(1) **AVERAGE ADJUSTED GROSS INCOME.**—In this section, the term “average adjusted gross income”, with respect to a person or legal entity, means the average of the adjusted gross income or comparable measure of the person or legal entity over the 3 taxable years preceding the most immediately preceding complete taxable year, as determined by the Secretary.

(2) **SPECIAL RULES FOR CERTAIN PERSONS AND LEGAL ENTITIES.**—In the case of a legal entity that is not required to file a Federal income tax return or a person or legal entity that did not have taxable income in 1 or more of the taxable years used to determine the average under paragraph (1), the Secretary shall provide, by regulation, a method for determining the average adjusted gross income of the person or legal entity for purposes of this section.

(3) **ALLOCATION OF INCOME.**—On the request of any person filing a joint tax return, the Secretary shall provide for the allocation of average adjusted gross income among the persons filing the return if—

(A) the person provides a certified statement by a certified public accountant or attorney that specifies the method by which the average adjusted gross income would have been declared and reported had the persons filed 2 separate returns; and

(B) the Secretary determines that the method described in the statement is consistent with the information supporting the filed joint tax return.

(b) **LIMITATIONS ON COMMODITY AND CONSERVATION PROGRAMS.**—

(1) **LIMITATION.**—Notwithstanding any other provision of law, a person or legal entity shall not be eligible to receive any benefit described in paragraph (2) during a crop, fiscal, or program year, as appropriate, if the average adjusted gross income of the person or legal entity exceeds $900,000.

(2) **COVERED BENEFITS.**—Paragraph (1) applies with respect to the following:

(A) A payment or benefit under subtitle A or E of title I of the Agricultural Act of 2014.

(B) A marketing loan gain or loan deficiency payment under subtitle B of title I of the Agricultural Act of 2014.


(D) A payment or benefit under section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)).

(E) A payment or benefit under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).

(c) **ENFORCEMENT.**—

(1) **IN GENERAL.**—To comply with subsection (b), at least once every 3 years a person or legal entity shall provide to the Secretary—
(b) Such sales shall be made through the Commodity Credit Corporation under existing authority available to the Secretary or the Commodity Credit Corporation.

(c) Through September 30, 1995, the Secretary shall report semi-annually to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the volume of sales made under this section.

* * * * * * *

TITLE XII—CONSERVATION

SUBTITLE A—DEFINITIONS

DEFINITIONS

SEC. 1201. [16 U.S.C. 3801] (a) For purposes of subtitles A through I:

(1) The term “agricultural commodity” means—

(A) any agricultural commodity planted and produced in a State by annual tilling of the soil, including tilling by one-trip planters; or

(B) sugarcane planted and produced in a State.

(2) BEGINNING FARMER OR RANCHER.—The term “beginning farmer or rancher” has the meaning given the term in section 343(a)(8) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(8)).

(3) CONSERVATION PLAN.—The term “conservation plan” means the document that—

(A) applies to highly erodible cropland;

(B) describes the conservation system applicable to the highly erodible cropland and describes the decisions of the person with respect to location, land use, tillage systems, and conservation treatment measures and schedule; and

(C) is approved by the local soil conservation district, in consultation with the local committees established under section 8(b)(5) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)(5)) and the Secretary, or by the Secretary.

(4) CONSERVATION SYSTEM.—The term “conservation system” means a combination of 1 or more conservation measures or management practices that—

(A) are based on local resource conditions, available conservation technology, and the standards and guidelines contained in the Natural Resources Conservation Service field office technical guides; and

(B) are designed to achieve, in a cost effective and technically practicable manner, a substantial reduction in

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1-2 Section 2903(a) of the Food, Conservation, and Energy Act of 2008 (P.L. 110–246; 122 Stat. 1819) provided: “Except as otherwise provided by an amendment made by this title, the Secretary of Agriculture shall continue to carry out any program or activity covered by title XII of the Food Security Act (16 U.S.C. 3801 et seq.) until September 30, 2008, using the provisions of law applicable to the program or activity as they existed on the day before the date of the enactment of this Act and using funds made available under such title for fiscal year 2008 for the program or activity.”
STATEMENT OF WORK TO COOPERATIVE AGREEMENT between THE COMMODITY CREDIT CORPORATION and the [ENTITY or ENTITIES NAME(S)] for the AGRICULTURAL CONSERVATION EASEMENT PROGRAM AGRICULTURAL LAND EASEMENTS

This Cooperative Agreement is entered into by and between the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS), on behalf of the Commodity Credit Corporation (CCC), and the [ENTITY or ENTITIES NAME(s)] (hereinafter whether singular or plural ENTITY) for the purchase of agricultural land easements (ALE) under the Agricultural Conservation Easement Program (ACEP). The CCC will utilize the expertise and services of NRCS to perform its duties identified in this Cooperative Agreement. The term “Parties” as used herein refers collectively to NRCS and the ENTITY.

I. AUTHORITY

NRCS enters this Cooperative Agreement under the authorities of the Commodity Credit Corporation Charter Act, 15 U.S.C. Section 714 et seq., the Agricultural Conservation Easement Program, subtitle H of title XII of the Food Security Act of 1985, 16 U.S.C. Section 3865 et seq., and the Federal Grant and Cooperative Agreement Act of 1977, 31 U.S.C. Section 6304 et seq. This Cooperative Agreement will be administered in accordance with the policies and procedures set forth in the ACEP regulation (7 CFR Part 1468) and uniform regulation for grants and agreements in 2 CFR Parts 25, 170, 200 and 400.

[ENTITY or ENTITIES NAME] enters this Cooperative Agreement under the authorities of [insert Charter or Statutory authority].

II. PURPOSE

This Cooperative Agreement stipulates the terms and conditions under which NRCS will provide ACEP cost-share assistance to the ENTITY. The ENTITY has signed the Notice of Grant and Agreement Award acknowledging that the award is subject to the terms and conditions of this Cooperative Agreement and all applicable laws, regulations, and policy.

THEREFORE, the Parties agree to enter into this Cooperative Agreement to purchase agricultural land easements from eligible landowners (Grantors) to protect the agricultural use, future viability, and related conservation values of eligible land by limiting nonagricultural uses of that land or to protect grazing uses and related conservation values by restoring and conserving eligible land. The Parties have identified these eligible lands on attachments to this Cooperative Agreement as Parcels, herein referred to collectively as “Parcels” or individually as “Parcel.”

III. OBLIGATION OF FUNDS

A. Upon execution of this Cooperative Agreement, NRCS will make cost-share assistance available up to the amount specified on the Notice of Grant and Agreement Award for the acquisition by the ENTITY of agricultural land easements on the Parcels listed on attachments to this Cooperative Agreement. To receive this cost-share, the ENTITY must close the agricultural land easements and request payment of the NRCS cost-share in accordance with section VII of this Cooperative Agreement.
B. NRCS may make additional cost-share assistance available in future fiscal years through the execution of mutually acceptable amendments to this Cooperative Agreement that identify the additional cost-share assistance amount, the additional funded Parcels, and the terms and conditions of the funding if different from the terms and conditions identified herein, as provided in section IX.D.

C. Upon mutual agreement of the Parties and execution of an amendment, as provided in section IX.D, NRCS may allow substitution of Parcels at any time, provided the Parcels are of comparable conservation value as determined by the NRCS.

D. This Cooperative Agreement will be for a term of 3 years and not to exceed 5 years. The ENTITY must meet each performance schedule deadline in table 1 unless the ENTITY requests and NRCS grants an extension in writing prior to the original deadline. The performance schedule deadlines for an individual attachment may be extended for one consecutive 12-month period, as provided in section IX.B. Should the ENTITY not meet the performance schedule deadlines, NRCS may release any remaining funds from this Cooperative Agreement.

Table 1 – Performance Schedule

<table>
<thead>
<tr>
<th>FY of Fund Obligation (Attachment)</th>
<th>Attachment Listing Parcels</th>
<th>Closing Deadline</th>
<th>Payment Request Deadline</th>
<th>Attachment Expiration Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017 A</td>
<td></td>
<td>March 31, 2019</td>
<td>July 31, 2019</td>
<td>August 31, 2019</td>
</tr>
<tr>
<td>2018 B</td>
<td></td>
<td>March 31, 2020</td>
<td>July 31, 2020</td>
<td>August 31, 2020</td>
</tr>
</tbody>
</table>

E. Requests for an extension to the attachment expiration deadline must be submitted by the ENTITY to NRCS 30 days in advance of the attachment expiration date.

F. Nothing in this document obligates NRCS or the ENTITY to purchase all or any of the agricultural land easement Parcels listed in the attachments.

IV. FEDERAL SHARE

Based on a determination by NRCS that the ENTITY has satisfied the terms and conditions of this agreement, NRCS will pay the ENTITY a cost-share amount for the purchase of each agricultural land easement acquired by the ENTITY. The Federal share will not exceed 50 percent of the fair market value of the agricultural land easement as determined using one of the methods set forth in 7 CFR § 1468.24.

V. COOPERATING ENTITY’S CONTRIBUTION

A. The ENTITY will contribute an amount for the easement purchase at least equivalent to the Federal share. The ENTITY may include as part of its contribution a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986) from the eligible landowner if the ENTITY contributes its own cash resources in an amount that is at least 50 percent of the amount contributed by NRCS. If the NRCS State Conservationist has waived a portion of the ENTITY cash contribution requirement for individual projects of special significance, the Parcels receiving the waiver will be identified in the attachment and the ENTITY will provide a copy of the approved waiver at the time payment is requested. The ENTITY’s reduced contribution of its own cash resources for projects of special significance will be in an amount at least [SELECT ONE: 25 or 10] percent of the Federal share.

B. The ENTITY must self-certify on NRCS Form 230, “Confirmation of Matching Funds” (exhibit 4), that the ENTITY’s contribution of its own cash resources has not come from additional donations, payments, loans, or fees made by or charged to the Grantor of the agricultural land easement,
immediate family members, or organizations controlled by or funded by the Grantor, either through formal or informal agreements. The ENTITY must provide a completed NRCS Form 230 to NRCS for a Parcel prior to the closing or an advance of funds for that Parcel.

