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Wetland Reserve Comes to Indiana: Potential Opportunities for Hoosier Farmers

Purdue University Cooperative Extension Service
WETLAND RESERVE COMES TO INDIANA:
Potential opportunities for Hoosier Farmers!

Sign-up Period: February 28 - March 11, 1994

* Trade your drainage problems for money
* One lump-sum payment up to fair market value
* You still own and control the land
* Cost-share money available for restoration
* Some expiring or existing CRP acres are eligible

The Wetland Reserve Program (WRP) was authorized by the 1990 Farm Bill. This program pays landowners one lump-sum payment up to fair market value (for ag use) for a permanent easement on Prior Converted Cropland (PC), Farmed Wetlands (FW), or riparian areas that link wetlands. Wetland maps for your farm are available at most local USDA offices. Their personnel can assist you in determining if your land qualifies for this program. Landowners must restore this acreage to wetlands and agree to maintain it in a wetland state. Up to 75% cost-share money may be available for restoration. You still retain the deed for this acreage!

This program was tested in 1992 in nine pilot states targeting to enroll 50,000 acres. The WRP met with a lot of popularity. Producers from 2,337 farms sought to enroll 462,000 acres—over nine times the target amount.

WRP offers farmers an opportunity they have been seeking. It compensates landowners for the value of this acreage. Producers then have the opportunity to use this money to purchase additional acreage more conducive to farming if they wish.

No money was appropriated for the Wetland Reserve Program in 1993. However, in 1994 the program was expanded to 20 states including Indiana. Funds ($66.675 million) have been appropriated to enroll up to 75,000 acres. Contact your County ASCS office for details.
Zero Percent (0%) Setaside: What are your options?

In 1994 zero percent (0%) setaside (ACR) has been approved. This poses a dilemma for producers having setaside acres in a permanent cover. Do you place this acreage back into production incurring establishment costs again next year if setaside is once again required? A few considerations and alternatives follow:

CONSIDERATIONS

1) Replanting Costs Next Year: Costs of re-establishing an adequate cover for setaside acres will vary widely from farm to farm, depending on the type and quality of seed used and the method of establishment. This could be as low as $20 per acre for out-of-pocket costs only, to as high as $200 for a pure alfalfa stand.

2) Location: Is setaside located on end rows or near watercourses? On average, end rows yield 30% less than the rest of your field due to soil compaction. If your previous setaside acres are located around field borders, they can provide valuable driving and turning lanes. Setaside acres located adjacent to streams or watercourses prevent sediment and excess nutrients from contaminating surface water. In addition, these areas can satisfy the 66 feet setback required by the new atrazine label.

3) Least Productive Land: Setaside acres are often the least productive part of the farm. When calculating your expected income resulting from putting this acreage back into production, remember to use the true yield from these areas and not the average yield for the entire field or farm. Subtract input costs from your expected income and compare this number to the cost of replanting a perennial cover on ACR acres in future years.

4) Conservation Plan: Remember to consult your Conservation Plan. If your setaside acreage was incorporated into your Conservation Plan for Food Security Act (Farm Bill) requirements, you will need to update your Plan in order to stay in compliance.

Modifications can be made to your Conservation Plan which will allow you to plant this setaside acreage without jeopardizing other USDA program benefits. Contact your local SCS office for details.

ALTERNATIVES TO CROPPING

1) Grazing: If you have livestock, you may consider placing temporary fencing around ACR acres and grazing them.

2) Haying: If you have a good forage stand on these acres, it is possible to get one to three cuttings of hay from them. Try and delay the first cutting until after June 15, to minimize the impact to ground nesting birds.

3) Conserving Use (CU): Your ACR acres may be the most productive wildlife habitat on your land. Prior ACR acres can be left in a permanent cover. This provides critical wildlife nesting and escape cover, and other conservation advantages listed above, and conveniently positions you to place this acreage back into setaside next year at no cost should an ACR requirement be made at that time.

4) Flex Acres: In 1994, if you do not till ACR acres planted to permanent cover, you can graze, hay, or maintain these areas as a Conserving Use (CU) and count them as flex acres. These acres will be credited to cropping history as "Planted and Considered Planted (P&CP)." This may count as part of the 15% of your crop base for which you can't receive deficiency payments.

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