



Hardwood Tree Discrimination in the 2018 Farm Bill CRP Program and CFR

Issue

Now for the first time in the 33-year history of CRP, language of the 2018 Farm Bill, Section 2201 (d)(2)(A), and provisions in the Code of Federal Regulations (CFR), 7 CFR 718.2, 7 CFR 1410.2 and 7 CFR 1410.62 significantly discriminate against hardwood tree plantings in Missouri and the nation.

In this Farm Bill, only hardwood tree contracts are limited to one reenrollment period. These limitations have not been applied to other CRP plantings, whether softwood trees (such as pine), or grasses and legumes. Additionally, the CFR contains provisions that disallow the re-enrollment of tree practices when a contract expires; such as in years when there is no general CRP signup. Typically grass practices are protected in this regard and for several years retain their cropland status and then can be re-enrolled.

Provisions in the 2018 Farm Bill and CFR are biased against hardwood tree plantings, their continued management and provides a huge economic disincentive for farmers to enroll new plantings of hardwood trees.

Background

Congress, representing the American public, first established CRP in the 1985 Farm Bill to financially incentivize farmers to remove environmentally sensitive land from crop production and engage in practices that improve soil and water conservation, wildlife habitat, and water quality. The Farm Bills since then have been reauthorized and amended every 4-5 years. The most recent Farm Bill was signed in December of 2018.

Trees provide some of the best opportunities for long-term public benefits. The perennial nature and long-term growth of hardwood trees offers CO₂ storage, wildlife habitat, future wood products, lower soil erosion, streambank stability and improvements to water quality. These benefits to society go far beyond the maximum 30-year enrollment limit currently imposed by the new 2018 Farm Bill.

This agreement between farmers and the American public is expressed in contracts generally with terms of 10-15 years. The contracts are awarded to farmers on a bid basis favoring the best environmental practices and impact. Farmers receive annual rental payments for acres enrolled. Now that hardwood enrollment is limited, farmers relying on this land for income, may choose to clear the trees and return these environmentally sensitive lands to cropland and undo years of benefits that resulted when under perennial tree cover.

A farmer who is considering putting his land in a new tree CRP practice faces a dilemma, if he plants trees, the best he can hope for is two contract periods and then be left with decades of net negative cash flow from his land, or instead, he can plant grass practices, without the limitations on re-enrollment or the difficulty of removing the trees. Any farmer who is motivated by economics will plant grasses instead.

MoFRAC Position Statement

Hardwood trees offer many benefits to society and comprise a majority of forests in Missouri. Likewise, they comprise many of the CRP tree plantings in the state. Language in the CFR and CRP, which restricts hardwood tree reenrollment, unjustly breaks a partnership between farmers and the US government and will negatively impact CRP tree planting in Missouri. Therefore, we believe the 2018 Farm Bill and CFR should reflect equal treatment of all CRP plantings and their maintenance.

Tree Acres of CRP in Missouri and Hardwoods Impacted

	TREE PLANTINGS			EXISTING TREES (CP11)	total
	SOFTWOODS (CP3)	LONGLEAF PINE (CP3A) 1/	HARDWOODS (CP3A)		
Current as of January 2017	486.10	0.00	15,215.87	1,902.74	17,604.71
Acres expiring 2017	238.10	0.00	2,634.38	828.07	3,700.55
Acres expiring 2018	0.00	0.00	562.36	193.81	756.17
Acres expiring 2019	0.00	0.00	95.45	84.32	179.77
Acres expiring 2020	0.00	0.00	1,068.89	796.54	1,865.43
Acres expiring 2021	168.90	0.00	377.92	0.00	546.82
total expiring acres 2017-2021	407.00	0.00	4,739.00	1,902.74	7,048.74

Data Sources:

<https://www.fsa.usda.gov/programs-and-services/conservation-programs/reports-and-statistics/conservation-reserve-program-statistics/index>

https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdfiles/Conservation/Excel/CRP_COUNTY_PRACTICE.xlsx

https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdfiles/Conservation/Excel/CRP_COUNTY_PRACTICE_EXPIRE_2017_2021.xlsx

Benefits of a tree – For Hardwoods, that lifespan could be greater than 150 years.

