	1,139	$1,690,790				$1,690,790	$369,170	$2,059,960
Maryland	2	362	$0	20	1,459	$7,518,295	$7,518,295	$1,921,125	$9,439,420
Massachusetts	37	1,664	$13,431,455	5	383	$4,039,433	$17,470,887	$2,905,637	$20,376,525
Michigan	36	4,536	$8,463,567	12	581	$3,805,541	$12,269,108	$2,679,807	$14,948,915
Minnesota	2	180	$771,663	15	1,726	$4,972,594	$5,744,257	$5,781,403	$11,525,660
Mississippi	6	1,006	$6,238,881	68	12,423	$41,944,036	$48,182,916	$7,972,787	$56,155,704
Missouri				43	8,154	$42,278,627	$42,278,627	$7,530,502	$49,809,129
Montana	50	186,113	$49,362,903	15	10,451	$10,008,663	$59,371,566	$5,952,633	$65,324,199
Nebraska	6	6,291	$4,264,582	37	3,470	$10,810,325	$15,074,907	$5,719,795	$20,794,702
Nevada	4	8,810	$4,953,720	3	379	$3,003,327	$7,957,047	$3,534,984	$11,492,031
New Hampshire	33	2,710	$8,653,467	44	5,897	$16,021,060	$24,674,527	$3,537,786	$28,212,312
New Jersey	28	2,597	$17,118,746	11	514	$3,009,540	$20,128,286	$2,751,400	$22,879,686

State	ACEP-ALE - Ease-ments	ACEP-ALE - Acres Enrolled	ACEP-ALE - FA Funds Obligated	ACEP-WRE - Number Enrolled	ACEP-WRE - Acres Enrolled	ACEP-WRE - FA Funds Obligated	All ACEP - FA Funds Obligated - Total	All ACEP - TA Funds Obligated - Total	Total ACEP
New Mexico	3	18,299	$2,115,200	1	13	$65,715	$2,180,915	$344,668	$2,525,583
New York	18	2,580	$5,317,563	28	1,569	$7,312,369	$12,629,932	$3,129,668	$15,759,599
North Carolina	21	2,047	$4,891,445	2	2,455	$7,519,632	$12,411,077	$4,271,005	$16,682,083
North Dakota				61	13,726	$17,586,182	$17,586,182	$6,589,929	$24,176,111
Ohio	77	15,927	$16,361,158	40	3,036	$19,226,300	$35,587,458	$6,999,763	$42,587,222
Oklahoma	1	1,784	$608,661	16	3,519	$7,999,070	$8,607,731	$2,225,379	$10,833,110
Oregon	5	26,662	$4,718,410	3	130	$1,873,354	$6,591,764	$4,706,161	$11,297,924
Pennsylvania	24	2,621	$5,153,950	28	941	$8,024,389	$13,178,339	$4,277,366	$17,455,704
Puerto Rico								$3,833	$3,833
Rhode Island	11	266	$2,688,925	5	127	$925,129	$3,614,054	$746,508	$4,360,562
South Carolina	6	2,517	$1,924,657	9	3,267	$7,029,084	$8,953,741	$2,522,452	$11,476,192
South Dakota	1	2,240	$1,684,785	63	7,904	$29,949,959	$31,634,744	$9,858,728	$41,493,472
Tennessee	2	422	$6,460,465	43	7,412	$22,054,860	$28,515,324	$9,660,612	$38,175,936
Texas	17	18,719	$24,203,975	10	3,715	$8,878,031	$33,082,006	$10,008,574	$43,090,580
Utah	13	9,559	$19,958,390	1	108	$853,934	$20,812,323	$1,285,707	$22,098,030
Vermont	89	11,895	$13,276,951	14	1,409	$3,683,590	$16,960,541	$2,859,208	$19,819,749
Virginia	8	916	$3,366,250	5	687	$2,608,029	$5,974,279	$1,511,001	$7,485,279
Washington	18	12,104	$11,638,025	4	428	$1,192,697	$12,830,722	$1,484,184	$14,314,905
West Virginia	17	3,399	$7,510,995			$1,771,381	$9,282,376	$2,149,674	$11,432,049
Wisconsin	13	1,261	$1,454,183	37	2,775	$12,346,137	$13,800,320	$3,363,347	$17,163,668
Wyoming	19	38,640	$12,649,148				$12,649,148	$1,690,601	$14,339,749
NFWF Agreement							$8,000,000	$2,000,000	$10,000,000
Above States TA								$223,310,615	$223,310,615
Totals	**817**	**547,433**	**$428,320,722**	**$1,354**	**250,590**	**$838,552,367**	**$1,274,873,089**	**$482,373,015**	**$1,757,246,104**
Totals Minus Above State	**817**	**547,433**	**$428,320,722**	**$1,354**	**250,590**	**$838,552,367**	**$1,274,873,089**	**$259,062,400**	**$1,533,935,489**