VI. PAYMENTS

A. The ENTITY must meet the terms and conditions set forth in this agreement and provide NRCS with the items identified in this section and section VII in order to receive the Federal share for a Parcel.

B. The ENTITY may request payment of the Federal share as reimbursement after closing or as an advance payment prior to closing of an agricultural land easement on a Parcel.

C. To obtain reimbursement or an advance payment of the Federal share, the ENTITY will submit the Form SF-270 (Request for Advance/Reimbursement of Funds (exhibit 5)), the SF-270 supplement for noncertified eligible entities (exhibit 6), and the information and documentation required by the supplement to the NRCS contact named on the Notice of Grant and Agreement Award. The ENTITY may submit the SF-270 payment request package:
   1. 60 days prior to the planned closing date when a payment is to be issued at closing (advance payment);
   2. After the agricultural land easement has been recorded and the landowners have been paid (reimbursement); or
   3. On a quarterly basis for each quarter that agricultural land easements have been recorded and the landowners have been paid (reimbursement).

C. ENTITY will maintain current registration in the Dun and Bradstreet Data Universal Numbering System (DUNS) and meet the System for Award Management (SAM) registration requirements or successor registry for the duration of this Cooperative Agreement.

D. NRCS will disburse payment following receipt of a fully complete and correct SF-270 payment request package from the ENTITY within 30 days if the Federal share for the individual easement is less than $250,000 and within 60 days if the Federal share for the individual easement is $250,000 or greater.

E. If NRCS provides an advance payment the ENTITY will obtain a receipt for the Federal funds from the closing agent and provide it to NRCS prior to closing. The ENTITY will ensure the closing agent does not hold the Federal funds in escrow for more than 30 calendar days. If closing does not occur within 30 calendar days of advance payment, the ENTITY will ensure the Federal funds and any interest earned on those funds while in escrow are returned to NRCS by the 31st calendar day. The ENTITY must ensure that the Federal funds are fully insured while held in escrow.

VII. RESPONSIBILITIES

A. ENTITY Responsibilities:

1. ENTITY must purchase agricultural land easements on eligible land from eligible landowners for the Parcels identified on the attachments to this Cooperative Agreement consistent with the requirements identified in this Agreement. ACEP agricultural land easements are conservation easements conveyed for the purpose of protecting natural resources and the agricultural nature of the land and permit the landowner the right to continue agricultural production and related uses subject to an agricultural land easement plan, as specified in this part.

2. ENTITY must, ensure that agricultural land easements acquired with funds made available under this Cooperative Agreement and that the deeds satisfy the following requirements:
   a. Contain the “Minimum Terms for the Protection of Agricultural Use”, attached to this Cooperative Agreement as exhibit 7 (ALE Minimum Deed Terms). The ENTITY is authorized to use its own terms and conditions in the agricultural land easements so long as the ENTITY’s additional language does not alter or defeat the intent, purpose, or effective
enforcement by the Parties of the ALE minimum deed terms, the Agricultural Conservation Easement Program, or the agricultural land easements acquired under this Cooperative Agreement.

b. Address all of the minimum deed requirements identified at 7 CFR § 1468.25(d);

c. Address the disposition of the agricultural land easement and the Federal share in the event the agricultural land easement is ever extinguished, terminated, or condemned in whole or in part.

d. Are conveyed for the purpose of protecting natural resources and the agricultural nature of the land;

e. Run with the land in perpetuity or where State law prohibits a permanent easement, for the maximum duration allowable under State law;

f. Protect the agricultural use, future viability, and related conservation value, of the Parcels by limiting nonagricultural uses of that land or protect grazing uses and related conservation values by restoring and conserving eligible land, including grasslands of special environmental significance;

g. Provide for the administration, management, and enforcement of the agricultural land easement by the ENTITY or its successors and assigns;

h. Permit effective enforcement of the conservation purposes of such easements; and

i. Subject the Parcel to an agricultural land easement plan that meets the requirements of this Section.

3. The ENTITY has the following three options for ensuring that the agricultural land easement contains the ALE Minimum Deed Terms required in paragraph VII.A.2 above:

a. **Attach the ALE Minimum Deed Terms Addendum as an Exhibit to the Agricultural Land Easement Deed.** Under this option the ENTITY does not need to have the entire agricultural land easement deed reviewed by NRCS, instead NRCS at the State level will verify prior to the ENTITY requesting an advance of the Federal share or closing on an agricultural land easement that the ENTITY satisfies all of the following requirements:
   (i) The ALE Minimum Deed Terms addendum is signed by the landowner and the ENTITY and will be attached to the agricultural land easement deed at the time of closing and recordation;
   (ii) The terms of the ALE Minimum Deed Terms addendum are not modified; and
   (iii) The paragraph below is inserted at the bottom of the agricultural land easement deed: *This Agricultural Land Easement is acquired with funds provided, in part, by the Agricultural Conservation Easement Program, (ACEP). The EXHIBIT ____ is attached hereto and incorporated herein by reference and will run with the land in perpetuity [or for the maximum duration allowed under applicable State laws]. As required by 16 U.S.C. Section 3865 et seq. and 7 CFR Part 1468, and as a condition of receiving ACEP funds, all present and future use of the Protected Property identified in EXHIBIT ____ is and will remain subject to the terms and conditions described forthwith in this Addendum entitled Minimum Terms For The Protection Of Agricultural Use in EXHIBIT ____ that is appended to and made a part of this easement deed.*

b. **Incorporate the ALE Minimum Deed Terms into the Body of the Agricultural Land Easement Deed.** Under this option, the ENTITY shall ensure the terms as stated in the ALE Minimum Deed Terms addendum are included in the body of the agricultural land easement deed. The ALE Minimum Deed Terms may be formatted to select options where instructed, conform terms to deed formatting, complete terms with required information, and delete instructions to drafters. Each individual agricultural land easement deed must be reviewed and approved by
NRCS National Headquarters prior to the ENTITY requesting an advance of the Federal share or closing on an agricultural land easement.

c. **Entity Agricultural Land Easement Deed Template Approved by NRCS.** Upon mutual agreement of the **Parties**, the Cooperative Agreement may be amended to replace or supplement the attached exhibit 7 with an agricultural land easement deed template to be used for every Parcel listed on attachments to this Cooperative Agreement. The terms and conditions of the agricultural land easement deed template must contain the ALE minimum deed terms as stated and must be approved by NRCS National Headquarters in advance of the amendment. If the ENTITY uses the approved NRCS NHQ-approved deed template without changing any terms or conditions, then the ENTITY is not required to obtain NRCS NHQ review and approval of the individual, final agricultural land easement deeds. NRCS at the State level will verify prior to the ENTITY requesting an advance of the Federal share or prior to closing on an agricultural land easement that the individual, final agricultural land easement deed is the same as the NHQ-approved template.

4. The **ENTITY** must provide to NRCS a copy of the agricultural land easement deed and all exhibits at least 90 days before the planned closing date.

5. NRCS may require adjustments to the provisions identified in paragraph VII.A.2 above and require the addition of other provisions if NRCS determines that they are necessary to meet the purposes of ACEP and protect the conservation values of the Protected Property.

6. The **ENTITY** must perform necessary legal and administrative actions to ensure proper acquisition and recordation of valid agricultural land easements.

7. The **ENTITY** must pay all costs of agricultural land easement acquisition and will operate and manage each agricultural land easement in accordance with its easement program, this Cooperative Agreement, 16 U.S.C. Section 3865 et seq. and applicable regulations. NRCS will have no responsibility for the costs or management of the agricultural land easements purchased by the **ENTITY** unless NRCS exercises the rights of the United States under an agricultural land easement.

8. NRCS is not responsible for any costs, damages, claims, liabilities, and judgments arising from past, present, and future acts or omissions of the **ENTITY** in connection with its acquisition or management of the agricultural land easements acquired pursuant to this Cooperative Agreement. This includes but is not limited to acts and omissions of the **ENTITY** agents, successors, assigns, employees, contractors, or lessees that result in violations of any laws and regulations that are now or that may in the future become applicable.

9. The **ENTITY** must prepare a baseline documentation report documenting the condition of the Parcel as of the time the easement is acquired and include a completed baseline documentation report in the payment request package submitted to NRCS pursuant to part VI. The baseline documentation report must contain maps, full descriptions and pictures of the Parcel location, existing structures and infrastructure, land use, land cover and its condition, and any special features for which the Parcel is being protected. The **ENTITY** must provide NRCS a draft baseline documentation report at least 90 days before the planned closing date of the agricultural land easement deed.

10. **ENTITY** must ensure completion of an agricultural land easement plan for each Parcel that must:
    a. Meet the requirements for an agricultural land easement plan specified in 7 CFR § 1468.26(a);
    b. Describe the activities that promote the long-term viability of the land to meet the purposes for which the Parcel was selected;
    c. Identify required or recommended conservation or management practices or activities that address the purposes and resource concerns for which the Parcel was selected;
    d. Require the management of any grasslands according to a grassland management plan or forest lands that exceed the greater of 40 acres or 20 percent of the Parcel according to a forest management plan;

NRCS Representative Initial __________
Entity Representative Initial __________
e. Require a conservation plan that meets the requirements of 7 CFR Part 12 for any highly erodible cropland; and
f. Require, if specified prior to closing, the conversion of highly erodible cropland to less intensive uses.

11. ENTITY will choose one of the options below for completing the agricultural land easement plan by initialing the appropriate box when signing this Cooperative Agreement. (Initial only one option):

☐ a. ENTITY requests that NRCS personnel complete the agricultural land easement plan and ENTITY will coordinate with NRCS State office and landowner to ensure that the plan is completed and signed by the landowner prior to closing.

☐ b. ENTITY will complete the agricultural land easement plan without the assistance of NRCS personnel and at its own expense. ENTITY will ensure the plan meets NRCS standards and specification or other applicable industry standards. ENTITY will provide the plan to NRCS at least 90 days prior to the planned closing date and must obtain NRCS approval of the plan prior to closing. ENTITY will ensure NRCS has authorized access to the property and landowner if needed to review and approve plans prepared using this option. ENTITY will ensure the approved plan is signed by the landowner prior to closing.

