

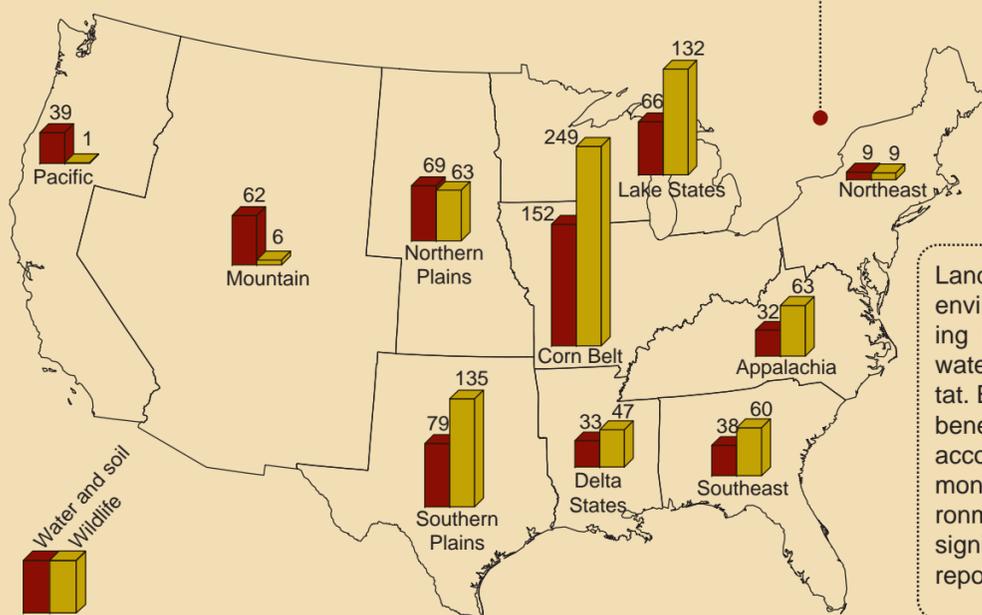


# Land Retirement

The Conservation Reserve Program (CRP) and the Wetlands Reserve Program (WRP) pay U.S. producers to retire cropland in order to protect soil, improve water quality, enhance wildlife habitat, and otherwise safeguard environmental quality. Projected land retirement payments of \$13 billion between 2008 and 2012 would represent about half of USDA conservation program spending.

While CRP acreage is slated to get smaller, acreage in restored wetlands and other high-value practices is likely to increase. A growing portion of CRP acres, over 4 million acres in 2008, are enrolled via “continuous” signups that target more environmentally sensitive lands, such as streamside buffers, farmable wetlands, prairie potholes, and upland bird habitat. The 2008 farm act increased the WRP acreage cap from 2.275 to 3.041 million acres—just over 1 million acres more than the current cap. Wetlands provide wildlife habitat, filter sediment and nutrients from water entering streams and rivers, retain flood waters, and yield other environmental and economic benefits.

## CRP benefits accrue nationwide, but vary considerably

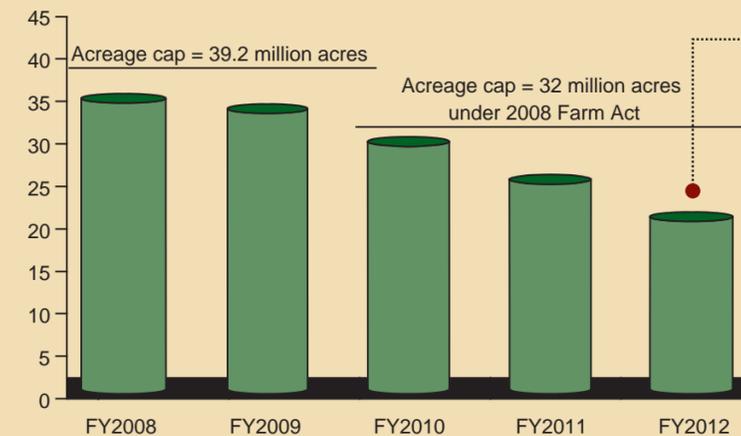


Land retirement provides many environmental benefits, including improved soil productivity, water quality, and wildlife habitat. Existing estimates of CRP's benefits represent only a partial accounting. If fully measured in monetary terms, CRP's environmental benefits could be significantly higher than those reported here.

Bars represent \$ million in annual benefits

## CRP acreage to shrink, but cap leaves room for new enrollment

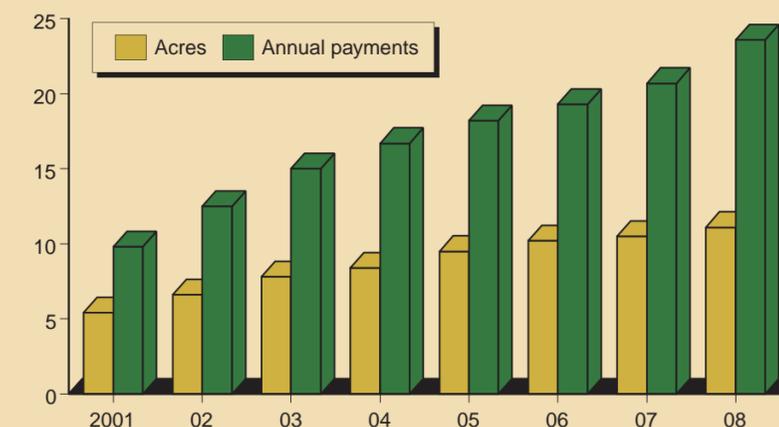
CRP acres (million) without additional signups



As CRP contracts expire, there will be opportunity under the 32-million-acre (roughly the size of Alabama) cap for carefully targeted smaller enrollments to address persistent environmental problems or target emerging issues.

## Fast-growing continuous signup<sup>1</sup> could be avenue for new enrollment

Percent of all CRP

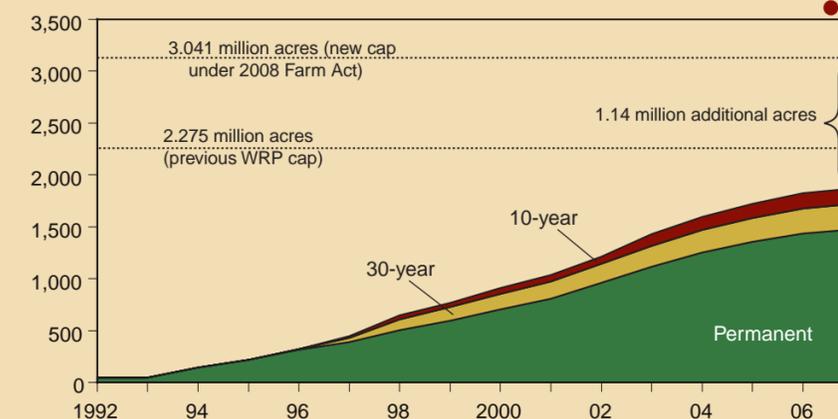


Continuous signup practices are more expensive on a per-acre basis than general signup, but can also achieve greater environmental benefits on an acre-for-acre basis.

<sup>1</sup>CRP general signups occur periodically and are designed to enroll whole fields or whole farms. Producers can offer land for continuous signup at any time, but can enroll only those acres needed for high priority practices.

## Over 1 million acres could be enrolled under the new WRP cap

1,000 acres



Most WRP wetlands are under 30-year or permanent easements because restoration of fully functional wetlands can take many years.