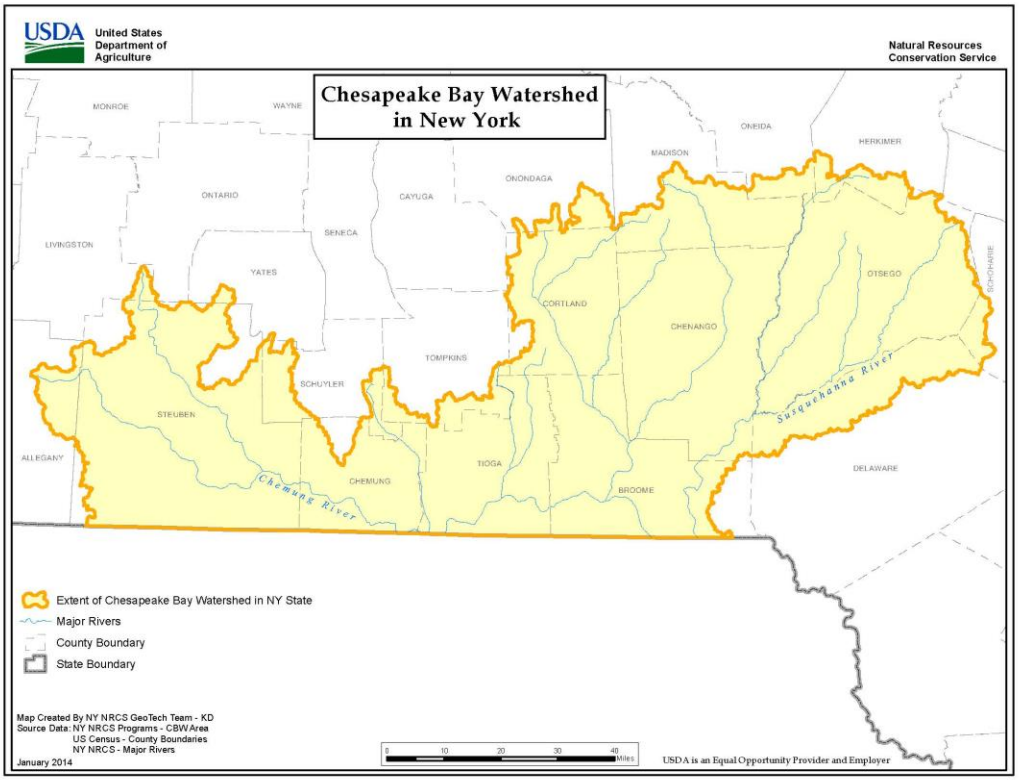
New York Riparian Forest Buffer Initiative State Task Force

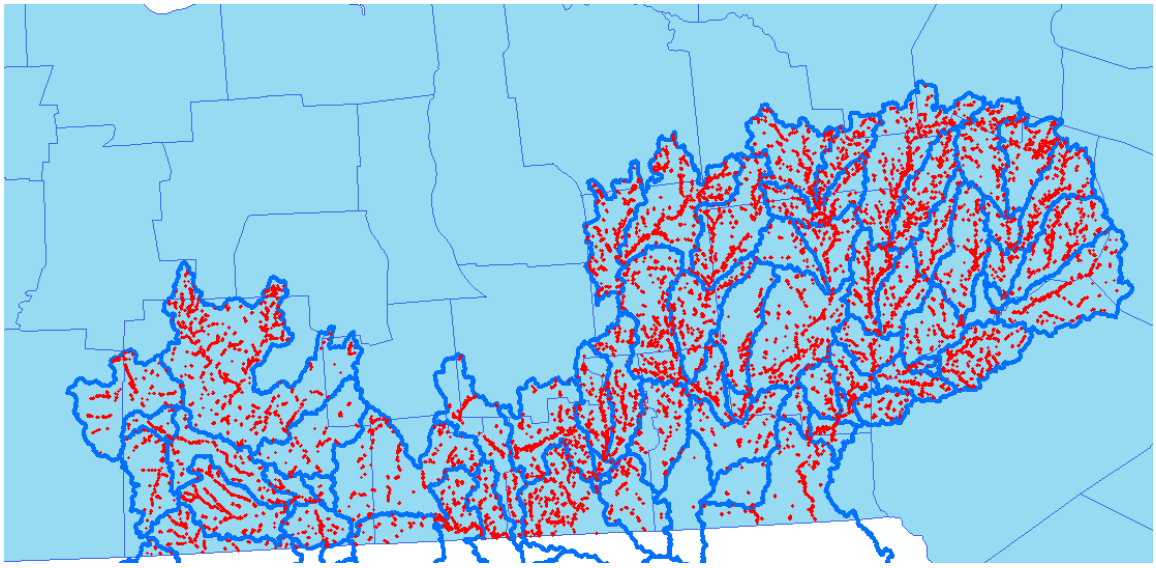
FINAL Report

1. Executive Summary

New York is located at the top of the Chesapeake Bay watershed and is the Chesapeake Bay's northern headwaters. New York's portion of the Chesapeake Bay watershed includes the Upper Susquehanna River and Chemung River watersheds; it includes portions of 17 New York counties. New York State's Watershed Implementation Plan (WIP) describes the long-term level of effort and activities that the State will contribute toward restoring the Chesapeake Bay. New York's Phase II WIP was developed by the New York State Department of Environmental Conservation, the Upper Susquehanna Coalition of Soil and Water Conservation Districts, New York State Department of Agriculture and Markets, New York State Soil and Water Conservation Committee, Cornell University, Cornell Cooperative Extension, USDA-NRCS, and other conservation partners. Riparian forest buffer restoration is a key strategy in the NY Phase II WIP and New York has an ambitious goal of achieving 10,222 acres of riparian forest buffers by 2025. NY has about 4,300 acres now, leaving 5,900 acres to go. New York's Conservation Reserve Enhancement Program (CREP) is the primary tool for protecting existing RFBs and increasing enrollment in new RFBs. NRCS programs, such as EQIP, provide some increases in enrollment and ancillary benefits through in field practices.



Using GIS tools, New York has determined there are approximately 10,000 acres of cropland that intersects with creeks, rivers and streams in New York's portion of the Chesapeake Bay Watershed, using a 100 ft. buffer on each side of the water source. Some of this land is obviously buffered by already existing riparian forest buffers. It is important for the success of the program to secure the economic package proposed in the February 27th funding proposal to FSA headquarters. However, with the expanded definition of MPL for New York, FSA estimates a realistic goal for NYS CREP acreage enrollment of buffers on both cropland and marginal pastureland over the next 4 years is 2,000 acres per year or 8,000 acres total.



New York projected CP-22 enrollment through 2018, shown in the table below:

Year	New Current Level	Expiring Acres	Re-enrolling 75%	New Acres	Total Projected Acres
2015	8073	1787	1340	2000	3340
2016	9626	1891	1418	2000	3418
2017	11153	842	631	2000	2631
2018	14833	435	326	2000	2326
Total			**3715**	**8000**	**11715**

Most of the RFB enrollments in New York's Chesapeake Bay watershed occur on marginal pastureland and are associated with livestock production. Many of the operations are relatively small and the land is owned and operated by many part-time producers. Producers often view the program as an opportunity to increase the value and usefulness of their operations by developing water, exclusion fencing of the stream, developing pipelines and water tanks, and

developing stream crossings. The value of these capital enhancements far exceeds the value of annual rental payments and is the principle economic factor that causes producers to enroll. The enhanced property value associated with the capital improvements and the benefits associated with improved grazing distribution and improved herd health must offset the income loss, operation and maintenance cost/issues associated with participating in the program in order for a producer to enroll. Producers' opportunities to participate are also impacted by outreach activities, producers' preconceived thoughts on the positive and negative impacts of enrollment and the ability to provide timely and professional service to the producer. Enrollment history in NY CREP and New York City CREP show the difference highly trained and motivated local staff can make through concentrated outreach effort and sufficient one-on-one discussions with farmers in the community to promote CREP.

In addition, enrollment of buffers on cropland is a high priority for water quality. In some areas of New York, it is not uncommon to see producers farming right down to the stream. Current incentives do not reflect the economic value of this land. To address this need, New York proposes a combination of increased state and federal incentives on the first 50 feet on either side of the stream on lands meeting cropping history. A NYS NRCS Economist has analyzed CREP Annual rental rates with 145% incentive compared with estimated net returns from corn silage. On average, the analysis showed a 30% deficit in compensation. Moreover, traditional NASS cropland rental rate data does not account for the distortion in the local cropland rental market due to the value to landowners of renting out land in order to maintain their agricultural land use assessed value which results in a significantly lower local tax burden.

With 4,956 acres of buffers set to expire over the next 5 years, retention of existing enrollments is also a high priority. New York believes that the proposed flexibility and enhanced incentives, coupled with increased outreach and technical assistance, can help boost reenrollment.

The following are the New York Riparian Forest Buffer Initiative State Task Force's primary, initial findings regarding the challenges and barriers to riparian forest buffer enrollment and initial recommendations to boost enrollment and reenrollment:

A strong commitment of Federal, State, and local leadership is needed to support the program efforts and provide adequate resources in New York and throughout the Bay watershed. A piece-meal approach without adequate resources will not address the issues associated with achieving desired program outcomes. Since RFBs are one of the most cost-effective means to achieve nitrogen reductions, the failure to provide adequate resources could lead to higher societal costs. Failure to achieve desired program goals may mandate more expensive nutrient reduction options such as enhanced nitrogen removal or urban storm water retrofits.