12. In acquiring agricultural land easements, the ENTITY will ensure that the title to the lands or interests therein will be unencumbered or that outstanding or reserved interests are subordinated to the agricultural land easement. The ENTITY and NRCS will review the title commitment to ensure there are no encumbrances that would allow nonagricultural uses of the property that are not acceptable to the ENTITY and NRCS. The ENTITY must provide NRCS a copy of the title commitment or title report, a summary of the ENTITY title review findings, and any other requested documentation related to title at least 90 days before the planned closing date. Any exceptions to the requirement to remove or subordinate outstanding or reserved interests must be consistent with this Cooperative Agreement, 16 U.S.C. Section 3865, and applicable regulations, and approved by NRCS and documented on the certificate of use and consent.

13. The ENTITY must secure proper title evidence and insurance using an owner’s American Land Title Association (ALTA) policy with the ENTITY listed as the insured on the policy and the policy issued for the full amount of the agricultural land easement purchase price.

14. The ENTITY must obtain a determination of the fair market value of the agricultural land easement for each Parcel at its own cost using one of the methods set forth in 7 CFR § 1468.24. Individual appraisals conducted by a certified general appraiser that conform to the NRCS Appraisal Specifications provided as exhibit 8 and either the Uniform Standards of Professional Appraisals Practices (USPAP) or the Uniform Appraisal Standards for Federal Land Acquisitions (Interagency Land Acquisition Conference, 2000) (USFLA). The effective date of the appraised value must be within 6 months prior to or after the date the Parcel is added to this agreement as a funded Parcel or within 12 months of the closing date of the agricultural land easement on the Parcel. Use of fair market valuation methodologies other than individual USPAP or UASFLA appraisals must be approved by NRCS in writing prior to entering into this Cooperative Agreement.

15. The ENTITY must provide the appraiser the NRCS appraisal specifications (exhibit 8) and all of the items required to be provided by the ENTITY as identified in the NRCS appraisal specifications. The ENTITY must receive a separate appraisal report for each funded Parcel identified on an attachment. Under no circumstances may the ENTITY allow the landowner to approve or disapprove of the appraiser selected to prepare the appraisal report. The landowner may not be listed as the client.

16. The ENTITY must provide NRCS a completed appraisal report at least 90 days before the planned closing of the agricultural land easement so that NRCS may conduct a technical review of the appraisal. The ENTITY may not close the agricultural land easement until the technical reviewer...
approves the appraisal report. If the ENTITY closes the agricultural land easement prior to the approval of the appraisal by the technical reviewer NRCS may not provide the Federal share for the agricultural land easement and may terminate this agreement.

17. The ENTITY may not use ACEP funds to acquire an easement on a property in which the ENTITY’s employee or board member with decision-making involvement in easement acquisition and management matters has a property interest or whose immediate family member or household member has a property interest. The ENTITY agrees to conduct itself in a manner so as to protect the integrity of agricultural land easements it holds and avoid the appearance of impropriety or actual conflicts of interest in its acquisition and management of agricultural land easements.

18. The ENTITY may not at any time, when the ENTITY is named as a Grantee on the agricultural land easement, seek to acquire the remaining fee interest in the Parcel. Likewise, if the ENTITY enters into an agreement with another entity to manage or monitor the agricultural land easement, and that entity seeks to acquire the underlying fee, the ENTITY agrees to immediately terminate such agreement and arrange for an uninterested party to manage or monitor the Parcel.

19. The ENTITY must implement easement enforcement procedures when a violation of the agricultural land easement or agricultural land easement plan is identified by or reported to the ENTITY. ENTITY enforcement procedures resulting from a violation of a conservation plan can only be initiated after all administrative and appeal rights have been exhausted by the landowner in accordance with 7 CFR Part 12 and 7 CFR Part 614.

20. The ENTITY must submit a completed Federal Financial Report Standard Form 425 (FFRs) (exhibit 2) to the NRCS State office at least 5 business days prior to the end of each fiscal quarter (December 31, March 31, June 30, and September 30) for each quarter the ENTITY closes an agricultural land easement on a Parcel. Reports must be submitted on an accrual accounting basis. Failure to submit complete reports in accordance with the above schedule may result in suspension or termination of the Cooperative Agreement. A final FFR must be submitted no later than 90 days after the end date of the Cooperative Agreement.

21. At a minimum, the ENTITY must monitor every agricultural land easement on an annual basis to ensure and document compliance with the easement deed and agricultural land easement plan provisions. Each year the ENTITY will submit the annual monitoring report for that year to the appropriate NRCS State office in the format required by NRCS.

22. Nongovernmental organizations must continue to meet the definition of nongovernmental organization in 7 CFR § 1468.3 for the entire term of this agreement.

23. This paragraph and paragraphs 2, 7, 8, 9, 10, 17, 18, 19, 20, and 21 of this section VII.A will survive the closing of the agricultural land easement and the termination or expiration of this Cooperative Agreement.

B. NRCS Responsibilities:

1. The United States, by and through NRCS, will review applications submitted by the ENTITY, determine land and landowner eligibility, rank eligible applications, obtain and review a hazardous substance record search, conduct an onsite visit, and authorize Parcels to be added to the attachments to this Cooperative Agreement as tentatively selected for funding or as substitutes.

2. NRCS will provide technical and other services as requested and to the extent resources allow to assist in developing an agricultural land easement plan that meets ACEP requirements and NRCS standards and specifications or other applicable industry standards.

3. NRCS will manage the funds obligated to this Cooperative Agreement and subject to the availability of funds, disburse the appropriate funds to the ENTITY in accordance with this Cooperative Agreement.

4. After the required materials have been submitted by the ENTITY, prior to closing, NRCS will:

NRCS Representative Initial ________
Entity Representative Initial ________
a. Review the agricultural land easement deed based on the option selected by the ENTITY for incorporating the ALE minimum deed terms, and provide the ENTITY with any approval instructions or items requiring resolution,
b. Review the title documents submitted by the ENTITY, complete a certificate of use and consent, and provide the findings to the ENTITY for information or remedy as necessary,
c. Conduct a technical review of the appraisal submitted by the ENTITY and provide the findings to the ENTITY for information or resolution as necessary,
d. As requested by the ENTITY, either develop or review the agricultural land easement plan and identify any items for resolution to the ENTITY,
e. Review the draft baseline documentation report provided by the ENTITY and notify the ENTITY if additional information is needed; and
f. Review and provide notice of determination on any waiver requests submitted by the ENTITY in accordance with ACEP policy.
g. After NRCS reviews are completed and the materials are determined acceptable, provide the ENTITY with an “Approval for a Non-Certified Eligible Entity to Proceed with the ALE Acquisition” letter and the NRCS-signed “Confirmation of Matching Funds.

5. If an advance payment is requested, NRCS will also provide a copy the NRCS closing agent requirements to the ENTITY.

6. Prior to NRCS disbursement of funds, the NRCS State Conservationist will verify that the ENTITY has provided all documentation, certifications and information required by sections VI and VII.A. NRCS will conduct an internal review the SF-270 payment request package in accordance with NRCS easement acquisition internal controls policy. The NRCS State office will submit a copy of the payment request package for national review and approval for all agricultural land easement payments that meet the national review threshold. Complete payment request packages for national review must be submitted by NRCS at the State level to NRCS NHQ no less than 30 days before the planned closing date.

7. NRCS will certify payment and disburse funds, for Parcels listed as funded on the attachments to this Cooperative Agreement when the ENTITY has requested payment by the payment request deadline and acquired agricultural land easements on the funded Parcels by the closing deadline, consistent with the requirements of the this agreement.

8. NRCS will review the annual monitoring reports provided by the ENTITY to ensure monitoring is conducted annually and reports are sufficient and submitted to NRCS annually for every NRCS-funded conservation easement held by the ENTITY.

VIII. PUBLIC INFORMATION

A. The ENTITY agrees to acknowledge NRCS cost-share assistance in any public outreach materials or events related to agricultural land easements acquired pursuant to this Cooperative Agreement and to provide draft copies of such information to the NRCS State office for review and comment before public release.


IX. GENERAL PROVISIONS

A. This Cooperative Agreement constitutes financial assistance and, therefore, all Federal laws, regulations, and Executive orders applicable to Federal financial assistance, including but not limited to 2 CFR Parts 25, 170, 200, and 400.
B. It is the intent of NRCS to fulfill its obligations under this Cooperative Agreement. However, NRCS may not make commitments in excess of funds authorized by law or made administratively available. If NRCS cannot fulfill its obligations under this Cooperative Agreement because of the unavailability of funds, this Cooperative Agreement will automatically terminate.

C. No assignment, in whole or in part, will be made of any right or obligation under this Cooperative Agreement without the joint approval of both NRCS and the ENTITY. Nothing herein will preclude NRCS or the ENTITY from entering into other mutually acceptable arrangements or agreements, except as identified in section VII.A.18 of this Cooperative Agreement. Such documents will be in writing, will reference this Cooperative Agreement, and will be maintained as part of the official Cooperative Agreement file.

D. This Cooperative Agreement may be amended or modified by written amendment signed by the authorized officials of the NRCS and the ENTITY.

E. NRCS may terminate this Cooperative Agreement if NRCS determines that the ENTITY has failed to comply with the provisions of this Cooperative Agreement or if it determines that it is in the best interests of the Federal Government to terminate. In the event that this Cooperative Agreement is terminated for any reason, the financial obligations of the Parties will be as set forth in 2 CFR Part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.”

F. If any recipient of Federal funds under this Cooperative Agreement fails to comply with the terms and conditions of this Cooperative Agreement, NRCS reserves the right to wholly or partially recapture funds provided in accordance with applicable regulations.

