

For: State and County Offices

Additional Guidance for CRP Tree Thinning Incentive

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The Agricultural Act of 2014 provided authority to offer incentives to eligible CRP participants to encourage tree thinning and other practices to improve the condition of resources, promote forest management, or enhance wildlife habitat on CRP acreage.

Recognizing the need for increased thinning and management on CRP tree enrollments, Congress authorized up to \$10 million in incentives to be used to promote savannah habitat or other beneficial resource wildlife habitat practices such as tree thinning and prescribed burning.

These management tools are critical for restoring and creating diverse and healthy savannah ecosystems, and will help address the habitat needs for threatened and endangered species, candidate species, northern bobwhite and other grassland and early successional birds, state species of greatest conservation need, pollinators, and others.

This authority was integrated into 7 CFR Part 1410.42 and 2-CRP, paragraph 627.

B Purpose

This notice provides additional direction and guidance for County Offices and COC's to provide incentive payments to CRP participants implementing tree thinning and/or other customary forestry activities in an integrated manner during the life of the CRP contract primarily to enhance wildlife habitat.

Note: Tree thinning incentives are limited to those eligible customary forestry activities completed after October 22, 2015.

Disposal Date	Distribution
January 1, 2018	State Offices; State Offices relay to County Offices, NRCS Offices, and State CREP Partnering Agencies

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2 Administration

A CRP TTI Practice Eligibility

The CRP Tree Thinning Incentive (TTI) is limited to authorized CRP conservation practices identified in 2-CRP, paragraph 627 (CP3, CP3A, CP4D, CP11, CP22, CP31, CP36, CP38A, CP38C, CP38D, and CP38E) where eligible customary forestry activities will be implemented in an integrated manner and frequency to accomplish desired objectives.

The FSA State Committee, in consultation with State Technical Committee and State fish and wildlife agency, will develop appropriate modifications to established technical practice standards regarding frequency and intensity of the technical practices being implemented for which incentives are being made available. These modifications to existing standards will be primarily associated with the featured species being managed and local site conditions. Eligible customary forestry activities include tree thinning and prescribed burning. When prescribed burning is not a suitable or a viable management option, then disking, chemical woody and herbaceous plant control, or mechanical woody plant control may be substituted but will only earn cost-share and not TTI.

Example: A southern state wishes to enhance habitat for northern bobwhite and determines that integrated tree thinning and use of prescribed burning are the preferred technical practices to be used. Working cooperatively, the FSA State Committee, the State Technical Committee, the State forestry agency, the State fish and wildlife agency, and other appropriate conservation partners, agree to limit available incentives to CRP acreage established to pines that are to be thinned to a density below 50 square feet of basal area and prescribed burned every two to three years following the initial thinning. Additional incentives, provided funding is available, will be for subsequent thinning that retains stand density below 70 square feet of basal area per acre.

Eligible participants who have implemented approved tree thinning or other practices for CRP TTI since October 22, 2015, may be eligible for the incentive payment. Customary forestry activity performed before October 22, 2015, is **not** eligible for a CRP TTI payment.

CRP policy requires one management activity on acreage enrolled under CRP-1. Those CRP participants interested in only performing the minimal requirement of one mid-contract management activity associated with contract compliance are limited to CRP cost-share (C/S) assistance only.

Additional management activities implemented in an integrated manner beyond the required minimum activity required for the contract are eligible for CRP TTI payment.

2 Administration (Continued)

B CRP TTI Practice Eligibility Examples

Example 1: A CRP contract requires one mid-contract management activity. The Conservation Plan of Operations (CPO) describes implementing a prescribed burn as the mid-contract management activity. This one activity is all the CRP participant wishes to perform. C/S is authorized for this mid-contract management activity and should be used; no TTI is authorized.

Example 2: A CRP contract requires one mid-contract management activity. In addition to the one required mid-contract management activity, the CPO describes implementing additional mid-contract management activities in an integrated manner, all of which are eligible under the new TTI authority. The CRP participant wishes to receive incentive payments in addition to C/S. TTI is authorized to be paid in addition to C/S for the additional management activities performed consistent with the CPO, provided appropriate TTI funding obligations have been made.

