

ADDENDUM TO AGREEMENT BETWEEN
THE U.S. DEPARTMENT OF AGRICULTURE
COMMODITY CREDIT CORPORATION

AND

THE STATE OF DELAWARE

FOR IMPLEMENTATION OF
THE DELAWARE CONSERVATION RESERVE ENHANCEMENT PROGRAM

The Delaware CREP Agreement dated June 2, 1999, is hereby modified as follows:

1. **Section IV of the Agreement is revised by amending paragraph "B" to read as follows:**

IV. PROGRAM ELEMENTS

B. The eligible CRP practices for enrollment under CREP are:

- (1) CP3A - Hardwood Tree Planting - provided that plantings for an individual contract range from 200 to 300 trees per acre.
- (2) CP4D - Permanent Wildlife Habitat - provided that practice acres for an individual contract will be limited to 5 acres per tract or 5% of tract, whichever is greater.
- (3) CP21 - Grassed Filter Strips - 2,000 acres will be targeted for enrollment within those watersheds numbered 26 through 41 on Exhibit 2.
- (4) CP22 - Riparian Buffers - 500 acres will be targeted for enrollment within those watersheds numbered 26 through 41 on Exhibit 2.
- (5) CP23 - Wetland Restoration.

2. **Section V of the Agreement is revised by amending paragraphs "B" and "D" and adding new paragraphs: "N, O, P" to read as follows:**

V. FEDERAL COMMITMENTS

- B. Pay 50 percent of the eligible costs of CRP conservation practices.
Reimbursements to the CREP participants from all sources must be consistent with the cost-share provisions as outlined in Handbook 2-CRP and temporary CRP directives as issued by USDA.
- D. Make an annual incentive payment, as a percentage of the base CRP maximum

annual rental rate otherwise normally applicable to the land enrolled in the CREP, as calculated under paragraph V. C., in the following amounts:

- (1) for land to be established to practices CP22, Riparian Buffers, CP3A, Hardwood Tree Planting, and CP23, Wetland Restoration: 95 percent, provided that the total annual contract rental rate, inclusive of all incentives except the annual maintenance payment, shall not exceed \$150 per acre. Should the base annual rental rate, plus the full 130% of the special federal/State incentive payments exceed \$150 per acre, then the federal incentive shall be 73% of the difference between \$150 less the base annual rental rate, and the State incentive payment shall be 27% of that difference.
- (2) for land established to practices CP21, Grassed Filter Strips and CP4D, Permanent Wildlife Habitat: 32 percent, provided that the total annual contract rental rate, inclusive of all incentives except the annual maintenance payment, shall not exceed \$110 per acre. Should the base annual rental rate, plus the full 50% of the special federal/State CREP incentive payments exceed \$110 per acre, then the federal incentive shall be 64% of the difference between \$110 and the base annual rental rate, and the State incentive payment shall be 36% of that difference.

- N. Subject to the availability of funds, pay a one-time Signing Incentive Payment (SIP) at normal CRP rates for acreage enrolled in the Delaware CREP in practices CP21 and CP22 in accordance with Handbook 2-CRP procedure.
- O. Subject to the availability of funds, pay a one-time practice incentive payment at normal CRP rates equal to 40 percent of the eligible cost of installation of practices CP21 and CP22 in accordance with Handbook 2-CRP procedure.
- P. Make an annual rental payment for eligible marginal pastureland based on the marginal pastureland rental rate as listed in Handbook 2-CRP procedure.

3. Section VI is revised by amending paragraph "B" to read as follows:

IV. STATE COMMITMENTS

B. Be responsible for:

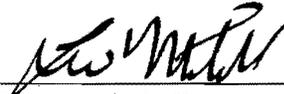
- 2) a) for land established to practices CP3A, Hardwood Tree Planting, CP22, Riparian Buffers, and CP23, Wetland Restoration: 35 percent provided that the total annual contract rental rate, inclusive of all incentives except the annual maintenance payment, shall not exceed \$150 per acre. Should the base annual rental rate, plus the full 130% of special federal/State

CREP incentive payments provided for in this agreement exceed \$150 per acre, then the federal incentive shall be 73% of the difference of \$150 less the base annual rental rate, and the State incentive payment shall be 27% of that difference;

- b) for land established to practices CP21, Grass Filter Strips and CP4D, Permanent Wildlife Habitat: 18 percent provided that the total annual contract rental rate, inclusive of all incentives except the annual maintenance payment, shall not exceed \$110 per acre. Should the base annual rental rate, plus the full 50% of the special federal/State CREP incentive payments exceed \$110 per acre, then the federal incentive shall be 64% of the difference between \$110 and the base annual rental rate, and the State incentive payment shall be 36% of that difference.

IT IS SO AGREED:

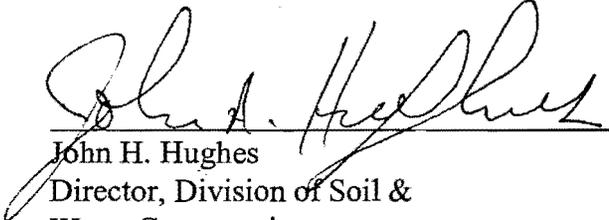
FOR THE U.S. DEPARTMENT OF AGRICULTURE AND THE
COMMODITY CREDIT CORPORATION:



Larry Mitchell
Deputy Administrator for Farm Programs
Farm Service Agency
Deputy Vice President
Commodity Credit Corporation

17 JUL 00
Date

FOR THE STATE OF DELAWARE:



John H. Hughes
Director, Division of Soil &
Water Conservation
Delaware Department of Natural Resources and
Environmental Control

7-25-00
Date