A new outreach campaign is needed to attract attention and boost RFB enrollment, and staffing increases are necessary to provide sufficient technical assistance and capacity to avoid bottlenecks in the enrollment process. A major rebranding/outreach effort is needed to attract producer and landowner attention and boost enrollment and reenrollment. CREP and EQIP are not new programs, but new attention and excitement can be generated around the suggested

revisions in incentives, and expansion of the CREP target area to include the entire Chesapeake Bay Watershed in NY. The program complexities and significant perceived risks associated with the program require extensive one-on-one discussions with producers. In addition prior to the launch of a media program there must be sufficient resources to timely and professionally address the increased demand for services. FSA staffing has dropped by 23% since 2002. FSA has recently been able to hire some staff, but more Program Technicians are still needed to achieve the WIP goals. Fundamental tasks such as practice certification, compliance reviews, and outreach are not being completed now, and implementation of recommendations requires increases in staff time. Current agency staffing levels are inadequate to address the dramatic increase in workload needed during the next 7 years to achieve the WIP goals.

In New York's February 27, 2015, funding request to FSA, New York requested $253,000 in increased funding for staffing designed to work in concert with grant funding received by the Upper Susquehanna Coalition (USC). New York requested funding for: 1) one additional FSA PT and 4 temporary staff members for FSA to be located in the highest priority locations (e.g., counties with a lot of expiring acres and/or potential new contracts) for CREP contract software actions, contract paperwork, and contract management, including succession activities; and 2) 5 part-time (20 hours/week) USC staff to focus solely on forested riparian buffer outreach, conservation planning and helping landowners/farmers concurrently enroll in CP22 CREP as well as AgNPS.

The USC Buffer Team will be led by the Buffer Coordinator that will be hired by USC with recent grant funding. This Coordinator will work to integrate the two already received grants from the US Forest Service and NFWF Chesapeake Bay Stewardship Fund as well as the proposed FSA funding to implement the USC Buffer Team. The USC is comprised of 16 Soil and Water Conservation Districts (SWCDs) in New York's Chesapeake Bay Watershed (as well as 3 SWCDs in Pennsylvania). The 5 part-time new staff are planned to be located strategically throughout the watershed to minimize travel time and to support staff that already have expertise in buffers and grazing implementation and working relationships with many farms within their geographic areas.

In addition, $15,000/year is needed for increased funding for FSA and NRCS for media materials. In its February 27, 2015, funding request to FSA, New York requested $15,000 for FSA and NRCS media/outreach materials. New York will coordinate with other Bay states and work on sharing (where feasible) various media products (video, pamphlets, etc.). The agencies, consistent with privacy requirements, should develop and maintain a database on the ownership, land use, previous contacts, etc. for potential participants in the watershed, and potentially develop a data sharing agreement with Upper Susquehanna Coalition. It will be necessary to develop funding for this, particularly for developing and maintaining the database and work out who the lead(s) will be for this.

<u>Additional training is needed to familiarize FSA, NRCS, and SWCD staff with the latest buffer policies and incentives, promote interagency teamwork, and ensure sufficient capacity to provide producers and landowners the assistance they need to enroll, establish, and maintain</u>

RFBs. Program complexity requires a well-trained staff. In addition, changes, such as revisions to the marginal pastureland criteria, the proposed 3-tiered cost share waiver cap, etc. require interagency staff training to ensure that all are fully familiar with how these changes will work in the field to help facilitate riparian forest buffer enrollment and reenrollment and to promote greater interagency teamwork. Staff need to know issues related to livestock, grazing management, economics, weed control, and forestry related issues. Staff need to understand the details of new buffer policies, incentives, etc. Staff training is essential and the staff of all of the key agencies need to have a better understanding of the important role each plays in developing a contract. In its February 27, 2015, funding request to FSA, New York requested $50,000 for a 2-day training, including field training, at Stroud Water Research Center in Avondale, PA for FSA county staff (PTs, CEDs, and one FSA county committee member per county), NRCS county level staff, and 6 USC Buffer Team staff members (75 people total). In addition, $10,000/year is generally needed for staff development and training, but given the requested funding for a 2-day training, New York only asked for $5,000 in additional training funding in its February 27, 2015, funding request to FSA.

Greater flexibility is needed to provide partial practice incentive payments (PIPs) after cost is incurred. The high capital costs of many of the fencing, stream crossing, etc. and delays associated with PIP processing due to current procedure cause significant cash-flow issues. These issues disproportionately impact small and medium sized operations. Provide the State FSA officials the flexibility to issue PIP payments at the time the cost is incurred rather then after the entire practice is completed. This does not create a need for additional funding and does not appear to trigger "pay go."

Greater flexibility is needed to provide adequate cost share for the true cost of components. There is also a need to adjust the payment cap issues associated with fencing, water development, pipeline, stream crossing, and other components. The average cost-share payments in the New York City Watershed for stream crossings since 1999 is $6011/livestock crossing (not per contract). Some contract sites require multiple crossings on the tract. Average livestock crossings outside the NY City CREP Watershed in Delaware County average cost-shares of $4929/contract. New York is proposing to amend its CREP Agreement to include the 3 tiered waiver process that was successfully pioneered in the NY City Watershed CREP Agreement (the NY City Watershed CREP Agreement provides a 3 tiered approach to approval of waivers of the livestock crossings and water facilities, pipeline and water development cost-share rates). This does not create a need for additional funding and does not appear to trigger "pay go" because discretion already exists to grant waivers of cost share caps; this recommendation will save administrative resources by delegating more of this to the State and County FSA level.

Marginal pastureland rental rates have not been updated since 2005 and must be updated to be economically competitive. Prices for milk (2005 price, $16.00/hundred weight – 2014 price, $23.79/hundred weight) and for livestock (2005 price, $.90/lb – 2014 price, $1.70/lb) have respectively increased by 50 and 90% since 2005. In many NY counties, MPL rates are too low. RFB enrollment rates in NY are directly correlated with more economically competitive MPL

rates. Highest RFB enrollment is in the counties that have fairly good rates. Increasing MPL rental rates by $50.00/acre (i.e., by approximately 40-60%) would increase program participation, fairly compensate producers for income foregone, and generate "buzz" that will help sell the program. This would increase program cost by about $30 million (27,000 acres (acres available in NYS CREP) x $50/acre x 1.45(145% incentive) x 15years = approximately $30 million). We understand that FSA NHQ is currently in the process of updating marginal pastureland rental rates. We applaud this effort, but may seek to further increase these MPL rental rates if they have not been sufficiently increased to meet the needs in New York.

Many acres of marginal pastureland are being determined to be ineligible to participate in CREP. Generally the ineligible lands are pastures where there is currently no grazing, livestock activity, or addition of other nutrients on the land. Part of the eligibility requirements for program participation is that the practice has to be needed and feasible to address a resource concern. Resource concerns are generally: erosion reduction, water quality improvements, wildlife benefits, and air quality improvements. Restoration of RFBs on marginal pastureland addresses a number of these resource concerns. RFBs protect stream bank erosion, reduce floodwater impacts, lower stream water temperature, help restore aquatic ecosystems, reduce nitrogen concentration in shallow groundwater systems, and provide critical habitat for many riparian dependant species. These acres should be made eligible to participate. FSA provided and received approval of an expanded New York Marginal Pastureland definition by the NRCS State Technical Committee that includes vacant agricultural land with less than 50% canopy to restore aquatic ecosystems if practice CP22 is offered and determined needed and feasible. As discussed above, it is important to provide training at the county level to FSA, NRCS, and USC staff to implement this on the ground.

<u>Annual maintenance payments should be increased by $5/acre to $10/acre.</u> Maintenance issues associated with flooding, noxious weed infestation, low tree survival, deer predation, etc. are significant determents to enrollment. High maintenance cost, lack of labor and/or equipment, and lack of familiarity with technical standards are all issues that may adversely impact the enrollment. Increasing the maintenance rate by $5/acre would not match the out-of pocket costs for a producer.

Enrollment Year	New Current Level	Expiring Acres	Re-enrolling 75%	New Acres	Total Projected Acres	Total Increase
2015	8073	1787	1340	2000	3340	
2016	9626	1891	1418	2000	3418	$16,700.00
2017	11153	842	631	2000	2631	$33,790.00
2018	14833	435	326	2000	2326	$46,945.00
Total			**3715**	**8000**	**11715**	**$97,435.00**

A longer establishment period is needed for RFBs and cost share for spraying to control invasive plants is needed. Failure to conduct necessary maintenance, particularly in the first few years of the RFB, can lead to expensive failures and low tree survival rates. It is much more cost effective to expand the RFB establishment period from 2 to 3-4 years, and provide cost share for spraying to control invasive plants, as is currently done in PA. This should be a program-wide change based on Stroud Water Research Center and Pennsylvania FSA research.

Additional program and environmental synergies could be provided by allowing simultaneous sign up of stream bank stabilization in EQIP and RFB in CREP and a working agreement between DEC and US Army Corps of Engineers and USDA. Simultaneous sign up of stream bank stabilization in EQIP and RFB signup in CREP would provide enhanced water quality benefits, protect investment in RFBs, and provide important local benefits in flood-prone NY. Program flexibility is needed to allow for simultaneous sign up in CREP and EQIP, with an extended timeframe to install the RFB after the stream bank stabilization is complete (this was the purpose of the Chief's initiative – but did not happen this way in 2014. EQIP funds were used for forestry practices, but none were RFB). DEC and U.S. Army Corps of Engineers have developed a joint permitting process for stream bank stabilization and restoration project. Although this process is fairly efficient and streamlined, it does require more Conservation District staff time and adds time to the design and implementation process. Considering that it takes nearly one year to plan, design, permit, and implement a stream stabilization project in order for that given stream reach to be eligible for CRP/CREP, the DEC/US ACOE permitting process needs to work in sync with the CREP program. A working agreement between DEC, USDA, and US ACOE provide the appropriate protocols.

