



WASHINGTON ASSOCIATION OF CONSERVATION DISTRICTS

Resolution No. 2018-18

Title: CRP Soil Rental Rates and Soil Productivity Factors

Problem: The Farm Service Agency (FSA) national office recently reviewed the Soil Rental Rates used for the Conservation Reserve Program (CRP) including continuous CRP and CREP. On June 1, 2018 FSA announced that the county-average rental rates will be updated based on 2017 NASS (National Agricultural Statistics Service) Cash Rent Survey results for dryland rent estimates. In the past, states could submit alternative rates, with justification, to national if a county's rate was inaccurate. The 2018 updates, however, were not appealable and national would not accept any alternative rates.

The NASS survey results do not and have not provided accurate estimates for every county. This results in a county-average rental rate that does not accurately reflect the rent paid in the county. In the past, this was mitigated by states having the ability to submit alternative rates to correct inaccurate county-average rates, but that option has been eliminated this year. The current methods are flawed and undermine the environmental goals of CRP, CCRP and CREP.

FSA also updated the soil productivity factors that are applied to county-average rates to obtain Soil Rental Rates for individual soils. All soils with a productivity factor of 1.0 or greater (highly productive soils) were given a Soil Rental Rate equal to the county-average rental rate. Prior to June 1, 2018 soils with a productivity factor greater than 1.0 had a Soil Rental Rate equal to the county-average Soil Rental Rate multiplied by the soil productivity factor.

As a result, Soil Rental Rates on highly productive soils have decreased. Even, in counties where the county-average rental rate increased. The dramatic cut in Soil Rental Rates is a threat to CRP program and is already negatively impacting participation.

Actual Asotin County Examples

Example 1: CREP Contract enrolled in Program Year 2018 with a rental rate of \$114.02 per acre. If this contract was enrolled with the changes for Program year 2019 the rental rate would be \$52.00.

Example 2: CREP Contract enrolled in 2003 with a rental rate of \$101.66 per acre. For re-enrollment in Program Year 2019 the rental rate is \$47.66 per acre.

Recommendation: Work with NACD and FSA at a national level to review the methods used to determine Soil Rental Rates. Develop alternative methods that more accurately reflect soil value and considers the environmental benefits provided by the CRP programs.

Presented by: Asotin County Conservation District

Approved by the Southeast Area Association on 10/23/18

Assigned to the Natural Resources Policies Committee

Recommended DO PASS on 11/26/18

Adopted on 11/28/18