

**TENNESSEE  
GRASSLAND RESERVE PROGRAM (GRP)  
FY 2004**

The Grassland Reserve Program (GRP) is a voluntary program authorized by the Food Security Act of 1985, as amended by the Farm Security and Rural Investment Act of 2002. Program objectives are to restore, enhance, and protect grasslands with emphasis on native grasslands. Tennessee received approximately \$1 million with a target for obligating these funds by September 30, 2004. Signup for the program is being taken on a continuous basis at the USDA Service Center that services the applicant's county. General program information on the Grassland Reserve Program can be found at <http://www.tn.nrcs.usda.gov/programs/GRP/grp-index.html>.

Eligible land for the program includes improved (introduced) pastures and hay fields, native grasslands, and lands containing primarily forbs (broadleaf weeds). Possible enrollment options include a permanent easement, 30-year easement, 30-year rental agreement, 20-year rental agreement, 15-year rental agreement and 10-year rental agreement. Eligible participants include private landowners and organizations or groups that own or would control the eligible land for the period of the rental agreement. Easements are available only to landowners. Federal- or state-owned lands are not eligible for the program.

An eligible offer must consist of at least 40 contiguous acres of eligible land. Isolated fields of less than 40 acres or offers of less than 40 contiguous acres will be ineligible to participate in the program. Landowner offers for a permanent easement or 30-year easement within a city limit will also be ineligible to participate in the program. Offers for 30-year or less rental agreements within city limits are eligible.

All offers must compete for funding statewide. Accepted offers will be based on an environmental ranking that primarily targets the threat of conversion of the grassland to development or cropland. Additional environmental benefits considered include biodiversity, location significance, and proper grazing management. Tennessee's approved ranking sheets may be viewed at this web site.

Based on the acceptance into the program and the enrollment option selected by the applicant, the value of the easement or rental agreement that will be paid to the applicant is determined as follows:

1. Permanent Easement – 100 percent of fair market value (all economic return) minus the grassland value, as determined by an independent appraiser.
2. 30-year Easement – the difference between the fair market value and grassland value, times 30 percent.

3. 30-, 20-, 15-, and 10-year Agreement - Annual payment of between \$8.00 and \$16.50 per acre per each year of the contract, depending on the county where the land is located. County rental rates will be the same as in 2003, which may be viewed on the web at [ftp://ftp.fsa.usda.gov/public/notices/GRP\\_1.pdf](ftp://ftp.fsa.usda.gov/public/notices/GRP_1.pdf).

Landowners who select the easement option have no financial obligation until after an offer based on the appraisal is made by USDA. USDA pays 100 percent of the appraisal, survey, and legal fees to file the easement.

In the Grassland Reserve Program, participants retain the right to hay and graze the grasslands, but it must be done in a manner that maintains the land in viable and diverse grass species. If the land is to be grazed, a conservation plan will be developed outlining a Prescribed Grazing Plan that must be applied. In Tennessee, for grassland used for hay, seed production, or wildlife habitat, **NO** haying, mowing, or seed harvest will be allowed on 20 percent of the grassland acres during the primary nesting season. This season begins on April 15 and ends August 15. This is needed to maintain habitat value for several ground nesting birds and small game that are in declining numbers across the state. The program restricts practices that would destroy the grassland community such as the production of crops, fruit trees, and vineyards.

All persons interested in the Grassland Reserve Program are encouraged to sign up before June 25, 2004, to be considered for funding in this funding period. However, landowners signing up after June 25 will be retained on an active list for future funding.

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