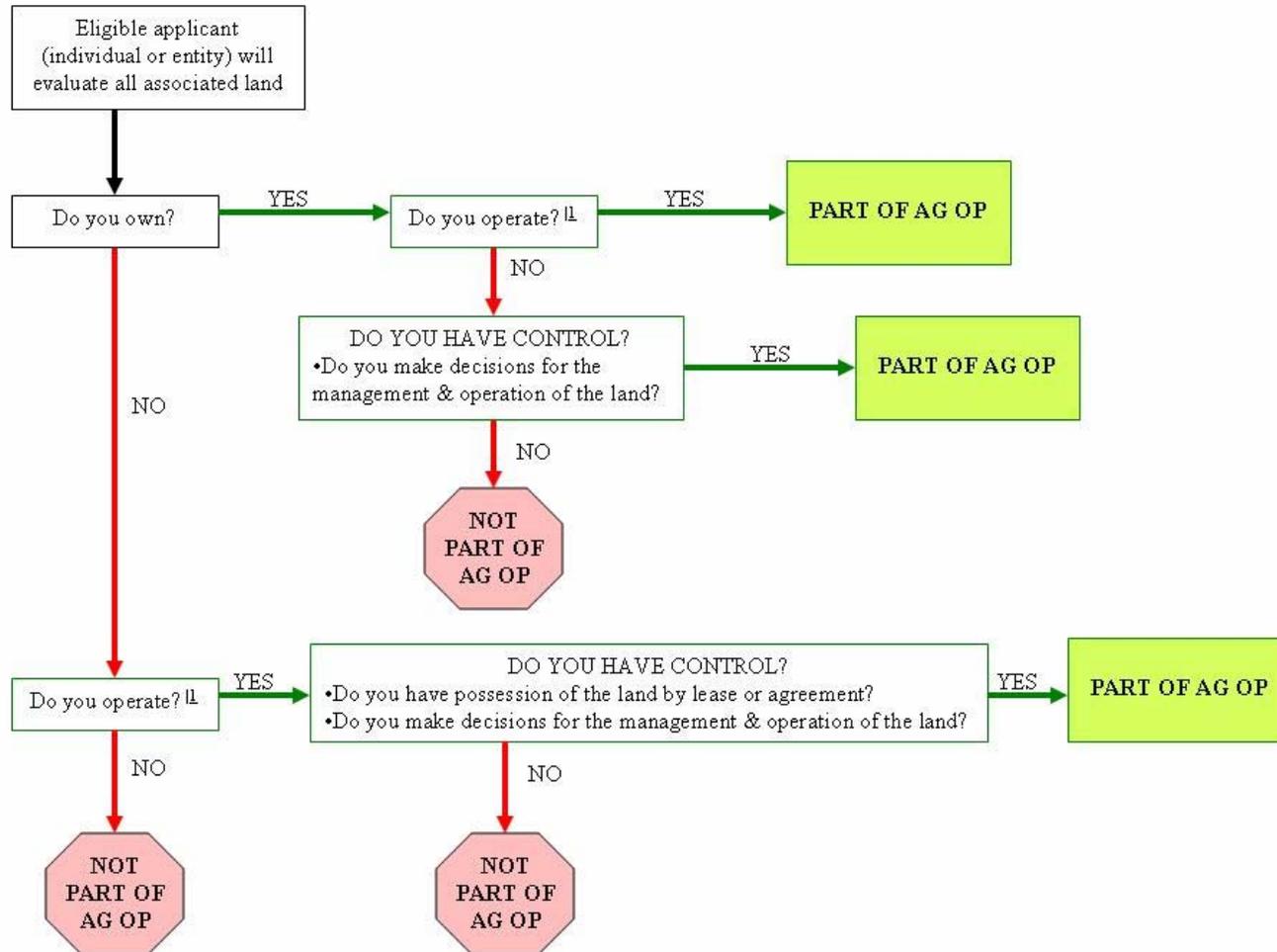


Part 518 – Conservation Security Program

518.154 Agricultural Operation (Ag Op) Delineation Decision Tree and Examples



¹ - Taking into account the agricultural operation definition from CPM section 518.60 A(2).

Agricultural Operation Delineation Examples

Example #1: Producer A owns 1,000 acres of eligible private agricultural land. Producer A is also the operator of these 1,000 acres. Producer A must, at a minimum, identify all of the land they own and operate as a part of their agricultural operation.

Producer A also leases another 2,000 acres of eligible private agricultural land from Producer B. Producer A makes decisions for the day-to-day management and operation of the land. Producer A therefore has control (possession of the land by lease and authority to act as decision maker) of the 2,000 acres of leased land. The 2,000 acres leased from Producer B is a part of Producer A's agricultural operation.

Example #2: Producer C owns and operates 1,000 acres of eligible private agricultural land. Producer C also leases 3,000 acres of state and federal land, and makes day-to-day decisions about the management and operation of the public land. Producer C has control over the state and federal land. Producer C must include the 3,000 acres of state and federal land in their agricultural operation. The conservation work on the ineligible land may be used to determine if Producer C's conservation system meets minimum level of treatment requirements.

In this same example, if Producer C does not control the 3,000 acres of state and federal land, those acres would not be part of their agricultural operation.

Example #3: Producer D controls 1,000 acres of eligible private agricultural land within an approved watershed. Producer D is also a member of Entity E. Entity E owns 2,000 acres in the same watershed, makes decisions for the day-to-day management and operation of the land, and operates that land with equipment, labor, and accounting system that are separate from any other operating unit.

Producer D could apply for and receive a conservation stewardship contract on their 1,000 acre agricultural operation.

Entity E controls (possession of the land by ownership and authority to act as decision maker) the 2,000 acres it owns, and operates the land as a separate agricultural operation. Entity E is also eligible to apply for and receive a CSP conservation stewardship contract on their 2,000 acres. Applicants that are entities must file a single application for the organization.

Example #4: Producer F controls 500 acres of eligible private agricultural land. Producer F is also a member of Entity G, which is a family corporation. Entity G owns 1,000 acres. However, Producer F makes decisions for the day-to-day management and operation of Entity G's land and operates that land with the same equipment, labor, and management. Entity G has a separate accounting system.

Producer F controls and operates all 1,500 acres as one agricultural operation.

Entity G does not control its 1,000 acres. Additionally its land is not operated as a separate agricultural operation. Entity G is an ineligible applicant. Entity G's 1,000 acres is part of Producer F's agricultural operation.

Example #5: Entity H owns and operates 6,000 acres of eligible private agricultural land within an approved watershed. Entity H is composed of 6 members. Each of the 6 members wants to submit their own CSP application for 1,000 acres of Entity H's land.

Entity H would be the only eligible applicant for this operating unit because the Entity controls the land and operates all of the 6,000 acres as an agricultural operation. NRCS would determine each of the 6 members to be ineligible applicants because they do not control the land. Additionally the members do not operate the land as separate agricultural operations.