

2008 Farm Bill Update: Conservation and Energy Programs

January 2009

The 2008 Farm Bill contains updated and new conservation programs to protect soil, water, air and wildlife resources while offering economic incentives for landowners and farmers. It also provides for additional energy programs which encourage landowner production and community development of bio-energy feedstocks and bio-industrial systems.

The following USDA Farm Bill websites offer information:

www.usda.gov

www.usda.gov/farbill/

www.ers.usda.gov/farbill

www.rurdev.usda.gov/mn/rbs.htm

Conservation Program Update

New conservation program

> Conservation Stewardship Program (CSTP)

The new Conservation Stewardship Program is available for all landowners. CSTP rules are still being developed. However, the program could pay farmers who are improving conservation treatment on their working lands to encourage the continuation of farming and ranching practices that benefit soil, water and air resources. This program could reward those producers who are accepted for high levels of stewardship and addressing local resource concerns. Acres might be allocated based on eligible acres in each state. CSTP is available on tribal agricultural lands. Contact your local Natural Resources Conservation Service (NRCS).

Sunsetted conservation program

> Conservation Security Program (CSP)

The Conservation Security Program (CSP) is no longer available. This program was offered to selected watersheds in the United States. Several watersheds participated in the CSP in Minnesota (2004-08), including the Blue Earth, Root, Redwood, Sauk, Red Lake and Thief River watersheds. Those landowners/producers who are presently enrolled in the CSP in these watersheds will continue to receive their CSP payments through the length of their contract. This CSP program is not included in the 2008 Farm Bill and no new contracts or modifications will be accepted.

Energy Program Update

Landowner programs

> Biomass Crop Assistance Program (Section 9011)

Provides support to establish and produce crops for conversion to bio-energy in specific project areas, and to help with collection, harvest, storage and transportation of eligible material for use in a biomass conversion facility. Implementation will be through the Farm Service Agency (FSA) and other federal and local agencies.

> Bio-energy Program for Advanced Biofuels (Section 9005)

Provides payments to eligible agricultural producers to support and ensure expanded production of advanced biofuels. The guidelines governing this program are still being developed. Rural Development will be administering this program when it is released. For further information watch www.rurdev.usda.gov/mn/rbs.htm or contact Lisa Noty at 507-373-7960 ext.120.

Community based programs

> Biorefinery Assistance Program (Section 9003)

Provides loan guarantees for the development, construction and retrofitting of commercial-scale biorefineries that will utilize non-corn kernel starch as a feedstock. Applications for the 2009 program are due by April 30. Rural Development is administering this program. For further information see www.rurdev.usda.gov/mn/rbs.htm or contact Lisa Noty at 507-373-7960 ext.120.

> Repowering Assistance (Section 9004)

Provides financial assistance to existing biorefineries for replacing fossil fuel systems with renewable energy biomass systems. The guidelines governing this program are still being developed at the time of this update. Rural Development will be administering this program when it is released. For further information watch www.rurdev.usda.gov/mn/rbs.htm or contact Lisa Noty at 507-373-7960 ext.120.

> Rural Energy for America Program (Section 9007)

Expands and renames the program formally called Renewable Energy Systems and Energy Efficiency Improvements Program. Under the expanded program, agricultural producers and small businesses can now apply for grants and loan guarantees to help install renewable energy systems or to make energy efficiency improvements and to help cover the costs of feasibility studies. Renewable energy projects include bioenergy systems, anaerobic digesters, wind, solar, and geothermal. Energy efficiency improvements are defined as any improvement made to a process or facility that decreases energy consumption. Under the expanded version, grants can also be made to eligible entities to conduct energy audits and to aid applicants in applying for energy efficiency assistance. This is a non-residential program. Rural Development will continue to administer this program. For further information see www.rurdev.usda.gov/mn/rbs.htm, contact the Rural Development office nearest you, or call Lisa Noty at 507-373-7960 ext.120.

> Community Wood Energy Program (Section 9013)

Provides grants to state and local governments to develop community wood energy plans and to acquire or upgrade wood energy systems. Contact Steve Yaddof at the U.S. Forest Service, syaddof@fs.fed.us.

> Forest Biomass for Energy (Section 9012)

This bill authorizes the U.S. Forest Service to conduct a comprehensive research and development program to use forest biomass for energy. The U.S. Forest Service, other federal agencies, state and local governments, Indian tribes, land-grant colleges and universities, and private entities are eligible to compete for program funds.

Priority research projects include:

- The use of low-value forest biomass for energy from forest health and hazardous fuels reduction treatment
- The integrated production of energy from forest biomass into biorefineries or other existing manufacturing
- The development of new transportation fuels from forest biomass
- The improved growth and yield of trees for renewable energy production

Contact Marilyn Buford at the U.S. Forest Service, mbuford@fs.fed.us.

Note: For each energy program, there is a section number. This section number can be used to search 2008 Farm Bill websites.

Additional websites of interest

Presently, USDA is in the process of developing regulations, rules and funding notices for the Title IX Energy Provisions. Anyone can subscribe to the USDA online news alerts and federal government funding notifications:

- Subscribe to USDA News Alerts:
<http://apps.ams.usda.gov/ocnews/>
- Subscribe to Federal Government Grant Alerts:
www.grants.gov/

Information on residential energy efficiency programs

U.S. Department of Energy financial opportunities for consumers:
www1.eere.energy.gov/financing/consumers.html

USDA Rural Development Title IX Energy Provisions:
www.rurdev.usda.gov/rd/farmbill.html

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