X. ATTACHMENTS and EXHIBITS

Signature Page - NRCS-ADS-093, Notice of Grant and Agreement Award
Attachment A – List of Agricultural Land Easement Parcels funded by NRCS

Exhibit 1 – NRCS General Terms and Conditions – Grants and Cooperative Agreements
Exhibit 3 – Representation Regarding Felony Convictions and Tax Delinquent Status for Corporate Applicants (AD-3031) (applicable to corporate eligible entities only)
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Subtitle H—Agricultural Conservation Easement Program

SEC. 1265. [16 U.S.C. 3865] ESTABLISHMENT AND PURPOSES.

(a) ESTABLISHMENT.—The Secretary shall establish an agricultural conservation easement program for the conservation of eligible land and natural resources through easements or other interests in land.

(b) PURPOSES.—The purposes of the program are to—

(1) combine the purposes and coordinate the functions of the wetlands reserve program established under section 1237, the grassland reserve program established under section 1238N, and the farmland protection program established under section 1238I, as such sections were in effect on the day before the date of enactment of the Agricultural Act of 2014;

(2) restore, protect, and enhance wetlands on eligible land;

(3) protect the agricultural use and future viability, and related conservation values, of eligible land by limiting non-agricultural uses of that land; and

(4) protect grazing uses and related conservation values by restoring and conserving eligible land.


In this subtitle:

(1) AGRICULTURAL LAND EASEMENT.—The term “agricultural land easement” means an easement or other interest in eligible land that—

(A) is conveyed for the purpose of protecting natural resources and the agricultural nature of the land; and

(B) permits the landowner the right to continue agricultural production and related uses subject to an agricultural land easement plan, as approved by the Secretary.

(2) ELIGIBLE ENTITY.—The term “eligible entity” means—

(A) an agency of State or local government or an Indian tribe (including a farmland protection board or land resource council established under State law); or

(B) an organization that is—

(i) organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clause (i), (ii), (iii), or (iv) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(ii) an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code; or

(iii) described in—

(I) paragraph (1) or (2) of section 509(a) of that Code; or

(II) section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(3) ELIGIBLE LAND.—The term “eligible land” means private or tribal land that is—
(A) in the case of an agricultural land easement, agricultural land, including land on a farm or ranch—
   (i) that is subject to a pending offer for purchase of an agricultural land easement from an eligible entity;
   (ii) (I) that has prime, unique, or other productive soil;
   (II) that contains historical or archaeological resources;
   (III) the enrollment of which would protect grazing uses and related conservation values by restoring and conserving land; or
   (IV) the protection of which will further a State or local policy consistent with the purposes of the program; and
   (iii) that is—
      (I) cropland;
      (II) rangeland;
      (III) grassland or land that contains forbs, or shrubland for which grazing is the predominant use;
      (IV) located in an area that has been historically dominated by grassland, forbs, or shrubs and could provide habitat for animal or plant populations of significant ecological value;
      (V) pastureland; or
      (VI) nonindustrial private forest land that contributes to the economic viability of an offered parcel or serves as a buffer to protect such land from development;

(B) in the case of a wetland reserve easement, a wetland or related area, including—
   (i) farmed or converted wetlands, together with adjacent land that is functionally dependent on that land, if the Secretary determines it—
      (I) is likely to be successfully restored in a cost-effective manner; and
      (II) will maximize the wildlife benefits and wetland functions and values, as determined by the Secretary in consultation with the Secretary of the Interior at the local level;
   (ii) cropland or grassland that was used for agricultural production prior to flooding from the natural overflow of—
      (I) a closed basin lake and adjacent land that is functionally dependent upon it, if the State or other entity is willing to provide 50 percent share of the cost of an easement; or
      (II) a pothole and adjacent land that is functionally dependent on it;
   (iii) farmed wetlands and adjoining lands that—
      (I) are enrolled in the conservation reserve program;
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(II) have the highest wetland functions and values, as determined by the Secretary; and
(III) are likely to return to production after they leave the conservation reserve program;
(iv) riparian areas that link wetlands that are protected by easements or some other device that achieves the same purpose as an easement; or
(v) other wetlands of an owner that would not otherwise be eligible, if the Secretary determines that the inclusion of such wetlands in a wetland reserve easement would significantly add to the functional value of the easement; or
(C) in the case of either an agricultural land easement or a wetland reserve easement, other land that is incidental to land described in subparagraph (A) or (B), if the Secretary determines that it is necessary for the efficient administration of an easement under the program.
(4) PROGRAM.—The term “program” means the agricultural conservation easement program established by this subtitle.
(5) W ETLAND RESERVE EASEMENT.—The term “wetland reserve easement” means a reserved interest in eligible land that—
(A) is defined and delineated in a deed; and
(B) stipulates—
   (i) the rights, title, and interests in land conveyed to the Secretary; and
   (ii) the rights, title, and interests in land that are reserved to the landowner.

(a) AVAILABILITY OF ASSISTANCE.—The Secretary shall facilitate and provide funding for—
(1) the purchase by eligible entities of agricultural land easements in eligible land; and
(2) technical assistance to provide for the conservation of natural resources pursuant to an agricultural land easement plan.
(b) COST-SHARE ASSISTANCE.—
(1) IN GENERAL.—The Secretary shall protect the agricultural use, including grazing, and related conservation values of eligible land through cost-share assistance to eligible entities for purchasing agricultural land easements.
(2) SCOPE OF ASSISTANCE AVAILABLE.—
   (A) FEDERAL SHARE.—An agreement described in paragraph (4) shall provide for a Federal share determined by the Secretary of an amount not to exceed 50 percent of the fair market value of the agricultural land easement, as determined by the Secretary using—
      (i) the Uniform Standards of Professional Appraisal Practice;
      (ii) an areawide market analysis or survey; or
      (iii) another industry-approved method.
   (B) NON-FEDERAL SHARE.—
(i) In general.—Under the agreement, the eligible entity shall provide a share that is at least equivalent to that provided by the Secretary.

(ii) Source of contribution.—An eligible entity may include as part of its share under clause (i) a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986) from the private landowner if the eligible entity contributes its own cash resources in an amount that is at least 50 percent of the amount contributed by the Secretary.

(C) Exception.—

(i) Grasslands.—In the case of grassland of special environmental significance, as determined by the Secretary, the Secretary may provide an amount not to exceed 75 percent of the fair market value of the agricultural land easement.

(ii) Cash contribution.—For purposes of subparagraph (B)(ii), the Secretary may waive any portion of the eligible entity cash contribution requirement for projects of special significance, subject to an increase in the private landowner donation that is equal to the amount of the waiver, if the donation is voluntary and the property is in active agricultural production.

(3) Evaluation and ranking of applications.—

(A) Criteria.—The Secretary shall establish evaluation and ranking criteria to maximize the benefit of Federal investment under the program.

(B) Considerations.—In establishing the criteria, the Secretary shall emphasize support for—

(i) protecting agricultural uses and related conservation values of the land; and

(ii) maximizing the protection of areas devoted to agricultural use.

(C) Bidding down.—If the Secretary determines that 2 or more applications for cost-share assistance are comparable in achieving the purpose of the program, the Secretary shall not assign a higher priority to any of those applications solely on the basis of lesser cost to the program.

(4) Agreements with eligible entities.—

(A) In general.—The Secretary shall enter into agreements with eligible entities to stipulate the terms and conditions under which the eligible entity is permitted to use cost-share assistance provided under this section.

(B) Length of agreements.—An agreement shall be for a term that is—

(i) in the case of an eligible entity certified under the process described in paragraph (5), a minimum of five years; and

(ii) for all other eligible entities, at least three, but not more than five years.

(C) Minimum terms and conditions.—An eligible entity shall be authorized to use its own terms and condi-
tions for agricultural land easements so long as the Secretary determines such terms and conditions—
   (i) are consistent with the purposes of the program;
   (ii) permit effective enforcement of the conservation purposes of such easements;
   (iii) include a right of enforcement for the Secretary, that may be used only if the terms of the easement are not enforced by the holder of the easement;
   (iv) subject the land in which an interest is purchased to an agricultural land easement plan that—
      (I) describes the activities which promote the long-term viability of the land to meet the purposes for which the easement was acquired;
      (II) requires the management of grasslands according to a grasslands management plan; and
      (III) includes a conservation plan, where appropriate, and requires, at the option of the Secretary, the conversion of highly erodible cropland to less intensive uses; and
   (v) include a limit on the impervious surfaces to be allowed that is consistent with the agricultural activities to be conducted.

(D) SUBSTITUTION OF QUALIFIED PROJECTS.—An agreement shall allow, upon mutual agreement of the parties, substitution of qualified projects that are identified at the time of the proposed substitution.

(E) EFFECT OF VIOLATION.—If a violation occurs of a term or condition of an agreement under this subsection—
   (i) the Secretary may terminate the agreement; and
   (ii) the Secretary may require the eligible entity to refund all or part of any payments received by the entity under the program, with interest on the payments as determined appropriate by the Secretary.

(5) CERTIFICATION OF ELIGIBLE ENTITIES.—
(A) CERTIFICATION PROCESS.—The Secretary shall establish a process under which the Secretary may—
   (i) directly certify eligible entities that meet established criteria;
   (ii) enter into long-term agreements with certified eligible entities; and
   (iii) accept proposals for cost-share assistance for the purchase of agricultural land easements throughout the duration of such agreements.

(B) CERTIFICATION CRITERIA.—In order to be certified, an eligible entity shall demonstrate to the Secretary that the entity will maintain, at a minimum, for the duration of the agreement—
   (i) a plan for administering easements that is consistent with the purpose of the program;
   (ii) the capacity and resources to monitor and enforce agricultural land easements; and
   (iii) policies and procedures to ensure—
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(I) the long-term integrity of agricultural land easements on eligible land;
(II) timely completion of acquisitions of such easements; and
(III) timely and complete evaluation and reporting to the Secretary on the use of funds provided under the program.

(C) Review and Revision.—(i) Review.—The Secretary shall conduct a review of eligible entities certified under subparagraph (A) every three years to ensure that such entities are meeting the criteria established under subparagraph (B).

(ii) Revocation.—If the Secretary finds that a certified eligible entity no longer meets the criteria established under subparagraph (B), the Secretary may—

(I) allow the certified eligible entity a specified period of time, at a minimum 180 days, in which to take such actions as may be necessary to meet the criteria; and

(II) revoke the certification of the eligible entity, if, after the specified period of time, the certified eligible entity does not meet such criteria.