Sources: USDA-NRCS Administrative Data; Acres and agreements from NEST October 2018 and dollars from FMMI data, processed March 12, 2019.
Note: NFWF Agreement was signed in FY 2014.

Appendix B – Table B: Sorted by ACEP-ALE Number Enrolled

Top 10 States: ACEP-ALE by number Enrolled			
State	**ACEP-ALE - Number Enrolled**	**ACEP-ALE - Acres Enrolled**	**ACEP-ALE – FA Funds Obligated**
Vermont	89	11,895	$13,276,951
Ohio	77	15,927	$16,361,158
Montana	50	186,113	$49,362,903
Connecticut	50	3,899	$16,941,656
Kentucky	37	3,571	$12,759,191
Massachusetts	37	1,664	$13,431,455
Colorado	37	29,714	$31,814,201
Michigan	36	4,536	$8,463,567
New Hampshire	33	2,710	$8,653,467
California	30	52,462	$33,158,902
Top 10 Totals	**476**	**312,491**	**$204,223,450**
National Totals	**817**	**547,433**	**$428,320,722**
Percent of National Total	**58%**	**57%**	**48%**

Appendix B – Table C: Sorted by ACEP-ALE Acres Enrolled

Top 10 States: ACEP-ALE by Acres of Enrollments			
State	**ACEP-ALE – Number Enrolled**	**ACEP-ALE - Acres Enrolled**	**ACEP-ALE – FA Funds Obligated**
Montana	50	186,113	$49,362,903
California	30	52,462	$33,158,902
Wyoming	19	38,640	$12,649,148
Colorado	37	29,714	$31,814,201
Oregon	5	26,662	$4,718,410
Arizona	7	25,583	$12,125,093
Florida	21	20,151	$26,701,474
Texas	17	18,719	$24,203,975
New Mexico	3	18,299	$2,115,200
Ohio	77	15,927	$16,361,158
Top 10 Totals	**266**	**432,268**	**$213,210,463**
National Totals	**817**	**547,433**	**$428,320,722**
Percent of National Total	**33%**	**79%**	**50%**

Appendix B – Table D: Sorted by ACEP-ALE FA Obligated

Top 10 States: ACEP-ALE by FA Dollars Obligated					
State	**ACEP-ALE – Number Enrolled**	**ACEP-ALE - Acres Enrolled**	**ACEP-ALE – FA Funds Obligated**	**Farmland Acres**	**ACEP-ALE - % Total Farmland**
Montana	50	186,113	$49,362,903	58,000,000	0.3%
California	30	52,462	$33,158,902	24,300,000	0.2%
Colorado	37	29,714	$31,814,201	31,800,000	0.1%
Florida	21	20,151	$26,701,474	9,700,000	0.2%
Texas	17	18,719	$24,203,975	127,000,000	0.0%
Utah	13	9,559	$19,958,390	10,700,000	0.1%
New Jersey	28	2,597	$17,118,746	750,000	0.3%
Connecticut	50	3,899	$16,941,656	380,000	1.0%
Ohio	77	15,927	$16,361,158	13,900,000	0.1%
Massachusetts	37	1,664	$13,431,455	500,000	0.3%
Top 10 Totals	**360**	**340,805**	**$249,052,858**	**277,030,000**	
National Totals	**817**	**547,433**	**$428,320,722**	**899,500,000**	
Percent of National Total	**44%**	**62%**	**58%**	**31%**	