Improve economic competitiveness of CREP RFBs on cropland. Enrolling RFBs on cropland is very difficult for a variety of factors, including rates are not economically competitive, farmers are reluctant to give up any cropland, and concerns over shading, attracting wildlife, etc. New York seeks to increase incentives for buffers as follows:

1) On the first 2,000 acres of cropland enrolled, provide a $100/acre State-funded Practice Enhancement Payment for the first 50 feet on either side of the stream for any buffer/grass filter strip practice; and
2) FSA update soil rental rates and raise multiplier on soil rental rate from 145% to 200%.

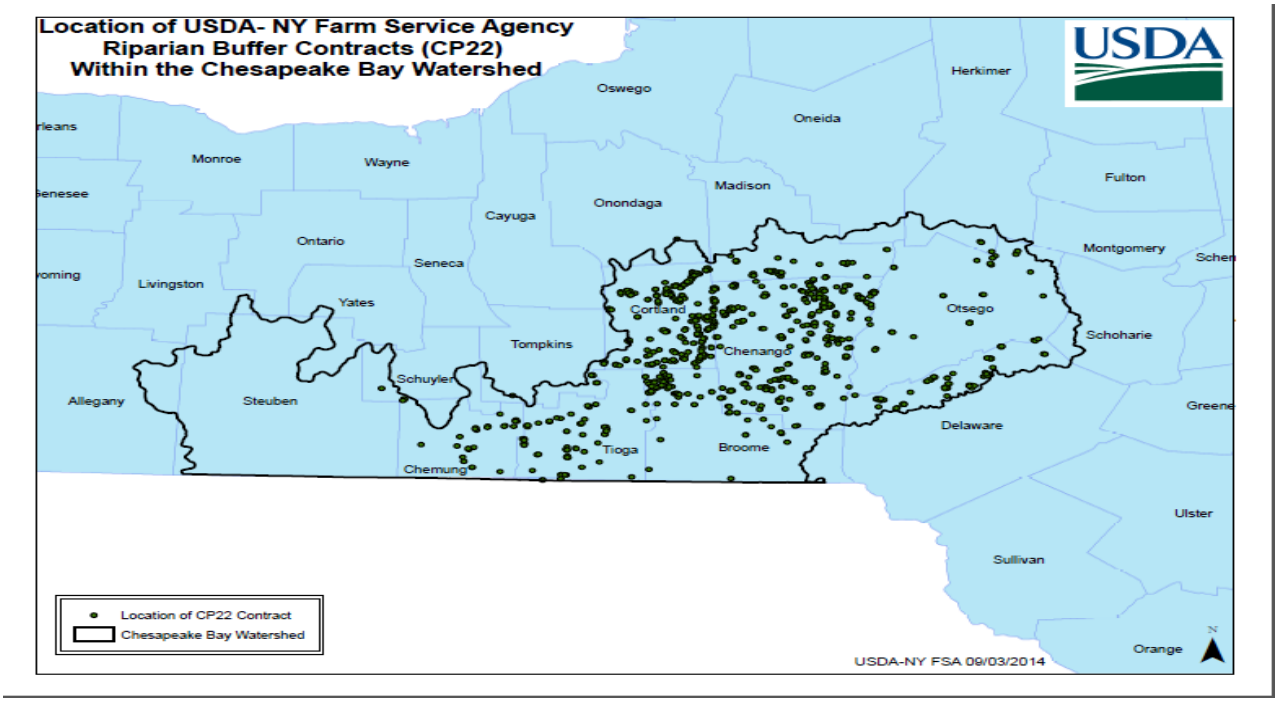
This is critical to address the challenge of farmers farming all the way to the stream. For example, in Delaware County, active stream bank erosion and farming to all the way to the stream is a significant issue, but enrollment of cropland acres in CREP accounts for less than 10% of total contracts and an even lower percentage of total acres enrolled.

Increased coordination of CREP enrollment and Ag Non-Point Source grant funding: The SWCDs need to increase coordination of CREP enrollment and Ag Non-Point Source grant funding. Similar to the model being carried out in Delaware County where the Delaware County SWCD writes grant proposals and has received over $460,000 in Ag Non-Point Source funding for 50% cost-share (supplementing FSA 50% cost-share funding), it is recommended that all New York

SWCDs in the USC adopt this model. This provides an important financial incentive to the landowner who is implementing the CREP on his/her farm and giving up farmland to improve water quality in the watershed. The PIP becomes a true incentive to the landowner rather than reducing his share of his 50% out-of-pocket cost-share. This also forms a critical component of New York's non-federal CREP match, which can be significantly improved and leveraged as more SWCDs adopt this approach. Currently, New York has 558 CP22 contracts in the Chesapeake Bay Watershed enrolling 8,073 acres at an estimated cost-share of $4,761,386. Total installation costs would be $9,522,772. Using this data, the average PIP, which is 40% of total installation costs, would be $471.83/acre incentive or $6,827 per contract. This is an incentive that landowners can use to provide maintenance, install additional conservation BMPs, or compensate for lost production capability on the enrolled acreage.

2. Current Baseline and Goals

Riparian buffers are a cost-effective means to reduce nutrient (nitrogen/phosphorus loading) into the Chesapeake Bay and are an integral element of New York's Watershed Implementation Plan (WIP). Our State WIP goal is to increase the amount of riparian forest buffers to 10,222 acres by 2025 (at an estimated rate of 475 acres/year).



Currently there are about 5,954 acres of RFBs (approximately 4,000 acres of which are in New York's Chesapeake Bay watershed) enrolled in the NY CREP program. The NY CREP provides cost-share payments, annual rental payments (10-15 years), and other financial and technical assistance incentives to those who enroll land into riparian forest buffers (CP22). During the next 5 years, 4,956 acres of existing riparian forest buffer (CP22) CRP contracts will expire statewide, particularly in the latter years. Enrollment trends have been slowing in the program over the past 5 years for various reasons. Almost all of the acreage that has been enrolled in

NY's CREP has been marginal pastureland. One of the key selling points of the program has been the high level of financial assistance provided for fencing, stream crossings, water developments, and water facilities that the federal government provides along with the substantial annual rental payment. Enrollment history in NY CREP and New York City CREP show the difference highly trained and motivated local staff can make through concentrated outreach effort and sufficient one-on-one discussions with farmers in the community to promote CREP.

3. Agencies and Groups Participating in the Strategy

Numerous federal and state agencies as well as non-governmental organizations are actively involved in promoting riparian forest buffers in New York, and, as such, have participated in New York's Riparian Forest Buffer Initiative State Task Force process. The list of participants, including specific roles, responsibilities, and resources that played a key role in this effort consists of:

USDA Farm Service Agency: FSA is the lead agency for administration of the voluntary Conservation Reserve Program (CRP) and Conservation Reserve Enhancement Program (CREP). The New York CREP has been the leading program in New York's portion of Chesapeake Bay watershed for implementation of riparian forest buffers (RFBs) since it was launched in 2003. The FSA County office system with its local, farmer elected committee is specially designed and has responsibilities to oversee and administer various programs, including conservation, disaster, price support, farm credit, and other services for the public sector. Although FSA staffing is limited due to recent budget cuts and constraints, FSA has an office in nearly every county in New York's portion of the Chesapeake Bay watershed.

USDA Natural Resources Conservation Service: NRCS is the lead technical agency for assistance with CRP and CREP and is a partner in the New York CREP. NRCS is also the lead agency for programs, such as the Environmental Quality Incentives Program (EQIP), the Conservation Stewardship Program (CSP), the Agricultural Conservation Easement Program (ACEP), and Regional Conservation Partnership Program (RCPP), which include riparian forest buffers and/or practices that enhance RFB performance.

US Fish & Wildlife Service: US FWS works to conserve, protect, and enhance fish, wildlife, and plants, including their habitats. They also partner with private landowners in their mission to preserve and protect natural habitats and wildlife resources. US FWS is a CREP partner.

New York Department of Agriculture & Markets and the NYS Soil and Water Conservation Committee (NYS SWCC): The Department of Agriculture & Markets and the NYS Soil and Water Conservation Committee are the lead state agencies for the NY CREP; its Land and Water Resources Division protects New York's land and water resources through farmland protection, farmland conservation, and proactive environmental stewardship frameworks and programs. The New York State Soil and Water Conservation Committee works to advance comprehensive natural resources management through the support of local Soil and Water Conservation

Districts. The State Soil & Water Conservation Committee operates as an agency of the State located within the Department of Agriculture & Markets. While the Committee functions under its own statutory charge, the fulltime staff members are employees of the Department's Division of Land & Water Resources.

New York State Department of Environmental Conservation (DEC): DEC Division of Lands and Forests (L&F) provides forestry expertise (i.e., technical assistance) including some planning of forested riparian buffers for NRCS EQIP (L&F is not currently a TA partner with FSA and NY CREP), but it is rare to see RFB practice in EQIP Forestry applications. Most of DEC's forestry technical assistance in the Susquehanna goes towards upland forestry practices, not RFBs.

DEC's Division of Water is the lead agency for water quality programs, including the Chesapeake Bay TMDL and New York's WIP.

In addition, DEC issues permits for stream bank stabilization and restoration projects often in conjunction with the U.S. Army Corps of Engineers through their joint permitting process.

As part of the New York RFB proposal to FSA, DEC proposes to use CBIG funding for the State-funded Practice Enhancement Payment on the first 50 feet on either side of the stream of buffers/grass filter strips on cropland (up to 2,000 acres) for one year.