(c) Method of Enrollment.—The Secretary shall enroll eligible land under this section through the use of—

(1) permanent easements; or
(2) easements for the maximum duration allowed under applicable State laws.

(d) Technical Assistance.—The Secretary may provide technical assistance, if requested, to assist in—

(1) compliance with the terms and conditions of easements; and
(2) implementation of an agricultural land easement plan.


(a) Availability of Assistance.—The Secretary shall provide assistance to owners of eligible land to restore, protect, and enhance wetlands through—

(1) wetland reserve easements and related wetland reserve easement plans; and
(2) technical assistance.

(b) Easements.—

(1) Method of Enrollment.—The Secretary shall enroll eligible land under this section through the use of—

(A) 30-year easements;
(B) permanent easements;
(C) easements for the maximum duration allowed under applicable State laws; or
(D) as an option for Indian tribes only, 30-year contracts.

(2) Limitations.—

(A) Ineligible Land.—The Secretary may not acquire easements on—
(i) land established to trees under the conservation reserve program, except in cases where the Secretary determines it would further the purposes of this section; and
(ii) farmed wetlands or converted wetlands where the conversion was not commenced prior to December 23, 1985.

(B) CHANGES IN OWNERSHIP.—No wetland reserve easement shall be created on land that has changed ownership during the preceding 24-month period unless—
(i) the new ownership was acquired by will or succession as a result of the death of the previous owner;
(ii)(I) the ownership change occurred because of foreclosure on the land; and
(II) immediately before the foreclosure, the owner of the land exercises a right of redemption from the mortgage holder in accordance with State law; or
(iii) the Secretary determines that the land was acquired under circumstances that give adequate assurances that such land was not acquired for the purposes of placing it in the program.

(3) EVALUATION AND RANKING OF OFFERS.—
(A) CRITERIA.—The Secretary shall establish evaluation and ranking criteria for offers from landowners under this section to maximize the benefit of Federal investment under the program.

(B) CONSIDERATIONS.—When evaluating offers from landowners, the Secretary may consider—
(i) the conservation benefits of obtaining a wetland reserve easement, including the potential environmental benefits if the land was removed from agricultural production;
(ii) the cost effectiveness of each wetland reserve easement, so as to maximize the environmental benefits per dollar expended;
(iii) whether the landowner or another person is offering to contribute financially to the cost of the wetland reserve easement to leverage Federal funds; and
(iv) such other factors as the Secretary determines are necessary to carry out the purposes of the program.

(C) PRIORITY.—The Secretary shall give priority to acquiring wetland reserve easements based on the value of the wetland reserve easement for protecting and enhancing habitat for migratory birds and other wildlife.

(4) AGREEMENT.—To be eligible to place eligible land into the program through a wetland reserve easement, the owner of such land shall enter into an agreement with the Secretary to—
(A) grant an easement on such land to the Secretary;
(B) authorize the implementation of a wetland reserve easement plan developed for the eligible land under subsection (f);
(C) create and record an appropriate deed restriction in accordance with applicable State law to reflect the easement agreed to;

(D) provide a written statement of consent to such easement signed by those holding a security interest in the land;

(E) comply with the terms and conditions of the easement and any related agreements; and

(F) permanently retire any existing base history for the land on which the easement has been obtained.

(5) TERMS AND CONDITIONS OF EASEMENT.—

(A) IN GENERAL.—A wetland reserve easement shall include terms and conditions that—

(i) permit—

(I) repairs, improvements, and inspections on the land that are necessary to maintain existing public drainage systems; and

(II) owners to control public access on the easement areas while identifying access routes to be used for restoration activities and management and easement monitoring;

(ii) prohibit—

(I) the alteration of wildlife habitat and other natural features of such land, unless specifically authorized by the Secretary;

(II) the spraying of such land with chemicals or the mowing of such land, except where such spraying or mowing is authorized by the Secretary or is necessary—

(aa) to comply with Federal or State noxious weed control laws;

(bb) to comply with a Federal or State emergency pest treatment program; or

(cc) to meet habitat needs of specific wildlife species;

(III) any activities to be carried out on the owner’s or successor’s land that is immediately adjacent to, and functionally related to, the land that is subject to the easement if such activities will alter, degrade, or otherwise diminish the functional value of the eligible land; and

(IV) the adoption of any other practice that would tend to defeat the purposes of the program, as determined by the Secretary;

(iii) provide for the efficient and effective establishment of wetland functions and values; and

(iv) include such additional provisions as the Secretary determines are desirable to carry out the program or facilitate the practical administration thereof.

(B) VIOLATION.—On the violation of a term or condition of a wetland reserve easement, the wetland reserve easement shall remain in force and the Secretary may require the owner to refund all or part of any payments re-
ceived by the owner under the program, with interest on the payments as determined appropriate by the Secretary.

(C) COMPATIBLE USES.—Land subject to a wetland reserve easement may be used for compatible economic uses, including such activities as hunting and fishing, managed timber harvest, or periodic haying or grazing, if such use is specifically permitted by the wetland reserve easement plan developed for the land under subsection (f) and is consistent with the long-term protection and enhancement of the wetland resources for which the easement was established.

(D) RESERVATION OF GRAZING RIGHTS.—The Secretary may include in the terms and conditions of a wetland reserve easement a provision under which the owner reserves grazing rights if—
   (i) the Secretary determines that the reservation and use of the grazing rights—
      (I) is compatible with the land subject to the easement;
      (II) is consistent with the historical natural uses of the land and the long-term protection and enhancement goals for which the easement was established; and
      (III) complies with the wetland reserve easement plan developed for the land under subsection (f); and
   (ii) the agreement provides for a commensurate reduction in the easement payment to account for the grazing value, as determined by the Secretary.

(6) COMPENSATION.—
   (A) DETERMINATION.—
      (i) PERMANENT EASEMENTS.—The Secretary shall pay as compensation for a permanent wetland reserve easement acquired under the program an amount necessary to encourage enrollment in the program, based on the lowest of—
         (I) the fair market value of the land, as determined by the Secretary, using the Uniform Standards of Professional Appraisal Practice or an areawide market analysis or survey;
         (II) the amount corresponding to a geographical cap, as determined by the Secretary in regulations; or
         (III) the offer made by the landowner.
      (ii) OTHER.—Compensation for a 30-year contract or 30-year wetland reserve easement shall be not less than 50 percent, but not more than 75 percent, of the compensation that would be paid for a permanent wetland reserve easement.
   (B) FORM OF PAYMENT.—Compensation for a wetland reserve easement shall be provided by the Secretary in the form of a cash payment, in an amount determined under subparagraph (A).
   (C) PAYMENT SCHEDULE.—
(i) ***EASEMENTS VALUED AT $500,000 OR LESS.***—For wetland reserve easements valued at $500,000 or less, the Secretary may provide payments in not more than 10 annual payments.

(ii) ***EASEMENTS VALUED AT MORE THAN $500,000.***—For wetland reserve easements valued at more than $500,000, the Secretary may provide payments in at least 5, but not more than 10 annual payments, except that, if the Secretary determines it would further the purposes of the program, the Secretary may make a lump-sum payment for such an easement.

(c) ***EASEMENT RESTORATION.***

(1) **IN GENERAL.**—The Secretary shall provide financial assistance to owners of eligible land to carry out the establishment of conservation measures and practices and protect wetland functions and values, including necessary maintenance activities, as set forth in a wetland reserve easement plan developed for the eligible land under subsection (f).

(2) **PAYMENTS.**—The Secretary shall—

(A) in the case of a permanent wetland reserve easement, pay an amount that is not less than 75 percent, but not more than 100 percent, of the eligible costs, as determined by the Secretary; and

(B) in the case of a 30-year contract or 30-year wetland reserve easement, pay an amount that is not less than 50 percent, but not more than 75 percent, of the eligible costs, as determined by the Secretary.

(d) ***TECHNICAL ASSISTANCE.***

(1) **IN GENERAL.**—The Secretary shall assist owners in complying with the terms and conditions of a wetland reserve easement.

(2) **CONTRACTS OR AGREEMENTS.**—The Secretary may enter into 1 or more contracts with private entities or agreements with a State, nongovernmental organization, or Indian tribe to carry out necessary restoration, enhancement, or maintenance of a wetland reserve easement if the Secretary determines that the contract or agreement will advance the purposes of the program.

(e) ***WETLAND RESERVE ENHANCEMENT OPTION.***—The Secretary may enter into 1 or more agreements with a State (including a political subdivision or agency of a State), nongovernmental organization, or Indian tribe to carry out a special wetland reserve enhancement option that the Secretary determines would advance the purposes of program.

(f) ***ADMINISTRATION.***

(1) **WETLAND RESERVE EASEMENT PLAN.**—The Secretary shall develop a wetland reserve easement plan for any eligible land subject to a wetland reserve easement, which shall include practices and activities necessary to restore, protect, enhance, and maintain the enrolled land.

(2) **DELEGATION OF EASEMENT ADMINISTRATION.***

(A) **IN GENERAL.**—The Secretary may delegate any of the management, monitoring, and enforcement responsibilities of the Secretary under this section to other Federal
or State agencies that have the appropriate authority, expertise, and resources necessary to carry out such delegated responsibilities, or to conservation organizations if the Secretary determines the organization has similar expertise and resources.

(B) LIMITATION.—The Secretary shall not delegate any of the monitoring or enforcement responsibilities under this section to conservation organizations.

(3) PAYMENTS.—

(A) TIMING OF PAYMENTS.—The Secretary shall provide payment for obligations incurred by the Secretary under this section—

(i) with respect to any easement restoration obligation under subsection (c), as soon as possible after the obligation is incurred; and

(ii) with respect to any annual easement payment obligation incurred by the Secretary, as soon as possible after October 1 of each calendar year.