Appendix B – Table E: Sorted by ACEP-WRE Number Enrolled

Top 10 States: ACEP-WRE by Number of Enrollments			
State	**ACEP-WRE - Number Enrolled**	**ACEP-WRE - Acres Enrolled**	**ACEP-WRE – FA Funds Obligated**
Louisiana	151	34,780	$73,696,640
Indiana	101	7,739	$33,476,046
Arkansas	97	32,330	$108,006,842
Iowa	84	8,504	$59,905,744
Kentucky	72	11,023	$47,620,387
Mississippi	68	12,423	$41,944,036
South Dakota	63	7,904	$29,949,959
North Dakota	61	13,726	$17,586,182
Kansas	49	4,368	$14,008,750
New Hampshire	44	5,897	$16,021,060
Top 10 Totals	**790**	**138,695**	**$442,215,646**
National Totals	**1354**	**250,590**	**$838,552,367**
Percent of National Total	**58%**	**55%**	**53%**

Appendix B – Table F: Sorted by ACEP-WRE Acres Enrolled

Top 10 States: ACEP-WRE by Acres of Enrollments			
State	**ACEP-WRE - Number Enrolled**	**ACEP-WRE - Acres Enrolled**	**ACEP-WRE – FA Funds Obligated**
Louisiana	151	34,780	$73,696,640
Arkansas	97	32,330	$108,006,842
Florida	34	18,853	$95,202,075
Georgia	29	16,179	$26,755,095
North Dakota	61	13,726	$17,586,182
Mississippi	68	12,423	$41,944,036
California	25	11,518	$40,315,695
Kentucky	72	11,023	$47,620,387
Montana	15	10,451	$10,008,663
Iowa	84	8,504	$59,905,744
Top 10 Totals	**636**	**169,785**	**$521,041,359**
National Totals	**1354**	**250,590**	**$838,552,367**
Percent of National Total	**47%**	**68%**	**62%**

Appendix B – Table G: Sorted by ACEP-WRE FA Obligated

Top 10 States: ACEP-WRE by FA Dollars Obligated					
State	**ACEP-WRE - Number Enrolled**	**ACEP-WRE - Acres Enrolled**	**ACEP-WRE – FA Funds Obligated**	**FarmlandAcres**	**ACEP-WRE-%Total Farmland**
Arkansas	97	32,330	$108,006,842	13,900,000	0.2%
Florida	34	18,853	$95,202,075	9,700,000	0.2%
Louisiana	151	34,780	$73,696,640	8,000,000	0.4%
Iowa	84	8,504	$59,905,744	30,600,000	0.0%
Kentucky	72	11,023	$47,620,387	12,900,000	0.1%
Missouri	43	8,154	$42,278,627	27,700,000	0.0%
Mississippi	68	12,423	$41,944,036	10,400,000	0.1%
California	25	11,518	$40,315,695	24,300,000	0.0%
Indiana	101	7,739	$33,476,046	15,000,000	0.1%
South Dakota	63	7,904	$29,949,959	43,200,000	0.0%
Top 10 Totals	**738**	**153,226**	**$572,396,050**	**195,700,000**	
National Totals	**1354**	**250,590**	**$838,552,367**	**899,500,000**	
Percent of National Total	**55%**	**61%**	**68%**	**22%**	

Appendix B – Table H: Sorted by All ACEP FA Obligated

State	ACEP-ALE - Number Enrolled	ACEP-ALE - Acres Enrolled	ACEP-ALE - FA Funds Obligated	ACEP-WRE - Number Enrolled	ACEP-WRE - Acres Enrolled	ACEP-WRE - FA Funds Obligated	All ACEP - FA Funds Obligated - Total	All ACEP - TA Funds Obligated - Total	Total ACEP
Florida	21	20,151	$26,701,474	34	18,853	$95,202,075	$121,903,549	$25,120,651	$147,024,200
Arkansas				97	32,330	$108,006,842	$108,006,842	$18,940,056	$126,946,899
Louisiana			$6,737,538	151	34,780	$73,696,640	$80,434,178	$14,086,267	$94,520,445
California	30	52,462	$33,158,902	25	11,518	$40,315,695	$73,474,596	$18,780,765	$92,255,361
Iowa	3	1,551	$2,234,499	84	8,504	$59,905,744	$62,140,244	$9,446,276	$71,586,520
Kentucky	37	3,571	$12,759,191	72	11,023	$47,620,387	$60,379,579	$10,503,816	$70,883,394
Montana	50	186,113	$49,362,903	15	10,451	$10,008,663	$59,371,566	$5,952,633	$65,324,199
Mississippi	6	1,006	$6,238,881	68	12,423	$41,944,036	$48,182,916	$7,972,787	$56,155,704
Missouri				43	8,154	$42,278,627	$42,278,627	$7,530,502	$49,809,129
Ohio	77	15,927	$16,361,158	40	3,036	$19,226,300	$35,587,458	$6,999,763	$42,587,222
Florida	21	20,151	$26,701,474	34	18,853	$95,202,075	$121,903,549	$25,120,651	$147,024,200