The Upper Susquehanna Coalition (USC): USC is a coalition of 19 Soil and Water Conservation Districts (16 of the NY Soil and Water Conservation Districts in the Chesapeake Bay watershed as well as 3 PA Conservation Districts). The USC has been successful with two proposals recently to support buffer outreach and implementation: one through the USFS to secure funds to hire a Buffer Coordinator to assist with planning, training and outreach and the second through the NFWF CB Stewardship Funds to look at innovative approaches to riparian buffer implementation along with using existing programs such as CREP. The USC is in the process of hiring a buffer coordinator/outreach specialist. Once this individual is on staff, they will assist with RFB outreach, conduct buffer workshops for landowners and agency staff (FSA, NRCS, SWCDs, USC and DEC), research and develop new tools for buffer implementation, coordinate), track and document riparian forest buffer implementation in the watershed. There is also funding to support the installation and implementation of two forested riparian buffer pilot projects for trainings, work sessions and outreach efforts.

Soil and Water Conservation Districts: SWCDs have local ties to farmers and possess proven ability to piece together funding packages from multiple sources, including state AgNPS, EQIP and CREP. Expanding the use of cooperative agreements with, as applicable, SWCDs and/or USC could increase technical assistance personnel.

Chesapeake Bay Foundation (CBF): The Chesapeake Bay Foundation is an independent conservation organization dedicated solely to saving the Bay. They serve as a watchdog and fight for effective, science-based solutions to the pollution degrading the Chesapeake Bay and its rivers and streams.

US Forest Service: USFS is another agency of the USDA and administers the nation's 155 national forests and 20 national grasslands. Major divisions of the agency include the National Forest System, State and Private Forestry, and the Research and Development branch. Although not an official CREP partner agency in NY, USFS has actively participated in various activities associated with improving the Chesapeake Bay as well as supporting other Federal and State agencies through their various conservation and natural resource programs and activities. USFS provided funding for 2 new positions in the watershed. One to the DEC for forestry T/A in two counties, and one to USC for a circuit rider to provide outreach on CREP.

Trout Unlimited (TU): TU works in NY to protect and restore coldwater fisheries and provides assistance in NY with stream crossings and fish passage in some areas. TU has a special arrangement with the USFWS Partners for Fish and Wildlife Program. TU also is a partner in the USC Susquehanna Watershed Riparian Buffer Enhancements project recently funded by NFWF.

Alliance for the Chesapeake Bay: The Alliance is not a CREP partner, but the Alliance and its consultants are playing a role in helping to facilitate the Riparian Forest Buffer state task force process.

4. Current Programs and Gaps

The New York State CREP was launched in 2003. The NY CREP targets multiple high priority watersheds within the State, but originally included only part of the NY Chesapeake Bay watershed. The NY CREP was amended in 2012 to include the missing parts of the NY Chesapeake Bay watershed. FSA wanted to do a kick-off re-launch of the CREP after it was amended in 2012, but it was impossible because CRP shut down due to Congressional difficulties in passing the Farm Bill. Now, we have a Farm Bill again and it's a good time to re-launch the CREP.

Currently NY CREP provides enrollment authority of up to 40,000 acres of highly erodible cropland and environmentally sensitive cropland and marginal pastureland along eligible streams, rivers, or waterbodies. Currently there are about 5,954 acres of forested riparian buffers (roughly 4,000 acres of which are in New York's Chesapeake Bay watershed) enrolled in the program that provides cost-share payments, annual rental payments (10-15 years), and other financial and technical assistance incentives to enroll. During the next 5 years, 4,956 acres of existing riparian forest buffer (CP22) CREP contracts will expire statewide, particularly in the latter years, and are a priority for reenrollment. CP22 enrollment has been declining the past 5 years. To meet WIP goals, it is necessary to increase financial incentives, program flexibility, and increase staffing and outreach capacity.

Environmental Quality Incentives Program (EQIP): NRCS administers EQIP. Eligible program participants receive financial and technical assistance to implement conservation practices (inclusive of riparian buffers), or activities such as conservation planning, that address natural resource concerns on their land. Payments are made to participants after conservation practices and activities identified in an EQIP plan of operations are implemented. Contracts can

last up to ten years in duration. EQIP has been used in New York to create some riparian forest buffers and, more commonly, for exclusionary livestock fencing from riparian areas.

Conservation Stewardship Program (CSP) helps agricultural producers maintain and improve their existing conservation systems and adopt additional conservation activities and adopt additional conservation activities to address priority resource concerns. Participants earn CSP payments for conservation performance – the higher the performance, the higher the payment. CSP enhancements include extending riparian forest buffers (ANM05).

Agricultural Conservation Easement Program (ACEP) provides financial and technical assistance to help conserve agricultural lands and wetlands and their related benefits. Newly created by the 2014 farm bill, ACEP consolidates three former programs: the Wetlands Reserve Program, the Grassland Reserve Program and the Farm and Ranchland Protection Program. Riparian forest buffers could potentially be protected under the agricultural land easements, as part of the working farm, or under a wetland easement, as associated buffer. Under the 2014 Farm Bill, there are increased opportunities for CREP participants to transition enrollments under expiring CRP contracts to NRCS ACEP easement programs; further discussion is needed to provide guidance on how interested landowners could transition some RFBs from CREP to NRCS easement programs.

Chesapeake Bay Watershed Initiative Funding: NY NRCS still has at least $700,000 in Chesapeake Bay Watershed Initiative funding for RFBs remaining that can be rolled into FY15. Typically, NRCS has provided a 1-month signup for these, but may be able to do a longer signup in FY15 (in FY14 received the funding so late, there was little time for a signup). Plan to advertise this signup way in advance. These funds can be used for: forests, stream stabilization and forested riparian buffers. (Ed is this the same as the joint chief's initiative or is this additional funding)

New York Ag Nonpoint Source Grant Program (AgNPS): AgNPS is program to support planning and implementation of priority conservation practice systems to address water quality resource concerns on farms. It is administered by the NYS SWCC and NYS Department of Agriculture and Markets. Soil and Water Conservation Districts are the sole sponsors of projects and submit proposals on behalf of farmers on an annual basis to vie for approximately $12,000,000/round of cost-share funding. This annual allocation is generally able to fund 40-50% of the projects proposed by Districts. All conservation practice systems designed and implemented with AgNPS cost-share funding are done so in accordance with NRCS standards. CREP participants are encouraged, with the assistance of the Soil and Water Districts, to concurrently participate in AgNPS. Delaware County has a strong track record of successfully doing so, but reports that current policy of forwarding cost share cap waiver requests to FSA CEPD results in delay and makes it difficult to successfully coordinate AgNPS and CREP. It is a high priority to increase concurrent AgNPS and CREP participation throughout the watershed. In Delaware County, AgNPS grant proposals have provided CREP participants with over $460,000 in 50% cost share, supplementing the 50% cost share received from FSA.

New York Agricultural Environmental Management Framework (AEM): AEM is a voluntary, locally-led, incentive-based framework that helps farmers make common sense, cost-effective, and science-based decisions to meet business objectives while protecting and conserving the State's natural resources. The AEM framework provides tools, skilled people, and incentives to support farmers in these goals, including the AEM 5-Tier conservation process, technical assistance from Districts via the AEM Base Program, and cost-sharing for practice system implementation via the prior mentioned AgNPS Program, as well as coordination among partners and programs, AEM Planner Certification, training, outreach, and recognition of conservation achievements by farmers. Through AEM, Soil and Water Conservation Districts, partners, and farmers set watershed-based Ag conservation priorities through their local AEM Strategic Plans and then work steadily via Annual Action Plans toward their vision. Work toward those goals primarily involves advancement through the 5 AEM Tiers, including (1) initial inventory of farm information and interests; (2) environmental assessment via AEM Tier 2 Worksheets to document existing stewardship and opportunities to address resource concerns; (3) conservation planning; (4) implementation of priority practice systems based on Tier 3 Plans (often aided by federal, state, and/or local cost-share programming); and (5) evaluation of installed practice systems and plans. More information may be accessed from local Soil and Water Conservation Districts and the SWCC website (www.nys-soilandwater.org/aem/index.html).

"Trees for Tribs" Program: "Trees for Tribs" program - This fairly new and still small-scale program is administered by DEC. This program typically pays for the trees for riparian planting, but on a case-by-case basis may also provide technical assistance and site prep. Trees for Tribs can be used to fill in the gaps in the CREP because it can put trees on any type of land, regardless of whether it is public or private. Projects require a simple application and are filled based on program priorities and available supply. The program is expected to be able to expand to meet demonstrated needs. There is currently one staff person covering the state, but the program is working to establish a coordinator in the Chesapeake Bay watershed. The program does not provide labor for planting and maintenance, and has typically relied upon volunteers to install bare root seedlings, but is building capacity to provide larger plant stock. (More information is available at http://www.dec.ny.gov/animals/77710.html)

Chesapeake Bay Implementation Grant (CBIG): New York Governor Andrew Cuomo signed the 2014 Chesapeake Bay Watershed Agreement, making NY eligible for a Chesapeake Bay Implementation Grant. DEC's Division of Water will administer the CBIG funding and is in the early stages of planning its use. RFBs are expected to be an important use of the CBIG funding. The Conservation Innovation Grant program is administered by NRCS and intended to stimulate the development and adoption of innovative conservation approaches and technologies while leveraging Federal investment in environmental enhancement and protection, in conjunction with agricultural production. The February 27th proposal for funding to FSA Headquarters included the use of CBIG funding to provide $100/acre State-funded Practice Enhancement Payment for the first 50 feet on either side of the stream for any buffer/grass filter strip practice on the first 2000 acres of cropland enrolled.

Chiefs' Joint Landscape Restoration Partnership Project: NRCS-NY used EQIP funds, working with our partners, to assist partners to implement 38 acres of riparian forest buffers along the waterways in the Chesapeake Bay watershed. NRCS held two application signup periods to support this new initiative. In addition to riparian forest buffers, practices listed in the above table were also offered under this initiative. Once applications were received and meet program eligibilities, they went through a ranking process. NRCS-NY received 105 applications and obligated 64 contracts, totaling $ 3,409,471.

USFS: since funding became available in August, work has commenced in the hiring of 2 new positions. These positions have not had time to make progress on the ground. The USC position has been gathering information and updating a key website to improve the delivery of riparian forest buffers.