Example 3: A CRP contract requires one mid-contract management activity. The CPO describes implementing multiple mid-contract management activities, one of which was completed before October 22, 2015 and CRP participant has earned C/S. CRP participant is limited to the C/S already received for the activity completed; no TTI is authorized for this activity. The remaining planned technical practice activities are yet to be performed and all are eligible under TTI. CRP participant wishes to receive incentive payments in addition to C/S for the remaining technical practices to be performed. Provided appropriate TTI funding obligations have been made, TTI is authorized for additional planned technical practices described in the CPO.

C Conservation Plan of Operations (CPO)

Applicable tree thinning and other customary forestry activities must be included and agreed to by the participant in an existing or modified conservation plan or schedule of operation according to 2-CRP, paragraph 429.

If the activities for which CRP TTI payments are authorized are already described in the CPO, no modifications to the CPO are needed for the CRP participant to be approved for CRP TTI payments.

In cases where an existing CPO does not include technical practices being implemented in an integrated manner and the CRP participant wishes to now do so with the availability of incentives, a CPO modification is needed to incorporate tree thinning and other customary forestry activities.

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3 CRP TTI Requests and Obligation Submissions

A CRP TTI Requests

FSA County Offices will use the CPO and a manual FSA-848, describing planned mid-contract management activities, to facilitate obligation of CRP TTI funds. CRP TTI funds will be made available on a first come, first served basis for those CRP participants requesting CRP TTI for eligible customary activities completed since October 22, 2015, or planned to be completed consistent with the CPO in the near future.

Note: CRP participants requesting CRP TTI for future activities should be encouraged to submit requests after the initial batching period described in subparagraph B.

FSA County Offices will use a manual FSA-848 to document CRP participants' request for CRP TTI funds. It is imperative that County Offices date and time stamp the manual FSA-848 upon receipt.

Note: For CRP TTI, a manual FSA-848 is **not** a request for C/S but issued as a request document for a CRP TTI payment and must be completed as described in subparagraph C. County Offices **shall not** enter TTI request data in the Cost Share System (CSS).

B CRP TTI Batching Periods

CRP TTI requests will be accepted on a continuous basis and approvals will be made until CRP TTI funds are exhausted. Because of limited CRP TTI funds availability, CRP TTI approvals will be made periodically. The first CRP TTI batching period will end on December 31, 2016. For this first batching period, only requests for CRP TTI eligible practices performed between October 22, 2015, and December 31, 2016, will be considered. If CRP TTI funds remain available following the first batching period, additional batching periods may occur. Continue to accept producer requests for CRP TTI until further notice.

To be considered for the first batching period, producer requests must be filed by January 6, 2017. All eligible requests must be loaded as prescribed in subparagraph E by January 13, 2017. Producer requests filed after January 6, 2017, will be included in a subsequent batching period, if funds are available.

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3 CRP TTI Requests and Obligation Submissions (Continued)

C Completing the Manual FSA-848

County Offices shall not use CSS to initiate and generate the FSA-848. The County Office shall manually complete the FSA-848 by entering data according to the following table:

Item	Instructions
	In the top margin of the form, ENTER“ For CRP TTI Purposes ”.
1	Enter the State and county codes.
2	Enter the name, address, and telephone number of the County Office.
5	Enter the CRP contract number.
6	Record if CRP contract location is within a Wildlife Priority Zone (N1c) and/or if located within an approved SAFE project area.
10A	Enter farm number.
10B	Enter tract number.
10C	Enter field number.
10D	Enter the eligible CRP conservation practice (e.g., CP3).
10E	Enter the technical practice from the TTI Menu (e.g., TTI-666 Tree Thinning/Forest Stand Improvement).
10F	ENTER “acres”.
10G	Enter contract acres.
10H	Enter the acres for that activity for which TTI incentives are requested.
10I	Enter the requested TTI incentive amount (Item 10H times the appropriate incentive rate in subparagraph D).
10J	Enter the total amount of TTI requested.
11A	Enter participant name, address, and contact telephone number.
11F	Participant shall sign request.
11G	Enter title/relationship, if applicable.
11H	Participant shall enter date of request.

The signature date on the manual FSA-848 by the participant is the basis upon which CRP TTI funds will be obligated to a CRP contract. Obligations are mandatory before a CRP TTI can be approved and payment earned.

D Authorized Technical Practices, Incentive Rates, and Priorities

Approval of CRP TTI eligible requests will be determined on a first come, first served basis.