Appendix B – Table I: Sorted by All ACEP TA Obligated

State	ACEP-ALE - Number Enrolled	ACEP-ALE - Acres Enrolled	ACEP-ALE - FA Funds Obligated	ACEP-WRE - Number Enrolled	ACEP-WRE - Acres Enrolled	ACEP-WRE - FA Funds Obligated	All ACEP - FA Funds Obligated - Total	All ACEP - TA Funds Obligated - Total	Total ACEP
Florida	21	20,151	$26,701,474	34	18,853	$95,202,075	$121,903,549	$25,120,651	$147,024,200
Arkansas				97	32,330	$108,006,842	$108,006,842	$18,940,056	$126,946,899
California	30	52,462	$33,158,902	25	11,518	$40,315,695	$73,474,596	$18,780,765	$92,255,361
Louisiana			$6,737,538	151	34,780	$73,696,640	$80,434,178	$14,086,267	$94,520,445
Kentucky	37	3,571	$12,759,191	72	11,023	$47,620,387	$60,379,579	$10,503,816	$70,883,394
Texas	17	18,719	$24,203,975	10	3,715	$8,878,031	$33,082,006	$10,008,574	$43,090,580
South Dakota	1	2,240	$1,684,785	63	7,904	$29,949,959	$31,634,744	$9,858,728	$41,493,472
Tennessee	2	422	$6,460,465	43	7,412	$22,054,860	$28,515,324	$9,660,612	$38,175,936
Iowa	3	1,551	$2,234,499	84	8,504	$59,905,744	$62,140,244	$9,446,276	$71,586,520
Mississippi	6	1,006	$6,238,881	68	12,423	$41,944,036	$48,182,916	$7,972,787	$56,155,704

Appendix B – Table J: Sorted by All ACEP Obligated - Total

State	ACEP-ALE - Number Enrolled	ACEP-ALE - Acres Enrolled	ACEP-ALE - FA Funds Obligated	ACEP-WRE - Number Enrolled	ACEP-WRE - Acres Enrolled	ACEP-WRE - FA Funds Obligated	All ACEP - FA Funds Obligated - Total	All ACEP - TA Funds Obligated - Total	Total ACEP
Florida	21	20,151	$26,701,474	34	18,853	$95,202,075	$121,903,549	$25,120,651	$147,024,200
Arkansas				97	32,330	$108,006,842	$108,006,842	$18,940,056	$126,946,899
Louisiana			$6,737,538	151	34,780	$73,696,640	$80,434,178	$14,086,267	$94,520,445
California	30	52,462	$33,158,902	25	11,518	$40,315,695	$73,474,596	$18,780,765	$92,255,361
Iowa	3	1,551	$2,234,499	84	8,504	$59,905,744	$62,140,244	$9,446,276	$71,586,520
Kentucky	37	3,571	$12,759,191	72	11,023	$47,620,387	$60,379,579	$10,503,816	$70,883,394
Montana	50	186,113	$49,362,903	15	10,451	$10,008,663	$59,371,566	$5,952,633	$65,324,199
Mississippi	6	1,006	$6,238,881	68	12,423	$41,944,036	$48,182,916	$7,972,787	$56,155,704
Missouri				43	8,154	$42,278,627	$42,278,627	$7,530,502	$49,809,129
Texas	17	18,719	$24,203,975	10	3,715	$8,878,031	$33,082,006	$10,008,574	$43,090,580

Sources for all Appendix B tables.: USDA-NRCS Administrative Data; Acres and agreements from NEST October 2017 and dollars from FMMI data processed March 12, 2019.