5. Factors Influencing Ability to Meet Goal

CREP challenges/constraints on enrollment: The NY CREP was amended in 2012 to completely include the New York portion of the Chesapeake Bay watershed within the CREP target area. Shortly after the CREP was amended, CRP shut down for prolonged periods in FY 2013 and 2014 due to Congressional delay in reauthorizing the Farm Bill.

Enrollment trends have been slowing in the program over the past 5 years for various reasons, including economic competitiveness issues. Almost all of the acreage that has been enrolled in NY's CREP in the Chesapeake Bay watershed has been marginal pastureland. Economic competitiveness of the program for livestock/dairy producers is vitally important. Marginal pastureland (MPL) rental rates are out of date and are estimated to be 50-80% below market rates. They need to be increased. We understand that FSA NHQ is currently in the process of updating MPL rental rates. We applaud this effort, but note that NY may need to advocate for higher rates if the soon-to-be-announced MPL rental rates are not high enough.

Cost share caps on many components, such as stream crossings, are too low and do not reflect prices participants are actually paying. Increasing cost share caps will increase economic competitiveness and attractiveness of RFB enrollment. State and county FSA offices need to update the cost-share rates for all cost-shared components. Rates need to be updated at least annually and need to reflect the local market rates for such components. Further, the current cost share waiver process requires forwarding of many of these requests to NHQ. This is an inefficient use of administrative resources and often leads to delays that make it extremely difficult to coordinate CREP and AgNPS participation. The New York City Watershed CREP employs a 3-tiered waiver process that is working smoothly and should be included in the NY State CREP Agreement.

AgNPS is a competitive grant program and district proposals are not always successful in obtaining funding. It is a priority to concurrently seek AgNPS grant funding for state-funded cost share. However, having to wait extended periods of time for practice incentive payments (PIPs) can have a chilling effect on enrollment, especially given the significant upfront investments

participants need to make in items like fencing, water development, and stream crossing. As discussed above, the PIP can act as a powerful incentive and reward for practice completion at the end (and help fund future maintenance, etc) if Districts work successfully with landowners to concurrently seek AgNPS grant funding for state-funded cost share. Expanding the 3-tiered cost-share waiver process will help. In addition, providing increased outreach resources to USC is intended to also help make this a high priority. However, in instances in which obtaining state-funded cost share is infeasible, providing greater flexibility for partial-PIPs as components are installed would help.

Although soil rental rates are not universally low throughout the State, they are too low in NY's Chesapeake Bay watershed to make enrollment of RFBs on acres with cropping history economically competitive. This problem is exacerbated by the scarcity of good, level cropland for corn and corn silage. Producers are reluctant to give up any of this land, especially the highly productive land near the streams. There are significant opportunity costs for producers who give up any of this land for buffers; corn silage is difficult to replace and is generally not practical to transport long distances. NY does not get any credit in the Bay model for RFBs that are less than 35 ft wide. In addition, NASS data does not accurately reflect true value of this land because part of the economic driver to rent out their land for ag use is to retain highly favorable ag land use assessments for local property taxes (New York has some of the highest local property taxes in the nation). In addition to increasing soil rental rates, the incentive rates need to be significantly increased through a combination of federal and State incentives. This is a high priority in New York's February 27, 2015, funding request to FSA. New York asked FSA to update soil rental rates and to increase the multiplier on soil rental rates for CP22 buffers to 200%. New York also proposes to increase these incentives on cropland by providing a State-funded Practice Enhancement Payment of $100.00 per acre on the first 50 feet of cropland on either side of the stream enrolled in buffers or filter strips (capped at 2,000 acres).

Flooding is an important concern in NY. In some cases, landowners avoid restoration of RFBs due to concern that trees may fall into streams in flood prone areas. However, trees can help provide stream bank stability and CREP RFBs could potentially be paired with EQIP stream stabilization using the Chief's Joint Landscape Restoration Partnership Initiative. Outreach efforts will be developed to further producer knowledge of the benefit of RFBs for flood protection.

Staffing cuts & impact on TA/program delivery: Since 2002 staffing for FSA, NRCS, Ag & Markets, the Conservation Districts, and other partners have been adversely impacted by budgetary constraints. FSA has closed or consolidated some county offices over the years and county office staffing has dropped from about 139 employees statewide to about 107 employees currently. In addition, new Farm Bill programs have further increased workload. NRCS also faces similar challenges with decreasing staffing while increased demands for services.

The NY Division of Forestry has 5 foresters servicing the project area that will soon be raised to 6 foresters. These foresters are working in support of the Chiefs' Joint Landscape Partnership Project, but, as discussed above, these foresters do not provide TA for CREP RFBs and will likely

provide little RFB assistance. It is a high priority to execute a Memorandum of Agreement between DEC and USDA to allow these foresters to work on RFBs.

The increased workload associated with the necessary increase in RFB enrollment along with re-enrollment of expiring CRP contracts for RFBs during the next five years will provide a significant challenge to a greatly reduced staff for all of the agencies.

There is also a need for greater interagency coordination, more staff training and a stronger signal that RFB enrollment is a high priority. This would help provide better and more consistent customer service. Greater coordination is needed to successfully partner CREP RFB enrollments with the Ag & Markets/NYS SWCC AgNPS cost share program timing requirements. In addition, joint FSA, NRCS, and SWCD training is needed at the county level this year in order to familiarize them with new policy changes (such as the revised marginal pastureland policy), program flexibility, and new incentives.

Technical assistance is the key element for outreach, customer service, practice success, and accountability. At the current staffing levels, program enrollment, conservation planning activities, ongoing maintenance, compliance of contracts and practices, and the potential to achieve WIP goals are all challenged.

The Upper Susquehanna Coalition provides critical outreach support and has recently obtained grant funding to help provide additional cost share and to help fill program gaps. New York is interested in exploring additional partnering with NGOs, through, for example, contribution agreements.

Outreach: Riparian forest buffer establishment is a practice that typically requires working one-on-one with a farmer/landowner as this is a more complex practice than, for example, grass filter strips. We have seen strong examples of how dramatically the work of highly motivated, highly credible, local outreach providers can make in boosting RFB enrollments. NY is currently challenged by insufficient resources for outreach and we believe a coordinated RFB outreach strategy is needed to maximize and leverage existing resources and impact, enlist new resources, and inform farmers/landowners of new incentives and opportunities we hope to achieve (such as expanding the CREP target area, raising total authorized enrollment and providing stronger financial incentives). During 2013, NY FSA was challenged to have funding for any outreach activities (including postage for notification letters of expiring contracts and updating and printing NY CREP brochures).

Maintenance/Establishment: Low survival rates of trees can a disincentive to signing up for RFBs or reenrolling RFBs. Adequately maintaining RFBs, particularly in the early years when they are just getting established is a high priority for long-term RFB success. A significant challenge is that annual maintenance payments are too low and since they are rolled into the annual CRP rental rate, many participants are unaware that they are being compensated (at least in part) to conduct maintenance. Spraying herbicides is particularly needed in the early years and is often something participants cannot do themselves. Lengthening the establishment period from 2 years to at least 3 years and providing cost share for spraying is needed. Increased opportunity for third party maintenance could boost performance, both in terms of ensuring maintenance is

conducted and that it is properly carried out. Low current incentives ($5/acre/year maintenance or less) are an impediment to hiring third parties to conduct maintenance.

6. Management Approach

Leadership, Coordination, and Administration of Programs

New York seeks to develop a coordinated, riparian forest buffer (RFB) strategy to boost riparian forest buffer (RFB) enrollment/reenrollment through 1) seeking policy/guidance adjustments (including a CREP amendment) to address barriers to enrollment; 2) sending a strong leadership message from the highest levels of the relevant local, state and federal agencies that RFB enrollment/reenrollment is a high priority and promoting interagency cooperation; 3) developing and seeking funding for a coordinated, multi-partner RFB outreach strategy that addresses the appropriate targeted audiences (landowners, farmers, absentee landowners), includes messaging on stewardship and environmental benefits of RFBs, incentives, RFB maintenance, employs leveraging and cross-selling between programs, and addresses both opportunities to reenroll expiring CRP as well as enrollment of new acres; and 4) identifying staffing needs for outreach and technical assistance and seeking funding to fill them.

A key part of this strategy is to identify opportunities for better interagency cooperation and to provide the farmer/landowner with a smoother, quicker, more pleasant enrollment experience. One of the key challenges is to determine how do we get CREP to the top of the to-do list time-wise with all partners?

This also is an important opportunity to send a more consistent message across the board, letting producers/landowners know the importance of RFBs and about enrollment opportunities in CREP, EQIP, and other RFB programs. It will be important to rollout the RFB strategy and RFB outreach campaign concurrent with approval of the requested policy changes/CREP amendment. “Piece-mealing” policy changes should be avoided to the maximum extent possible because it detracts from increased RFB enrollment momentum and unfairly penalizes early adopters.

New York also seeks to promote, coordinate and recognize partnering with NGOs on RFBs. As discussed above, Upper Susquehanna Coalition (USC) provides critical outreach support and has recently obtained grant funding to help provide additional cost share and to help fill program gaps. One of the top priorities in New York’s February 27, 2015, funding request is to build interagency teamwork, increase boots on the ground (adding 1 FSA Program Technician, 4 FSA temporary staff, and 5 part-time USC staff at the county level), provide critical interagency training to familiarize them with new policy changes and incentives as well as promote smooth interagency cooperation, and provide enhanced outreach resources. In the future, as a result of this RFB state task force initiative process, NY plans to explore the potential to launch the Chesapeake Bay Foundation’s voucher/buffer bonus program (which provides CREP RFB participants with vouchers that can be used towards EQIP practices). This may be done in conjunction with USC. Increased use of cooperative agreements can provide further support at the local level to Conservation Districts. New York is also interested in exploring synergies

across USDA programs, including potential new partnering opportunities between RCPP partners and CREP partners.