(B) PAYMENTS TO OTHERS.—If an owner who is entitled to a payment under this section dies, becomes incompetent, is otherwise unable to receive such payment, or is succeeded by another person or entity who renders or completes the required performance, the Secretary shall make such payment, in accordance with regulations prescribed by the Secretary and without regard to any other provision of law, in such manner as the Secretary determines is fair and reasonable in light of all of the circumstances.

(g) APPLICATION.—The relevant provisions of this section shall also apply to a 30-year contract.

SEC. 1265D. [16 U.S.C. 3865d] ADMINISTRATION.

(a) INELIGIBLE LAND.—The Secretary may not use program funds for the purposes of acquiring an easement on—

(1) lands owned by an agency of the United States, other than land held in trust for Indian tribes;

(2) lands owned in fee title by a State, including an agency or a subdivision of a State, or a unit of local government;

(3) land subject to an easement or deed restriction which, as determined by the Secretary, provides similar protection as would be provided by enrollment in the program; or

(4) lands where the purposes of the program would be undermined due to on-site or off-site conditions, such as risk of hazardous substances, proposed or existing rights of way, infrastructure development, or adjacent land uses.

(b) PRIORITY.—In evaluating applications under the program, the Secretary may give priority to land that is currently enrolled in the conservation reserve program in a contract that is set to expire within 1 year and—

(1) in the case of an agricultural land easement, is grassland that would benefit from protection under a long-term easement; and

(2) in the case of a wetland reserve easement, is a wetland or related area with the highest wetland functions and value.
and is likely to return to production after the land leaves the conservation reserve program.

(c) **Subordination, Exchange, Modification, and Termination.**—

(1) **In General.**—The Secretary may subordinate, exchange, modify, or terminate any interest in land, or portion of such interest, administered by the Secretary, either directly or on behalf of the Commodity Credit Corporation under the program if the Secretary determines that—

(A) it is in the Federal Government’s interest to subordinate, exchange, modify, or terminate the interest in land;
(B) the subordination, exchange, modification, or termination action—

(i) will address a compelling public need for which there is no practicable alternative; or
(ii) such action will further the practical administration of the program; and

(C) the subordination, exchange, modification, or termination action will result in comparable conservation value and equivalent or greater economic value to the United States.

(2) **Consultation.**—The Secretary shall work with the owner, and eligible entity if applicable, to address any subordination, exchange, modification, or termination of the interest, or portion of such interest, in land.

(3) **Notice.**—At least 90 days before taking any termination action described in paragraph (1), the Secretary shall provide written notice of such action to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(d) **Land Enrolled in Other Programs.**—

(1) **Conservation Reserve Program.**—The Secretary may terminate or modify a contract entered into under section 1231(a) if eligible land that is subject to such contract is transferred into the program.

(2) **Other.**—In accordance with the provisions of subtitle H of title II of the Agricultural Act of 2014, land enrolled in the wetlands reserve program, grassland reserve program, or farmland protection program on the day before the date of enactment of the Agricultural Act of 2014 shall be considered enrolled in the program.

(e) **Compliance With Certain Requirements.**—The Secretary may not provide assistance under this subtitle to an eligible entity or owner of eligible land unless the eligible entity or owner agrees, during the crop year for which the assistance is provided—

(1) to comply with applicable conservation requirements under subtitle B; and

(2) to comply with applicable wetland protection requirements under subtitle C.
STATEMENT OF WORK
to
COOPERATIVE AGREEMENT
between
THE COMMODITY CREDIT CORPORATION
and the
[ENTITY or ENTITIES NAME(S)]
for the
AGRICULTURAL CONSERVATION EASEMENT PROGRAM
AGRICULTURAL LAND EASEMENTS on
GRASSLANDS OF SPECIAL ENVIRONMENTAL SIGNIFICANCE

This Cooperative Agreement is entered into by and between the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS), on behalf of the Commodity Credit Corporation (CCC), and the [ENTITY or ENTITIES NAME(s)] (hereinafter whether singular or plural ENTITY) for the purchase of agricultural land easements (ALE) under the Agricultural Conservation Easement Program (ACEP) on grasslands of special environmental significance (ACEP-ALE-GSS). The CCC will utilize the expertise and services of NRCS to perform its duties identified in this Cooperative Agreement. The term “Parties” as used herein refers collectively to NRCS and the ENTITY.

I. AUTHORITY

NRCS enters this Cooperative Agreement under the authorities of the Commodity Credit Corporation Charter Act, 15 U.S.C. Section 714 et seq., the Agricultural Conservation Easement Program, subtitle H of title XII of the Food Security Act of 1985, 16 U.S.C. Section 3865 et seq., and the Federal Grant and Cooperative Agreement Act of 1977, 31 U.S.C. Section 6304 et seq. This Cooperative Agreement will be administered in accordance with the policies and procedures set forth in the ACEP regulation (7 CFR Part 1468) and uniform regulation for grants and agreements in 2 CFR Parts 25, 170, 200, and 400.

[ENTITY or ENTITIES NAME] enters this Cooperative Agreement under the authorities of [insert Charter or Statutory authority].

II. PURPOSE

This Cooperative Agreement stipulates the terms and conditions under which NRCS will provide ACEP cost-share assistance to the ENTITY. The ENTITY has signed the Notice of Grant and Agreement Award acknowledging that the award is subject to the terms and conditions of this Cooperative Agreement and all applicable laws, regulations, and policy.

THEREFORE, the Parties agree to enter into this Cooperative Agreement to purchase agricultural land easements from eligible landowners (Grantors) to protect grazing uses and related conservation values by restoring and conserving eligible land that NRCS has determined to be grasslands of special environmental significance as defined at 7 CFR §1468.3. The Parties have identified these eligible lands on attachments to this Cooperative Agreement as Parcels, herein referred to collectively as “Parcels” or individually as “Parcel.”

III. OBLIGATION OF FUNDS

A. Upon execution of this Cooperative Agreement, NRCS will make cost-share assistance available up to the amount specified on the Notice of Grant and Agreement Award for the acquisition by the ENTITY of agricultural land easements on the funded grassland of special environmental significance Parcels listed on attachments to this Cooperative Agreement. To receive this cost-share, the ENTITY must close the agricultural land easements and request payment of the NRCS cost-share in accordance with section VII of this Cooperative Agreement. Only Parcels determined by NRCS to
be grasslands of special environmental significance may be funded through this Cooperative Agreement.

B. NRCS may make additional cost-share assistance available in future fiscal years through the execution of mutually acceptable amendments to this Cooperative Agreement that identify the additional cost-share assistance amount, the additional funded Parcels, and the terms and conditions of the funding if different from the terms and conditions identified herein, as provided in section IX.D.

C. Upon mutual agreement of the Parties and execution of an amendment, as provided in section IX.D, NRCS may allow substitution of Parcels at any time, provided the Parcels are of comparable conservation value as determined by the NRCS.

D. This Cooperative Agreement will be for a term of 3 years and not to exceed 5 years. The ENTITY must meet each performance schedule deadline in table 1 unless the ENTITY requests and NRCS grants an extension in writing prior to the original deadline. The performance schedule deadlines for an individual attachment may be extended for one consecutive 12-month period, as provided in section IX.B. Should the ENTITY not meet the performance schedule deadlines, NRCS may release any remaining funds from this Cooperative Agreement.

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<th>FY of Fund Obligation (Attachment)</th>
<th>Attachment Listing Parcels</th>
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E. Requests for an extension to the attachment expiration deadline must be submitted by the ENTITY to NRCS 30 days in advance of the attachment expiration date.

F. Nothing in this document obligates NRCS or the ENTITY to purchase all or any of the agricultural land easement Parcels listed in the attachments.

IV. FEDERAL SHARE

Based on a determination by NRCS that the ENTITY has satisfied the terms and conditions of this agreement, NRCS will pay the ENTITY a cost-share amount for the purchase of each agricultural land easement acquired by the ENTITY. The Federal share will not exceed 75 percent of the fair market value of the agricultural land easement as determined using one of the methods set forth in 7 CFR §1468.24.

V. COOPERATING ENTITY’S CONTRIBUTION

A. The ENTITY will contribute an amount for the easement purchase at least equivalent to one-third (33.33 percent) of the Federal share. The ENTITY may include as part of its contribution a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986) from the eligible landowner if the ENTITY contributes its own cash resources in an amount that is at least 16.67 percent of the amount contributed by NRCS. If the NRCS State Conservationist has waived a portion of the ENTITY cash contribution requirement for individual projects of special significance, the Parcels receiving the waiver will be identified in the attachment and the ENTITY will provide a copy of the approved waiver at the time payment is requested. The ENTITY’s reduced contribution of its own cash resources for projects of special significance will be in an amount at least [SELECT ONE: 8.33 or 3.33] percent of the Federal share.
B. The ENTITY must self-certify on NRCS Form 230, “Confirmation of Matching Funds” (exhibit 4), that the ENTITY’s contribution of its own cash resources has not come from additional donations, payments, loans or fees made by or charged to the Grantor of the agricultural land easement, immediate family members, or organizations controlled by or funded by the Grantor, either through formal or informal agreements. The ENTITY must provide a completed NRCS Form 230 to NRCS for a Parcel prior to the closing or an advance of funds for that Parcel.

VI. PAYMENTS

A. The ENTITY must meet the terms and conditions set forth in this agreement and provide NRCS with the items identified in this section and section VII in order to receive the Federal share for a Parcel.

B. The ENTITY may request payment of the Federal share as reimbursement after closing or as an advance payment prior to closing of an agricultural land easement on a Parcel.

C. To obtain reimbursement or an advance payment of the Federal share, the ENTITY will submit the Form SF-270 (Request for Advance/Reimbursement of Funds (exhibit 5)), the SF-270 supplement for noncertified eligible entities (exhibit 6), and the information and documentation required by the supplement to the NRCS contact named on the Notice of Grant and Agreement Award. The ENTITY may submit the SF-270 payment request package:

1. 60 days prior to the planned closing date when a payment is to be issued at closing (advance payment);
2. After the agricultural land easement has been recorded and the landowners have been paid (reimbursement); or
3. On a quarterly basis for each quarter that agricultural land easements have been recorded and the landowners have been paid (reimbursement).