CRP TTI payments will be approved and issued in addition to C/S for those practices eligible for both types of payments, such as prescribed burning, or pre-commercial thinning performed in addition to the minimum one mid-contract management activity.

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3 CRP TTI Requests and Obligation Submissions (Continued)

D Authorized Technical Practices, Incentive Rates, and Priorities (Continued)

In many cases, tree thinning may likely be performed on a commercial basis, whereby a timber buyer will pay the CRP participant for the timber that is removed by the tree thinning. In these cases, there is no cost to the participant; therefore, no C/S payment is issued to the CRP participant. However, CRP TTI is authorized in cases where there is no out of pocket cost to the participant to encourage the additional tree thinning activities for wildlife benefit.

CRP TTI may also be earned in addition to C/S on eligible mid-contract management activities. Incentives will only be paid once the practice has been completed.

National rates have been established for CRP TTI payments and reflect these priorities.

Technical Practice	Technical Practice Code	National Incentive
Tree Thinning* and Burning	TTI-666/338/394	\$150/acre
Tree Thinning*	TTI-666	\$75/acre
Prescribed Burning	TTI-338/394	\$25/acre for first burn \$35/acre for subsequent burns

* Generally for pine savannah habitat, tree thinning density shall be less than 50 square basal feet of basal area for the initial thinning and subsequent thinnings shall maintain a density of less than 70 square basal feet. Other appropriate thinning density standards shall be established in consultation with the State Technical Committee for other habitats.

Note: Disking, chemical woody or herbaceous plant control and mechanical woody plant control may be eligible for mid-contract management cost-share, but are not eligible for TTI.

E Obligation Procedure

County Offices shall input CRP TTI request data into the CRP TTI Survey included on the CEPD SharePoint at:

<https://sharepoint.fsa.usda.net/states/cepd/autogis/Lists/TTI/allitems.aspx>.

Survey field instructions can be found in Exhibit 1. All data submitted using SharePoint will be evaluated by CEPD to determine if sufficient funds exist to honor all requests for CRP TTI. After evaluation, State Offices will be notified of request status.

Before incentive requests can be approved, appropriate fund obligations must be made. Upon fund obligation, County Offices shall notify participant via letter of approval (Exhibit 2). If the CRP participant responds indicating there is no longer interest in participating in CRP TTI, the County Office shall notify CEPD, through the State Office, so appropriate CRP TTI fund de-obligations can be made.

For requests not accepted, County Offices shall notify participant via letter of approval (Exhibit 3)

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3 CRP TTI Requests and Obligation Submissions (Continued)

E Obligation Procedure (Continued)

This oversight is necessary to ensure CRP TTI obligations do not exceed available funding.

Note: Failure to complete a future planned technical practice in a timely manner for which CRP TTI obligation has been made may result in a de-obligation of CRP TTI funds made available to the CRP contract.

4 Performance and Incentive Payment

A Performance Certification

Performance of each approved activity for which CRP TTI has been obligated and for which payment is requested must be certified by the participant and NRCS, State Forestry, State Fish and Wildlife, or authorized TSP representative on a manual FSA-848B. In addition to being limited to eligible CRP TTI conservation practices and authorized technical practices, customary forestry activities for which CRP TTI payment is requested must be completed in a manner consistent with the CPO and field office technical guides.

County Offices **shall not** use CSS to initiate and generate the FSA-848B. The County Office shall manually complete the FSA-848B by entering data according to the following table.

Item	Instructions
	In the top margin of the form, ENTER “For CRP TTI Purposes” .
1	Enter the State and county codes.
2	Enter the name, address, and telephone number of the County Office.
5	Enter the program year of the approved TTI activity.
8	Enter the CRP contract number.
9A	Enter FSN.
9B	Enter the tract number.
9D	Enter the practice.
9E	Enter the practice unit as “acres”.
9F	Enter the practice extent approved that corresponds to items 9A through 9E.
9G	ENTER “yes”.
9H	Enter the acres served.
9I	Enter the approved TTI payment amount that corresponds to items 9A through 9F.
15A	The technical service provider and participant shall sign.
15B	Enter today’s date.
15C	Enter the affiliation.
15D	Enter the practice.
15E	Enter the performance statement.
18A	The FSA representative shall sign to approve performance.
18B	Enter today’s date.
18C	Enter the total TTI payment amount for the activity.