Need for Policy or Guidance Adjustments

1. Flexibility to raise cost share caps

The NY CREP should be amended to provide a 3-tiered waiver process, like the New York City CREP waiver process, in the CREP Agreement. This should allow that waivers for up to $5,000 can be waived at the local level by the FSA county committee; waivers from $5,000 – $20,000 could be waived at the state level by the FSA state committee; and waivers that exceed $20,000 could be waived by FSA HQ. This is crucial flexibility needed to meet New York's WIP goals. Given the hilly terrain, it is common for stream crossings to cost $20,000 which far exceeds the current cap of $3,600. Providing a tiered waiver system will improve efficiency in program administration, rather than requiring all waivers to go through FSA NHQ which can add months to the process and jeopardize carefully planned timing to integrate EQIP, CREP and AgNPS.

Cost share for invasive and tree/shrub competition spraying is also needed and should be included in the NY CREP. Currently, the PA CREP provides cost share for herbicide spraying to establish a 6 x 6 ft grass free zone around newly planted trees to promote better growth and survival; providing cost share for spraying 2 times per year for the first 3-4 years for competition control is being considered. This should be a programmatic change for RFB based on Stroud Water Research Center and the NRCS Big Flats Plant material center research. If this does not become a programmatic change, then NY CREP will explore making changes to the CREP agreement to receive authorization to implement this practice.

FSA should set cost caps for a water supply system rather than the individual system components. Depending on the site, there may be more cost associated with water distribution than for development of the water supply or vice versa. Providing a cap for the entire system rather than the system components would reduce the need to request additional funding, provide incentive for greater efficiencies within the complete water supply system, and improve turn-around times. This is particularly important in New York where terrain is highly variable and we are challenged to integrate timing of CREP and AgNPS.

2. Expand the establishment period for RFBs from 2 years to 3-4 years and include cost share for spraying during the establishment period.

Survival rates of trees can be enhanced by adequate maintenance during the early years of the contract. Spraying herbicides is particularly needed in the early years and is often something participants cannot do themselves. Lengthening the establishment period from 2 years to at least 3 years and providing cost share for spraying is needed.

3. Flexibility re Marginal Pastureland Eligibility.

There are important opportunities to enroll additional RFBs in NY by allowing greater enrollment of fallow ag land into CREP. Since the kick-off of the NY Chesapeake Bay Forested Riparian Buffer State Task Force, FSA provided and received approval of an expanded NY

marginal pastureland definition by the NRCS State Technical Committee that includes vacant agricultural land with less than 50% canopy to restore aquatic ecosystems if practice CP22 is offered and determined needed and feasible. This policy reform will be followed by additional training so county-level interagency staff fully understand this change. This is likely to drive new forested riparian buffer enrollments.

4. Flexibility to provide partial practice incentive payments (PIPs) as costs are incurred if it is infeasible to obtain state-funded cost share.

As discussed above, it is a high priority to increase concurrent receipt of state-funded 50% cost-share, funded through SWCDs seeking AgNPS grants, and receipt from FSA of federally-funded 50% cost share. The proposed increased staffing at the county level in addition to the requested 3-tiered waiver process would help achieve this. However, in cases in which it is infeasible to obtain state-cost share, it is important to provide either the FSA State Committee or FSA County Committee the flexibility to provide partial payment for Practice Incentive Payment (PIP) as components are completed. The high cost for fencing, water development, pipelines, etc. along with the relatively long establishment period (2 to 3 years) of RFBs can cause cash-flow issues for some producers. This is a particularly critical issue in New York given the hilly terrain, the high up-front capital costs, and the small-scale, low-profit margin nature of farming here. This delay in payment process is impacting the producers and contractors as they work on a calendar year basis for funding and the delay of PIP payments causes administration issues for them. It is recommended that producers be paid within 30 days after the completion of a stand-alone component. For example: a producer initially installs a fence and completes the site preparation for tree planting. The producer would be paid within 30 days after each of the components (fencing, site preparation) have been completed and certified by the TSP for compliance with the technical specifications. If the trees are planted 3 months later the TSP would certify compliance with the technical specification and the tree planting portion of the RFB would be paid. Partial payments will increase the workload (site visits for certification) for both the TSP, FSA (payment processing), and the producer (providing receipts and certifying completion of the practice. The agencies should seek out methods that will reduce impacts to the producer.

5. Flexibility to allow simultaneous enrollment of RFB in CREP and streambank stability in EQIP.

Simultaneous sign up of stream bank stabilization in EQIP and RFB signup in CREP would provide enhanced water quality benefits, protect investment in RFBs and provide important local benefits in flood-prone NY. Program flexibility is needed to allow for simultaneous sign up in CREP and EQIP, with an extended timeframe to install the RFB after the stream bank stabilization is complete.

6. Develop a working agreement between NYS DEC, USDA, and US Army Corps of Engineers Stream Permitting Administrators.

DEC and U.S. Army Corps of Engineers have developed a joint permitting process for streambank stabilization and restoration project. The DEC/US ACOE permitting process needs

to work in sync with the CREP program. A working agreement between DEC, USDA, and US ACOE provide the appropriate protocols.

Landowner Outreach and Customer Service Strategy

Almost all of the acreage that has been enrolled in NY's CREP has been marginal pastureland. One of the key selling points of the program has been the high level of financial assistance provided for fencing, stream crossings, water developments, and water facilities that the federal government provides along with the substantial annual rental payment. Enrollment history in NY CREP and New York City CREP show the difference highly trained and motivated local staff can make through concentrated outreach effort and sufficient one-on-one discussions with farmers in the community to promote CREP.

New York seeks to develop a coordinated approach among the multiple partners within the project area. As discussed above, greater leadership and coordination is needed among the agency partners. The agencies are short-staffed. Staffing increases are needed to provide outreach and to provide sufficient capacity to allow timely enrollment of RFBs and sufficient technical service. USC has recently obtained grant funding for a Buffer Coordinator to provide outreach, education and workshops, develop and implement new tools for buffer implementation, promote interagency cooperation, and coordinate installation of two riparian forest buffer pilots. The February 27, 2015, request to FSA seeks to build on these efforts to create an interagency buffer team. Increased FSA resources (1 Program Technician and 4 temporary staff) would be located in highest priority locations (e.g., counties with a lot of expiring acres or potential new contracts) for CREP contract software actions, contract paperwork and contract management including succession activities. This involves software and contract work in TERRA, Conservation On-line System (COLS), Program Provisioning (PP), and Cost Share Software (CSS), Conservation Contract Maintenance Software (CCMS), and other related software processes. In addition, the request includes funding for 5 part-time (20 hrs/week) USC/SWCD staff to focus solely on forested riparian buffer outreach, conservation planning and helping landowners/farmers concurrently receive state cost-share (funded through AgNPS grants) as well as federally funded cost-share from FSA**.**

Teamwork will further benefit from the proposed 2-day training, including field training, at Stroud Water Research Center as well as increased funding for outreach materials and increased use of GIS tools for targeting outreach efforts. The proposed 2-day training is critically important because it will familiarize interagency county-level personnel with RFB policy changes and enhanced incentives and promote interagency teamwork.

A contribution agreement with USC could be an efficient way to increase staffing at the conservation district level. This would provide the simplicity of having one entity to contract with and would reach 16 NY SWCDs. NY is considering a pilot contribution agreement in the Chesapeake Bay watershed. In addition, contribution agreements with individual SWCDs and qualified NGOs, such as Trout Unlimited, Pheasants Forever or Chesapeake Bay Foundation, would also be encouraged. In the February 27, 2015, Funding proposal to FSA Headquarter a USC buffer team was proposed. The USC buffer team will be led by Buffer Coordinator hired by

the USC, this coordinator will work to integrate the two already received grants as well as the proposed funds to implement a USC Buffer Team. The USC soil and water conservation district (SWCDs) members currently have staff that are experienced in buffer and grazing implementation, the team approach will draw from this knowledge and expertise by financially supporting these staff people in member districts to work on implementation of riparian buffers though both conventional programs such as CREP and new innovative programs as the one proposed through the USC NFWF grant as well as the new NRCS Susquehanna Watershed Riparian Buffer Enhancement program. The USC Buffer Team will conduct outreach and education to landowners regarding the programs, follow up with those landowners that express interest and walk them through the process, including developing a conservation plan, assisting with implementation and documentation for reimbursement. The USC is proposing a 5 person team to cover the watershed; this will minimize travel time across the watershed and also support staff that already have a working relationship with many farms with their geographic area**.** The USC envisions entering into contractual agreements with member SWCD's that will list deliverables for the funds to be obtained as well as an hourly rate for reimbursement based on NYS Dept of Agriculture and Markets recommended current technical rates.

Finally, additional funding is needed for media/outreach materials. New York's February 27, 2015, request to FSA included a request for $15,000 for media/outreach materials for NRCS and FSA. In addition, New York would benefit from promotional material development and other assistance that would be provided if FSA approves the joint outreach proposal submitted by Sally Claggett of the U.S. Forest Service.

Establishment, Maintenance, Compliance, and Reenrollment

During the next 5 years, 4,956 acres of existing riparian forest buffer (CP22) CREP contracts will expire statewide, particularly in the latter years, and are a priority for reenrollment. Encouraging CREP participants to reenroll (or, in some cases, to transition to ACEP easements) is a high priority. This will require specific and timely outreach to participants with expiring CRP contracts and, in some cases, technical assistance to help participants to resolve compliance issues that may otherwise preclude eligibility for reenrollment.