C. ENTITY will maintain current registration in the Dun and Bradstreet Data Universal Numbering System (DUNS) and meet the System for Award Management (SAM) registration requirements or successor registry for the duration of this Cooperative Agreement.

D. NRCS will disburse payment following receipt of a fully complete and correct SF-270 payment request package from the ENTITY within 30 days if the Federal share for the individual easement is less than $250,000 and within 60 days if the Federal share for the individual easement is $250,000 or greater.

E. If NRCS provides an advance payment, the ENTITY will obtain a receipt for the Federal funds from the closing agent and provide it to NRCS prior to closing. The ENTITY will ensure the closing agent does not hold the Federal funds in escrow for more than 30 calendar days. If closing does not occur within 30 calendar days of advance payment, the ENTITY will ensure the Federal funds and any interest earned on those funds while in escrow are returned to NRCS by the 31st calendar day. The ENTITY must ensure that the Federal funds are insured to their full amount while held in escrow.

VII. RESPONSIBILITIES

A. ENTITY Responsibilities:

1. ENTITY must purchase agricultural land easements on eligible land from eligible landowners for the Parcels identified on the attachments to this Cooperative Agreement consistent with the requirements identified in this Agreement. ACEP agricultural land easements on grasslands of special environmental significance are conservation easements conveyed for the purpose of protecting natural resources including grazing uses and related conservation values by restoring and conserving grassland and related uses subject to an agricultural land easement plan including a component grassland management plan, as specified in in this part.

2. ENTITY must ensure that agricultural land easements acquired with funds made available under this Cooperative Agreement and that the deeds satisfy the following requirements:
a. Contain the “Minimum Terms for the Protection of Agricultural Use”, including the grassland specific options, attached to this Cooperative Agreement as exhibit 7 (ALE Minimum Deed Terms). The ENTITY is authorized to use its own terms and conditions in the agricultural land easements so long as the ENTITY’s additional language does not alter or defeat the intent, purpose or effective enforcement by the Parties of the ALE minimum deed terms, the Agricultural Conservation Easement Program, or the agricultural land easements acquired under this Cooperative Agreement. ENTITY shall ensure that all grassland provisions in the ALE Minimum Deed Terms exhibit are used.

b. Address all of the minimum deed requirements identified at 7 CFR § 1468.25(d);

c. Address the disposition of the agricultural land easement and the Federal share in the event the agricultural land easement is ever extinguished, terminated, or condemned in whole or in part.

d. Are conveyed for the purpose of protecting natural including grazing uses and related conservation values by restoring and conserving grassland;

e. Run with the land in perpetuity or where State law prohibits a permanent easement, for the maximum duration allowable under State law;

f. Protect the grasslands of special environmental significance, including the grazing uses and related conservation values by restoring and conserving eligible land;

g. Provide for the administration, management, and enforcement of the agricultural land easement by the ENTITY or its successors and assigns;

h. Permit effective enforcement of the conservation purposes of such easements; and

i. Subject the Parcel to an agricultural land easement plan that includes a component grassland management plan and meets the requirements of this Section.

3. The ENTITY has the following three options for ensuring that the agricultural land easement contains the ALE Minimum Deed Terms required in paragraph VII.A.2 above:

a. Attach the ALE Minimum Deed Terms Addendum as an Exhibit to the Agricultural Land Easement Deed. Under this option the ENTITY does not need to have the entire agricultural land easement deed reviewed by NRCS; instead, NRCS at the State level will verify prior to the ENTITY requesting an advance of the Federal share or closing on an agricultural land easement that the ENTITY satisfies all of the following requirements:

(i) The ALE Minimum Deed Terms addendum is signed by the landowner and the ENTITY and will be attached to the agricultural land easement deed at the time of closing and recordation;

(ii) The terms of the ALE Minimum Deed Terms addendum are not modified; and

(iii) The paragraph below is inserted at the bottom of the agricultural land easement deed:

This Agricultural Land Easement is acquired with funds provided, in part, by the Agricultural Conservation Easement Program, (ACEP). The EXHIBIT ____ is attached hereto and incorporated herein by reference and will run with the land in perpetuity [or for the maximum duration allowed under applicable State laws]. As required by 16 U.S.C. Section 3865 et seq. and 7 CFR Part 1468, and as a condition of receiving ACEP funds, all present and future use of the Protected Property identified in EXHIBIT ____ is and will remain subject to the terms and conditions described forthwith in this Addendum entitled Minimum Terms For The Protection Of Agricultural Use in EXHIBIT ____ that is appended to and made a part of this easement deed.

b. Incorporate the ALE Minimum Deed Terms into the Body of the Agricultural Land Easement Deed. Under this option, the ENTITY shall ensure the terms as stated in in the ALE Minimum Deed Terms addendum are included in the body of the agricultural land easement deed. The ALE Minimum Deed Terms may be formatted to select options where instructed, conform
terms to deed formatting, complete terms with required information, and delete instructions to drafters. Each individual agricultural land easement deed must be reviewed and approved by NRCS National Headquarters prior to the ENTITY requesting an advance of the Federal share or closing on an agricultural land easement.

c. **Entity Agricultural Land Easement Deed Template Approved by NRCS.** Upon mutual agreement of the Parties, the Cooperative Agreement may be amended to replace or supplement the attached exhibit 7 with an agricultural land easement deed template to be used for every Parcel listed on attachments to this Cooperative Agreement. The terms and conditions of the agricultural land easement deed template must contain the ALE minimum deed terms as stated and must be approved by NRCS National Headquarters in advance of the amendment. If the ENTITY uses the approved NRCS NHQ-approved deed template without changing any terms or conditions, then the ENTITY is not required to obtain NRCS NHQ review and approval of the individual, final agricultural land easement deeds. NRCS at the State level will verify prior to the ENTITY requesting an advance of the Federal share or prior to closing on an agricultural land easement that the individual, final agricultural land easement deed is the same as the NHQ-approved template.

4. The ENTITY must provide to NRCS a copy of the agricultural land easement deed and all exhibits at least 90 days before the planned closing date.

5. NRCS may require adjustments to the provisions identified in paragraph VII.A.2 above and require the addition of other provisions if NRCS determines that they are necessary to meet the purposes of ACEP and protect the conservation values of the Protected Property.

6. The ENTITY must perform necessary legal and administrative actions to ensure proper acquisition and recordation of valid agricultural land easements.

7. The ENTITY must pay all costs of agricultural land easement acquisition and will operate and manage each agricultural land easement in accordance with its easement program, this Cooperative Agreement, 16 U.S.C. Section 3865 et seq. and applicable regulations. NRCS will have no responsibility for the costs or management of the agricultural land easements purchased by the ENTITY unless NRCS exercises the rights of the United States under an agricultural land easement.

8. NRCS will not be responsible for any costs, damages, claims, liabilities, and judgments arising from past, present, and future acts or omissions of the ENTITY in connection with its acquisition or management of the agricultural land easements acquired pursuant to this Cooperative Agreement. This includes but is not limited to acts and omissions of the ENTITY agents, successors, assigns, employees, contractors, or lessees that result in violations of any laws and regulations that are now or that may in the future become applicable.

9. The ENTITY must prepare a baseline documentation report documenting the condition of the Parcel as of the time the easement is acquired and include a completed baseline documentation report in the payment request package submitted to NRCS pursuant to part VI. The baseline documentation report must contain maps, full descriptions and pictures of the Parcel location, existing structures and infrastructure, land use, land cover and its condition, and any special features for which the Parcel is being protected. It must also contain a map of the Parcel showing the location, size, and extent of the grasslands of special environmental significance. The ENTITY must provide NRCS a draft baseline documentation report at least 90 days before the planned closing date of the agricultural land easement deed.

10. **ENTITY** must ensure completion of an agricultural land easement plan for each Parcel that must:
   a. Meet the requirements for an agricultural land easement plan specified in 7 CFR § 1468.26(a);
   b. Describe the activities that promote the long-term viability of the land to meet the purposes for which the Parcel was selected;

NRCS Representative Initial __________
Entity Representative Initial __________
c. Identify required or recommended conservation or management practices or activities that address the purposes and resource concerns for which the Parcel was selected;

d. Require the management of grasslands according to a grassland management plan or forest lands that exceed the greater of 40 acres or 20 percent of the Parcel according to a forest management plan;

e. Require a conservation plan that meets the requirements of 7 CFR Part 12 for any highly erodible cropland; and

f. Require, if specified prior to closing, the conversion of highly erodible cropland to less intensive uses.

11. ENTITY must choose one of the options below for completing the agricultural land easement plan by initialing the appropriate box when signing this Cooperative Agreement. (Initial only one option):

☐ a. ENTITY requests that NRCS personnel complete the agricultural land easement plan and ENTITY will coordinate with NRCS State office and landowner to ensure that the plan is completed and signed by the landowner prior to closing.

☐ b. ENTITY will complete the agricultural land easement plan without the assistance of NRCS personnel and at its own expense. ENTITY will ensure the plan meets NRCS standards and specification or other applicable industry standards. ENTITY will provide the plan to NRCS at least 90 days prior to the planned closing date and must obtain NRCS approval of the plan prior to closing. ENTITY will ensure NRCS has authorized access to the property and landowner if needed to review and approve plans prepared using this option. ENTITY will ensure the approved plan is signed by the landowner prior to closing.

12. In acquiring agricultural land easements, the ENTITY must ensure that the title to the lands or interests therein will be unencumbered or that outstanding or reserved interests are subordinated to the agricultural land easement. The ENTITY and NRCS will review the title commitment to ensure there are no encumbrances that would allow nonagricultural uses of the property that are not acceptable to the ENTITY or NRCS. The ENTITY must provide NRCS a copy of the title commitment or title report, a summary of the ENTITY title review findings, and any other requested documentation related to title at least 90 days before the planned closing date. Any exceptions to the requirement to remove or subordinate outstanding or reserved interests must be consistent with this Cooperative Agreement, 16 U.S.C. Section 3865, and applicable regulations, and approved by NRCS and documented on the certificate of use and consent.