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4 Performance and Incentive Payment (Continued)

A Performance Certification (Continued)

Note: It is imperative that thinning results in stand density that is beneficial for wildlife habitat, allowing sunlight to reach the forest floor allowing for a diverse understory to become established. Frequent prescribed burning to retain plant species diversity, composition, and structure is just as important. Due to the complex and critical nature of this management activity, compliance is a priority to ensure that the technical practices are implemented in an integrated manner as prescribed in the conservation plan so that wildlife resource concerns are being adequately addressed as per Congressional intent.

B Issuing CRP TTI Payments

CRP-TTI payment is made following each eligible technical practice performance.

Unlike PIP, CRP TTI payments can be made at multiple times throughout the CRP contract period following implementation of each eligible technical practice.

CRP-TTI payment can be issued after all of the following have been met:

- technical practice for which CRP-TTI is requested is consistent with the CPO which describes multiple practices to be implemented in an integrated manner to enhance wildlife habitat
- participant signs manual FSA-848B and reports completion of technical practice
- technical agency (NRCS, State Forestry, State Fish and Wildlife, or TSP representative) certifies performance on manual FSA-848B
- compliance with 1-PL, 4-PL, or 5-PL, as applicable, is met.

Note: The payment limitation for CRP rental payments and incentive payments is \$50,000 for the program year.

The Conservation Payments System User Guide:

- provides instructions for issuing CRP incentive payments
- can be found on the CEPD SharePoint at <https://sharepoint.fsa.net/states/cepd/userguides/default.aspx>.

The Applicable Program Accounting Code is 3352.

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5 Planned Activities Not Completed

A Contract Compliance

Activities planned under policies in this notice must be designed to enhance wildlife habitat and are voluntary.

CRP participants are not in violation of their CRP contract if unable to perform all of the technical practices recommended provided required management activity are completed according to 2-CRP, paragraph 428.

6 Outreach

A CRP TTI Announcement

The letter in Exhibit 4 can be modified for County Office use to inform applicable CRP participants of the CRP TTI availability.

7 Action

A State Office Action

State Offices shall:

- follow provisions of this notice and forward copies to the:
 - State NRCS office
 - State fish and wildlife agency office
 - State forestry agency office
- report thinning request received to CEPD by **January 6, 2017**.

Should CRP TTI funding remain available following the first batching period, additional batching periods may follow with State Offices likely reporting on a quarterly basis.

B County Office Action

County Offices shall follow the provisions of this notice.

C Contact

For questions about this notice, contact David Hoge by either of the following:

- email to **david.hoge@wdc.usda.gov**
- telephone at 202-720-7674.

CRP Tree Thinning Survey Instructions

The CRP tree thinning incentive survey is located at <https://sharepoint.fsa.usda.net/states/cepd/autogis/Lists/TTI/allitems.aspx>.

Instructions for completing the survey are as follows.

Field	Instructions
Request Date	The date the participant signs and dates the FSA-848 from item 11H of FSA-848.
Administrative State Name	Select Administrative State from Drop Down list.
Administrative County Name	Enter the Administrative County name.
Physical State Name	Select State where land is physically located from drop down list.
Physical County Name	Enter the county where the land is physically located.
CRP Contract Number	Enter the CRP Contract Number from CCMS and item 5 on the FSA-848.
Farm #	Enter the Farm # from item 10A on the FSA-848.
Tract #	Enter the Tract # from item 10B on the FSA-848.
Practice	Select the applicable practice from drop-down list as designated on the CRP-1 and on the FSA-848, item 10D.
Contract Practice Acres	Enter the number of eligible acres enrolled on the CRP-1 under the practice from the total of column form item 10G on the FSA-848.
Activity Acres	Enter the number of acres for which an eligible TTI activity has been conducted from total of column for item 10H on the FSA-848. The activity must be complete and have been conducted from October 22, 2016 and Dec 31, 2016.
Activity	Select the eligible TTI activity from drop-down list as indicated by the participant on the FSA-848, Item 10E.
Safe Wildlife Priority Area	If the acreage to be treated is located in an approved SAFE priority area, select "YES". Refer to item 6 on the FSA-848
Wildlife Priority Zone (n1C)	If acreage to be treated is located in a wildlife priority zone that would receive n1C points under General CRP Signup, select "Yes". Refer to item 6 on the FSA-848.
Region	Select the appropriate Region from drop-down list according to 2-CRP, paragraph 627.
Incentive Rate	DAFP has established one national set of incentive rates as described in this notice: \$150/acre for thinning and burning, \$75/acre for thinning alone, \$25/acre for the first burning and \$35/acre for subsequent burns.
Obligation Request	Enter the total TTI obligation request for this request from item 10J of the FSA-848.
Performance Date	If the activity has already been completed, enter the date the activity was performed. This is not a required entry for future planned activities.
Future Planned Activities	If the activity has not been performed but rather is planned for a future year, enter the year the activity is planned. This is not a required entry.
Participant Certification Date	If the activity has already been completed, enter the date the participant certified completion. This is not a required entry for obligation request.
TSP or NRCS Certification Date	If the activity has already been completed, enter the date NRCS or TSP certified completion. This is not a required entry for obligation request.
Comments	Enter applicable comments but do not include any PII information.