Establishment issues and low survival rates of trees can be an issue. Adequately maintaining RFBs, particularly in the early years when they are just getting established is a high priority for long-term RFB success. A significant challenge is that annual maintenance payments are too low and since they are rolled into the annual CRP rental rate, many participants are unaware that they are being compensated (at least in part) to conduct maintenance. Spraying herbicides is particularly needed in the early years and is often something participants cannot do themselves. Lengthening the establishment period from 2 years to at least 3 years and providing cost share for spraying is needed. Increased opportunity for third party maintenance could boost performance, both in terms of ensuring maintenance is conducted and that it is properly carried out. Low current incentives ($5/acre/year maintenance or less) are an impediment to hiring third parties to conduct maintenance.

Recommendations:

1. Promote RFB reenrollment in CREP:

    a. Provide targeted outreach to CREP participants in the last 1-2 years of their CRP contracts

    b. Provide participants with information and TA regarding any potential upgrades (e.g., expansion of acres or cost share for alternate water & stream fencing)

    c. Provide TA to help participants resolve compliance issues

    d. Encourage participants with reenrolling RFBs to include upgrades, such as increased acres and/or alternative water, stream crossings, and fencing.

2. NRCS/FSA cooperation with outreach providers to inform CREP participants with expiring contracts of options to protect RFBs under ACEP easements.

3. Ensure that NRCS/SWCD certify practice/component compliance for all CREP contracts.

4. Ensure that NRCS/SWCD have sufficient funding and conduct annual status reviews or periodic site visits during the life of the CREP contract and provide such data to FSA (CED/County FSA Committee). This will help reduce non-compliance issues and assist with producer awareness of planned items and contract requirements, as well as assist with Chesapeake Bay reporting of New York's progress toward implementation of WIP goals. In addition, NY FSA has implemented additional spotcheck policy beyond NRCS status review to monitor RFB and supplemental component maintenance. All contracts eligible for re-enrollment will be spot checked in the FY prior to contract re-enrollment to ensure contract is eligible for re-enrollment.

5. Seek to improve establishment success by lengthening the establishment period from 2 to 3 or 4 years and by providing cost share for spraying (see above policy flexibility).

6. Seek to improve participant compliance with maintenance obligations through increased landowner/farmer education and through providing increased annual maintenance payments (see need for financial incentives).

7. Complete a thorough evaluation of tree planting success/mortality for three consecutive years after the initial planting. When necessary, secure additional planting stock to correct planting failures.

8. Complete a comprehensive status review every three years after the first five years of tree establishment. Perform this status review between the months of June and September so that you can properly evaluation tree condition and also inspect vegetation to confirm the exclusion of livestock. All BMPs should be walked and visually inspected. Maintenance needs (ex. fence maintenance/ tree tube removal) should be identified and reviewed with the participants. Receipt of annual rental payments could be linked with maintenance to

inspire compliance. Contract conditions should be reviewed and initialed by participants to serve as a reminder of contract requirements and deter potential contract violations.

Technical Assistance Delivery

As discussed above, since 2002 staffing for FSA, NRCS, and USC/SWCDs have been adversely impacted by budgetary constraints and new farm bill programs have further increased workload.

Increased staffing will permit:

- Greater opportunity for one-on-one contacts
- Improved customer service/customer experience (e.g., quicker turn-around times)
- Reduction in out-year maintenance contract compliance issues through better follow up with RFB participants
- Ability to develop targeted marketing, conservation buffer tours, education tools, etc.
- Ability to carry out necessary and required technical servicing actions (see Technical Assistance section)
- Leverages grant funding USC has received for Buffer Coordinator, etc.

Recommendations:

1. Seek funding for Buffer Team: New York's February 27, 2015, request to FSA seeks to build on USC grant funding (for Buffer Coordinator, etc.) to create an interagency buffer team:

i. Increased FSA resources (1 Program Technician and 4 temporary staff) would be located in highest priority locations (e.g., counties with a lot of expiring acres or potential new contracts) for CREP contract software actions, contract paperwork and contract management including succession activities. This involves software and contract work in TERRA, Conservation On-line System (COLS), Program Provisioning (PP), and Cost Share Software (CSS), Conservation Contract Maintenance Software (CCMS), and other related software processes.

ii. Funding for 5 part-time (20 hrs/week) USC/SWCD staff to focus solely on forested riparian buffer outreach, conservation planning and helping landowners/farmers concurrently receive state cost-share (funded through AgNPS grants) as well as federally funded cost-share from FSA**.**

iii. In NY, DEC foresters do not provide TA for CREP RFBs. Recommend an MOU between FSA and DEC so foresters can provide assistance with CREP RFB buffers.

2. Seek to establish cooperative agreements with USC or qualified NGOs. They provide a full range of services (construct fences, develop water, construct water facilities, plant trees, etc.) for riparian buffer establishment. Many producers do not have the equipment, labor, expertise, etc. to develop the buffers. This one stop shopping/turnkey work that also meets FSA/NRCS standards is a popular way to implement the practice.

3. Seek to provide/restore cash awards for agency employees for extra work.

Need for Additional Financial Incentives

The NY CREP provides a producer both cost-share funding and multiple financial incentives to enroll in CP22 for riparian forest buffers. The producer receives from the federal government an annual rental payment that consists of a base rental rate, a 145% rental rate incentive plus an annual maintenance rate of $2 to $5/acre (depending on the practice selected). In addition, the producer receives a one-time signing incentive payment of $100 acre. The producer also receives cost-share assistance for 50% of the eligible establishment costs once the practice has been certified that it has been completed to the specifications and receives an additional Practice Incentive Payment, equal to 40% of the eligible establishment costs for the practice, after all planned practices are completed. Some participants also receive additional cost share from the State through AgNPS as is contemplated by the NY CREP Agreement. Delaware County has made this a high priority. It is important for more Districts to work with producers to concurrently apply for AgNPS grants in addition to enrolling in CRP. Currently NY has 558 CP-22 contracts in the Chesapeake Bay Watershed enrolling 8073 acres at an estimated cost-share of $4,761,386.00. Total installation costs would be $9,522,772.00. Using this data the average PIP, which is 40% of total installation costs, would be $471.83/acre incentive or $6,827.00 per contract. This is an incentive that landowners can use to install additional conservation BMP's or compensate for lost production capability on the enrolled acreage. New York used to provide a tax credit, but that no longer applies.

Almost all of the land enrolled in the NY CREP is marginal pastureland (MPL). The rates for marginal pastureland have not been updated since 2005. Typical NY MPL rental rates are low: about $40/acre. MPL rental rates are probably 50 to 80% below the market rate. There is anecdotal evidence from field staff that some of the rates are insufficient to attract enrollment. Increasing the rental rates will develop "buzz" within the farm community and will assist in the marketing/outreach efforts. This change would not require a "pay-go" (Pay go is a policy of pay as you go, meaning that increases in USDA spending must be offset by spending cuts). FSA NHQ is currently in the process of updating MPL rental rates. We applaud this effort, but note that NY may need to provide additional information to FSA to argue for higher rates if the MPL rates are not sufficiently increased.

As discussed above, soil rental rates and incentives are not economically competitive in New York, and would need to be raised in order to attract RFB enrollments on land with cropping history. This is a significant issue for water quality given that some farmers are currently cropping all the way down to the stream. Delaware County sought to address this issue in the

New York City CREP watershed by requesting a 600% multiplier on existing soil rental rates. This request was denied. In order to meet this need throughout the NY portion of the Chesapeake Bay watershed, NY proposes limiting the burden on USDA by restricting the increased incentives to the first 50 feet on either side of the stream and by meeting the need for increased incentives through a combination of increased USDA and State funded incentives. FSA would review and adjust cropland soil rental rates; increase the multiplier on soil rental rates for CP22 from 145% to 200%; and double the $5/acre annual maintenance payment (in addition to continuing to provide a $100/acre SIP payment, 50% cost share, and a 40% PIP). New York would continue to provide potential AgNPS cost share, but, in addition, would also provide a $100/acre State Practice Enhancement Payment on cropland for the first 50 feet on either side of the stream for any buffer/grass filter strip practice (this is capped at 2,000 acres).

Maintenance is critical to the long-term success and function of riparian forest buffers. At $5/acre/year, the annual maintenance payment does not cover the costs of paying a contractor to conduct maintenance. In addition, because the annual maintenance payment is rolled into the CRP rental payment, some participants are not fully aware that they are being compensated to conduct maintenance.

Recommendations:

1. Seek to increase MPL rental rates if the soon-to-be-announced, newly updated MPL rental rates are still too low.

2. Seek to double annual maintenance payment and perhaps provide as a separate payment from annual CRP rental payment.

3. Seek to update/increase SRRs, and increase bonus on SRR for CP22 enrollments in NY CREP on lands with cropping history (from 145% to 200%), and include a new State-funded Practice Enhancement Payment for the first 2,000 acres of cropland enrolled in buffers or grass filter strips on the first 50 feet on either side of the stream.

Other Recommendations

1. Improved program accounting and appropriate sharing of RFB data for WIP goals

With the newly adopted BMP verification guidelines established under the Chesapeake Bay Program, New York is required to verify all best management practices to be reported in the Chesapeake Bay model. DEC has successfully advocated with the Chesapeake Bay Program in the past to ensure that NY is receiving full credit for its RFBs.

7. Work Plan

Leadership, Coordination and Administration of Programs

1. Promote, coordinate and recognize partnering with NGOs

Next steps include:

a. As appropriate, seek to include more CREP partners through revised CREP Agreement

b. Coordinate outreach efforts with RCPP partners to "cross-sell" RFBs

c. Explore partnering possibilities, such as Chesapeake Bay Foundation voucher/buffer bonus funded by NFWF and potentially state or grant funding (match)

d. Coordinate with USC's expanded outreach capacity and funding, such as NFWF grant

e. File Feb.27, 2015, funding proposal with FSA seeking increased FSA and USC staffing

f. Make a high priority of seeking both AgNPS funding for state-funded cost share as well as CREP CP22 enrollment.