13. The ENTITY will secure proper title evidence and insurance using an owner’s American Land Title Association (ALTA) policy with the ENTITY listed as the insured on the policy and the policy issued for the full amount of the agricultural land easement purchase price.

14. The ENTITY will obtain a determination of the fair market value of the agricultural land easement for each Parcel at its own cost using one of the methods set forth in 7 CFR § 1468.24. Individual appraisals conducted by a certified general appraiser that conform to the NRCS Appraisal Specifications provided as exhibit 8 and either the Uniform Standards of Professional Appraisals Practices (USPAP) or the Uniform Appraisal Standards for Federal Land Acquisitions (Interagency Land Acquisition Conference, 2000) (USFLA). The effective date of the appraised value must be within 6 months prior to or after the date the Parcel is added to this agreement as a funded Parcel or within 12 months of the closing date of the agricultural land easement on the Parcel. Use of fair market valuation methodologies other than individual USPAP or UASFLA appraisals must be approved by NRCS in writing prior to entering into this Cooperative Agreement.

15. The ENTITY must provide the appraiser the NRCS appraisal specifications (exhibit 8) and all of the items required to be provided by the ENTITY as identified in the NRCS appraisal specifications. The ENTITY must receive a separate appraisal report for each funded Parcel identified on an attachment.
Under no circumstances will the **ENTITY** allow the landowner to approve or disapprove of the appraiser selected to prepare the appraisal report. The landowner will not be listed as the client.

16. The **ENTITY** must provide NRCS a completed appraisal report at least 90 days before the planned closing of the agricultural land easement so that NRCS may conduct a technical review of the appraisal. The **ENTITY** may not close the agricultural land easement until the technical reviewer approves the appraisal report. If the **ENTITY** closes the agricultural land easement prior to the approval of the appraisal by the technical reviewer NRCS may not provide the Federal share for the agricultural land easement and may terminate this agreement.

17. The **ENTITY** must not use ACEP funds to acquire an easement on a property in which the **ENTITY**’s employee or board member with decision-making involvement in easement acquisition and management matters has a property interest or whose immediate family member or household member has a property interest. The **ENTITY** agrees to conduct itself in a manner so as to protect the integrity of agricultural land easements it holds and avoid the appearance of impropriety or actual conflicts of interest in its acquisition and management of agricultural land easements.

18. The **ENTITY** must not at any time, when the **ENTITY** is named as a Grantee on the agricultural land easement, seek to acquire the remaining fee interest in the Parcel. Likewise, if the **ENTITY** enters into an agreement with another entity to manage or monitor the agricultural land easement, and that entity seeks to acquire the underlying fee, the **ENTITY** agrees to immediately terminate such agreement and arrange for an uninterested party to manage or monitor the Parcel.

19. The **ENTITY** will implement easement enforcement procedures when a violation of the agricultural land easement or agricultural land easement plan is identified by or reported to the **ENTITY**. **ENTITY** enforcement procedures resulting from a violation of a conservation plan can only be initiated after all administrative and appeal rights have been exhausted by the landowner in accordance with 7 CFR Part 12 and 7 CFR Part 614.

20. The **ENTITY** must submit a completed Standard Form 425, “Federal Financial Report” (FFR) (exhibit 2) to the NRCS State office at least 5 business days prior to the end of each fiscal quarter (December 31, March 31, June 30, and September 30) for each quarter the **ENTITY** closes an agricultural land easement on a Parcel. Reports must be submitted on an accrual accounting basis. Failure to submit complete reports in accordance with the above schedule may result in suspension or termination of the Cooperative Agreement. A final FFR must be submitted no later than 90 days after the end date of the Cooperative Agreement.

21. At a minimum, the **ENTITY** must monitor every agricultural land easement on an annual basis to ensure and document compliance with the easement deed and agricultural land easement plan provisions. Each year the **ENTITY** must submit the annual monitoring report for that year to the appropriate NRCS State office in the format required by NRCS.

22. Nongovernmental organizations must continue to meet the definition of nongovernmental organization in 7 CFR § 1468.3 for the entire term of this agreement.

23. This paragraph and paragraphs 2, 7, 8, 9, 10, 17, 18, 19, 20, and 21 of this section VII.A will survive the closing of the agricultural land easement and the termination or expiration of this Cooperative Agreement.

**B. NRCS Responsibilities:**

1. The United States, by and through NRCS, will review applications submitted by the **ENTITY**, determine land and landowner eligibility, rank eligible applications, obtain and review a hazardous substance record search, conduct an onsite visit, and authorize Parcels to be added to the attachments to this Cooperative Agreement as tentatively selected for funding or as substitutes.
2. NRCS will provide technical and other services as requested and to the extent resources allow to assist in developing an agricultural land easement plan that meets ACEP requirements and NRCS standards and specifications or other applicable industry standards.

3. NRCS will manage the funds obligated to this Cooperative Agreement and subject to the availability of funds, disburse the appropriate funds to the ENTITY in accordance with this Cooperative Agreement.

4. After the required materials have been submitted by the ENTITY, prior to closing, NRCS will:
   a. Review the agricultural land easement deed based on the option selected by the ENTITY for incorporating the ALE minimum deed terms, and provide the ENTITY with any approval instructions or items requiring resolution,
   b. Review the title documents submitted by the ENTITY, complete a certificate of use and consent, and provide the findings to the ENTITY for information or remedy as necessary,
   c. Conduct a technical review of the appraisal submitted by the ENTITY and provide the findings to the ENTITY for information or resolution as necessary,
   d. As requested by the ENTITY, either develop or review the agricultural land easement plan, and identify any items for resolution to the ENTITY,
   e. Review the draft baseline documentation report provided by the ENTITY and notify the ENTITY if additional information is needed; and
   f. Review and provide notice of determination on any waiver requests submitted by the ENTITY in accordance with ACEP policy.
   g. After NRCS reviews are completed and the materials are determined acceptable, provide the ENTITY with an “Approval for a Non-Certified Eligible Entity to Proceed with the ALE Acquisition” letter and the NRCS-signed “Confirmation of Matching Funds.

5. If an advance payment is requested, NRCS will also provide a copy the NRCS closing agent requirements to the ENTITY.

6. Prior to NRCS disbursement of funds, the NRCS State Conservationist will verify that the ENTITY has provided all documentation, certifications and information required by sections VI and VII.A. NRCS will conduct an internal review the SF-270 payment request package in accordance with NRCS easement acquisition internal controls policy. The NRCS State office will submit a copy of the payment request package for national review and approval for all agricultural land easement payments that meet the national review threshold. Complete payment request packages for national review must be submitted by NRCS at the State level to NRCS NHQ no less than 30 days before the planned closing date.

7. NRCS will certify payment and disburse funds, for Parcels listed as funded on the attachments to this Cooperative Agreement when the ENTITY has requested payment by the payment request deadline and acquired agricultural land easements on the funded Parcels by the closing deadline, consistent with the requirements of the this agreement.

8. NRCS will review the annual monitoring reports provided by the ENTITY to ensure monitoring is conducted annually and reports are sufficient and submitted to NRCS annually for every NRCS-funded conservation easement held by the ENTITY.

VIII. PUBLIC INFORMATION

A. The ENTITY agrees to acknowledge NRCS cost-share assistance in any public outreach materials or events related to agricultural land easements acquired pursuant to this Cooperative Agreement and to provide draft copies of such information to the NRCS State office for review and comment before public release.

B. The ENTITY agrees to comply with NRCS guidelines and requirements regarding the disclosure of information protected under section 1244 of the Food Security Act of 1985, 16 U.S.C. Section 3844,

**IX. GENERAL PROVISIONS**

A. This Cooperative Agreement constitutes financial assistance and, therefore, all Federal laws, regulations, and Executive orders affecting Federal financial assistance are applicable, including but not limited to 2 CFR Parts 25, 170, 200, and 400.

B. It is the intent of NRCS to fulfill its obligations under this Cooperative Agreement. However, NRCS cannot make commitments in excess of funds authorized by law or made administratively available. If NRCS cannot fulfill its obligations under this Cooperative Agreement because of the unavailability of funds, this Cooperative Agreement will automatically terminate.

C. No assignment, in whole or in part, will be made of any right or obligation under this Cooperative Agreement without the joint approval of both NRCS and the ENTITY. Nothing herein will preclude NRCS or the ENTITY from entering into other mutually acceptable arrangements or agreements, except as identified in section VII.A.18 of this Cooperative Agreement. Such documents will be in writing, will reference this Cooperative Agreement, and will be maintained as part of the official Cooperative Agreement file.

D. This Cooperative Agreement may be amended or modified by written amendment signed by the authorized officials of the NRCS and the ENTITY.

E. NRCS may terminate this Cooperative Agreement if NRCS determines that the ENTITY has failed to comply with the provisions of this Cooperative Agreement or if it determines that it is in the best interests of the Federal Government to terminate. In the event that this Cooperative Agreement is terminated for any reason, the financial obligations of the Parties will be as set forth in 2 CFR Part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.”

F. If any recipient of Federal funds under this Cooperative Agreement fails to comply with the terms and conditions of this Cooperative Agreement, NRCS reserves the right to wholly or partially recapture funds provided in accordance with applicable regulations.

**X. ATTACHMENTS and EXHIBITS**

Signature Page - NRCS-ADS-093, Notice of Grant and Agreement Award

Attachment A – List of Agricultural Land Easement Parcels funded by NRCS

Exhibit 1 – NRCS General Terms and Conditions – Grants and Cooperative Agreements
Exhibit 3 – Representation Regarding Felony Convictions and Tax Delinquent Status for Corporate Applicants (AD-3031) (Required only for corporate eligible entities)
Exhibit 4 - NRCS Form 230, “Confirmation of Matching Funds for ACEP-ALE-GSS”
Exhibit 5 - SF-270, “Request for Advance/Reimbursement of Funds”
Exhibit 6 - SF-270 Supplement for Noncertified Eligible Entities
Exhibit 7 - Minimum Terms for the Protection of Agricultural Use (ALE Minimum Deed Terms addendum)
Exhibit 8 - NRCS Appraisal Specifications