Notice Regarding Acceptable CRP Tree Thinning Request

Exhibit 2 is available in a fillable format at <http://inside.fsa.usda.gov/>. CLICK “Employee Forms” and CLICK “Find Current Forms Using Our Form Number Search”. For “Form Number”, ENTER “Notice CRP-816 Exhibit 2”.

Notice CRP-816, Exhibit 2

NOTICE REGARDING ACCEPTABLE CRP TREE THINNING REQUEST

Date: (MM-DD-YYYY)

Name of CRP Participant
Street Address
City/State/Zip Code

Dear: _____

This notice is to inform you that your request for incentives to perform tree thinning or other closely associated customary forestry activities, such as prescribed burning, in an integrated manner to enhance wildlife habitat on tract _____ under the Conservation Reserve Program (CRP) has been approved.

These customary forestry activities must have been performed in a manner consistent with the conservation plan developed or modified by the Natural Resources Conservation Service (NRCS) or Technical Service Provider (TSP) and approved by the Conservation District.

Financial obligations have been made as described in the manual FSA-848 signed by you.

Payment will be made following your notification of this office of practice completion and certification by NRCS or TSP.

Please contact the _____ County FSA Office for more information.

Sincerely,

/s/ _____
County Executive Director

Notice Regarding Not Acceptable CRP Tree Thinning Request

Exhibit 3 is available in a fillable format at <http://inside.fsa.usda.gov/>. CLICK “Employee Forms” and CLICK “Find Current Forms Using Our Form Number Search”. For “Form Number”, ENTER “Notice CRP-816 Exhibit 3”

Notice CRP-816, Exhibit 3

NOTICE REGARDING NOT ACCEPTABLE CRP TREE THINNING REQUEST

Date: (MM-DD-YYYY)

Name of CRP Participant
Street Address
City/State/Zip Code

Dear: _____

This notice is to inform you that your request for incentives to perform tree thinning or other closely associated customary forestry activities, such as prescribed burning, in an integrated manner to enhance wildlife habitat on tract _____ under the Conservation Reserve Program (CRP) was not approved. Either your request did not meet eligibility requirements or insufficient funds remained available to honor your request.

Please contact the _____ County FSA Office for more information.

Sincerely,

/s/ _____
County Executive Director

Availability of CRP Tree Thinning Incentives

Exhibit 4 is available in a fillable format at <http://inside.fsa.usda.gov/>. CLICK “**Employee Forms**” and CLICK “**Find Current Forms Using Our Form Number Search**”. For “Form Number”, ENTER “**Notice CRP-816 Exhibit 4**”

Notice CRP-816, Exhibit 4

AVAILABILITY OF CRP TREE THINNING INCENTIVES

Date: (MM-DD-YYYY)

Name of CRP Participant
Street Address
City/State/Zip Code

Dear: _____

Our records indicate that since October 22, 2015, you have performed tree thinning or other closely associated customary forestry activities, such as prescribed burning, in an integrated manner to enhance wildlife habitat on tract _____ under the Conservation Reserve Program (CRP). You may be eligible for additional financial incentives for having done so.

The additional incentive funding is limited so please contact the _____ County FSA Office by January 6, 2017 if you wish to be considered and wish additional information.

Sincerely,

/s/ _____
County Executive Director