2. Send strong signal that RFBs are a priority by interagency leadership

Next steps include:

a. Develop a CREP event in which possibly the Governor and/or High Ranking USDA official kick-off the new changes

b. High ranking officials present agency staff awards for RFB enrollments

c. Provide more interagency RFB training opportunities, such as the recent RFB training with Stroud at Big Flats, NY. A high priority is to hold a 2-day training for 75 (county-level FSA (PTs, CEDs, one FSA county committee member per county), NRCS, and 6 USC Buffer team staff members.

Need for Policy or Guidance Adjustments

Next steps include:

1. Compile actual costs in NY for items, like stream crossings, to demonstrate need to increase or waive cost share caps on certain components. Draft proposed CREP amendment language to provide a 3-tiered waiver process, like the New York City CREP waiver process to waive cost share caps for practices like stream crossings, water troughs, etc.

2. Draft proposed CREP amendment language to provide cost share for invasive spraying as it is in the PA CREP.

3. Seek policy change to extend establishment period for RFBs from 2 years to 3-4 years.

4. NY FSA has already provided and received approval of an expanded NY Marginal Pastureland definition by the NRCS State Technical Committee that includes vacant agricultural land with less than 50% canopy to restore aquatic ecosystems if Practice CP22 is offered and determined to be needed and feasible. Training on this will be provided to FSA and NRCS staff.

5. Work with other Chesapeake Bay states to seek policy adjustment from FSA HQ or CREP amendment language allowing flexibility for partial PIP payment (case-by-case FSA County Committee or FSA State Committee) in circumstances in which it is infeasible to obtain 50% cost share from AgNPS grant funding.

6. Seek policy change to allow simultaneous sign up in EQIP stream bank stabilization and CREP riparian forest buffer establishment.

7. FSA should set cost caps for a water supply system rather than the individual system components.

8. Develop a working agreement between NYS DEC, USDA, and US Army Corps of Engineers regarding stream bank stabilization and stream restoration project joint permitting process and CREP and EQIP.

Landowner Outreach and Customer Service Strategy

Next steps include:

1. Develop coordinated, joint NY RFB outreach plan that includes the following:

a. Assuming recommendations for increased financial incentives (updated MPL rental rates, and higher incentives for cropland acres as well as state-funded Practice Enhancement Payment), higher cost share caps, and other policy changes, focus outreach campaign on informing producers/landowners of these favorable developments that better meet their needs.

b. Outreach to CRP/CREP participants with expiring contracts, including post cards.

c. Strategy for outreach to absentee landowners. This includes seeking funding for mass mailing to absentee landowners for entire NY Bay watershed (identify using GIS data).

d. Update existing and create new media material, including a new NY CREP brochure. Update webpages and develop informational material (video, success stories, dairy & RFBs, etc.).

e. Develop signage so that neighbors and others know the field is serving a conservation purpose and just not “poor farming” due to greater amount of native plants.

f. Develop a CREP event in which possibly the Governor and/or High Ranking USDA official kick-off the new changes.

g. Amend CREP agreement to add partners and revise CREP budget to reflect this additional non-federal match.

h. Include agroforestry component in outreach message – e.g., include opportunities and education regarding fruit & nut trees, non-timber forest products, and timber opportunities in forested riparian buffers.

i. Increase training to county office staff on the benefits of riparian buffer and outreach efforts. The many contacts that producers have with local FSA, NRCS, and Conservation District office staffs provide an opportunity to sell the program. Develop a questions and answers information sheet to help the staff. Staff should have information on economics, tax impacts, succession of contracts, impacts on nitrogen conservation, improved resiliency to storm flows and flooding, improvements to stream habitat, improved public image, etc.

j. Coordinate on-the-ground outreach resources and seek funding for more outreach staff – experience shows the importance of one-on-one personal contact with producers by credible/knowledgeable/local outreach providers.

k. Cross reference stream layer with CLU layer and county records for RFB outreach (and data sharing agreement with USC).

Establishment, Maintenance, Compliance and Reenrollment

Next steps include:

1. Expand establishment period & provide cost share in year 3 if natural regeneration fails, but only if contract holder has performed proper/planned management activities to permit natural regeneration to occur.

2. Seek to double annual maintenance payment and perhaps provide as a separate payment from annual rental payment so participants are more aware that they are being compensated to conduct maintenance (combine with increased education for farmers/landowners on RFB maintenance).

3. Promote RFB reenrollment in CREP:

a. Provide targeted outreach to CREP participants in the last 1-2 years of their CRP contracts

b. Provide participants with information and TA regarding any potential upgrades (e.g., expansion of acres or cost share for alternate water & stream fencing)

c. Provide TA to help participants resolve compliance issues

d. Encourage participants with reenrolling RFBs to include upgrades, such as increased acres and/or alternative water and stream fencing.

4. NRCS/FSA cooperation with outreach providers to inform CREP participants with expiring contracts of options to protect RFBs under ACEP easements.

5. Ensure that NRCS/SWCD certify practice/component compliance for all CREP contracts.

6. Ensure that NRCS/SWCD have sufficient funding and conduct annual status reviews or periodic site visits during the life of the CREP contract and provide such data to FSA (CED/County FSA Committee). This will help reduce non-compliance issues and assist with producer awareness of planned items and contract requirements, as well as assist with Chesapeake Bay reporting of New York's progress toward implementation of WIP goals.

5. Seek to improve establishment success by lengthening the establishment period from 2 to 3-4 years and by providing cost share for spraying (see above policy flexibility) (see above).

6. Seek to improve participant compliance with maintenance obligations through increased landowner/farmer education and through providing increased annual maintenance payments (see need for financial incentives).

7. Complete a thorough evaluation of tree planting success/mortality for three consecutive years after the initial planting. When necessary, secure additional planting stock to correct planting failures.

8. Complete a comprehensive status review every three years after the first three years of tree establishment. Perform this status review between the months of June and September so that you can properly evaluation tree condition and also inspect vegetation to confirm the exclusion of livestock. All BMPs should be walked and visually inspected. Maintenance needs (ex. fence maintenance/ tree tube removal) should be identified and reviewed with the participants. Receipt of annual rental payments could be linked with maintenance to inspire compliance. Contract conditions should be reviewed and initialed by participants to serve as a reminder of contract requirements and deter potential contract violations.

Technical Assistance Delivery

Next steps include:

1. Seek $402,167/year for increased staffing: a) 1 additional FSA program technician (PT) and 4 temporary staff for FSA in highest priority locations for CREP contract software actions (as described above); and b) 5 part-time (20 hrs/wk) USC staff to focus solely on forested riparian buffer outreach, conservation planning and helping landowners/farmers concurrently enrolled in CP22 CREP as well as receiving 50% cost share funded by AgNPS grants. This funding was requested by NY in its February 27, 2015, request to FSA.

2. Request FSA HQ to seek through Office of Management and Budget (OMB) funding to ensure adequate resources for staffing and training.

3. Seek funding to provide turnkey service to include riparian forest buffers and other components (tree planting, installation of water facilities/systems, stream crossings, maintenance, invasive species control, etc.).

4. NY NRCS use CRP technical assistance dollars received from FSA to develop a contribution agreement with the USC to target these funds and work to expand the amount of TA funds received as enrollment increases. Similar agreements could be replicated in other watershed teams moving forward across the state.

5. Create an MOU and/or Contribution Agreement between FSA and DEC so State Foresters can provide TA and outreach for RFB CREP enrollments.

Need for Additional Financial Incentives

Next Steps include:

1. Ask FSA to further raise marginal pastureland (MPL) rental rates if soon-to-be-announced, updated MPL rental rates are still too low:

    a. Document actual rental rates for livestock (current MPL rates are probably 50 to 80% below the market rate).

    b. Provide documentation and request MPL rental rate increase.

2. Seek modification to increase the annual maintenance rate for the practice from the current $2-$5 range to $4 to 10/acre range and provide as payment separate from rental rate. This should include the allowance for re-enrolled contracts to maintain the approved maintenance rates as was approved on their original contract. (requested in 2/27/15 funding request)

3. Seek update of soil rental rates on cropland (requested in 2/27/15 funding request)

4. Request increased bonus on soil rental rates for CP22 from 145% to 200% in order to help make this practice more economically competitive and to create a priority for this high-environmental value practice (requested in 2/27/15 funding request).

5. DEC provided commitment for $100/acre state-funded Practice Enhancement Payment to the landowner for the first 50 feet on either side of the stream for land enrolled in riparian forest buffers or grass filter strips. Note: this incentive is capped at 2,000 acres. Details for moving the funds from NY State to the landowner will need to be worked out.

Other Recommendations

1. Improved program accounting of RFBs for WIP goals

    Next steps include:

    a. NRCS along with DEC will review current activities that may enhance riparian habitats and develop systems to provide an accounting of ongoing benefits.

b. FSA should use data, such as CRP shape files, and overlay with USGS GIS stream data files and any remote sensing data, such as Light Detection and Ranging (LiDAR) data to more fully account for linear miles of established and protected riparian buffers. In addition, FSA should review other CRP data files to identify acres adjacent to streams that may be enrolled in other CRP tree planting practices, such as CP3, CP3a, CP23, CP31, etc.

c. DEC should work with FSA, USC, NRCS and Chesapeake Bay Program to ensure NY gets full credit for RFBs and for forested CRP practices, such as CP3, CP3a, etc, in riparian areas within Chesapeake Bay watershed.

2. Further inquire into potential program gaps regarding lands that don't meet program eligibility requirements or farmers/landowners, such as Plain Sect farmers, who decline to participate in federal programs, and, to the extent there is a demonstrated need, seek grant funding to pay for RFB establishment on lands that don't meet program eligibility requirements.