CONSERVATION STEWARDSHIP PROGRAM (CSP)

Program Description
The USDA Natural Resources Conservation Service’s Conservation Stewardship Program (CSP) offers technical and financial assistance to agricultural and forest producers who agree to adopt additional conservation activities and maintain their baseline level of conservation.

Climate Highlights
CSP helps agricultural producers manage or expand sustainable agricultural practices, including climate-friendly practices that reduce greenhouse gas emissions or sequester carbon such as cover crops, rotational livestock grazing, and agroforestry. Some CSP-eligible practices also help increase resilience to climate change impacts. A CSP program created in the 2018 Farm Bill, the Grassland Conservation Initiative, aims to conserve grazing lands and improve soil health, water quality, and wildlife habitat.

Funding
The 2018 Farm Bill (P.L. 115-334) authorized gradually increasing mandatory funding for CSP, with $700 million for fiscal year (FY) 2019; $725 million for FY 2020; $750 million for FY 2021; $800 million for FY 2022; and $1 billion for FY 2023. In addition, the Inflation Reduction Act (P.L. 117-169) allocated $3.25 billion for CSP, with $250 million for FY 2023, $500 million for FY 2024, $1 billion for FY 2025, and $1.5 billion for FY 2026.

Key Changes
- This resource will be updated as the House and Senate legislative Farm Bill texts are released.
### Current Law

**16 USC §3839aa-21 to §3839aa-25** (October 2022)

<table>
<thead>
<tr>
<th>§3839aa-21. Definitions</th>
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<tbody>
<tr>
<td><strong>This resource will be updated as the House legislative Farm Bill text is released.</strong></td>
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</table>

#### In this subpart:

1. **Agricultural operation**

   The term "agricultural operation" means all eligible land, whether or not contiguous, that is—
   - under the effective control of a producer at the time the producer enters into a contract under the program; and
   - operated with equipment, labor, management, and production or cultivation practices that are substantially separate from other agricultural operations, as determined by the Secretary.

2. **Conservation activities**

   (A) In general

   The term "conservation activities" means conservation systems, practices, or management measures.

   (B) Inclusions

   The term "conservation activities" includes—
   - structural measures, vegetative measures, and land management measures, including agriculture drainage management systems, as determined by the Secretary;
   - planning needed to address a priority resource concern;
   - development of a comprehensive conservation plan, as defined in section 3839aa–24(e)(1) of this title;
   - soil health planning, including planning to increase soil organic matter; and
   - activities that will assist a producer to adapt to, or mitigate against, increasing weather volatility.

### House Version

This resource will be updated as the House legislative Farm Bill text is released.

### Senate Version

This resource will be updated as the Senate legislative Farm Bill text is released.
The term "conservation stewardship plan" means a plan that—
(A) identifies and inventories priority resource concerns;
(B) establishes benchmark data and conservation objectives;
(C) describes conservation activities to be implemented, managed, or improved; and
(D) includes a schedule and evaluation plan for the planning, installation, and management of the new and existing conservation activities.

The term "eligible land" means—
(A) In general
The term "eligible land" means—
(i) private or tribal land on which agricultural commodities, livestock, or forest-related products are produced; and
(ii) lands associated with the land described in clause (i) on which priority resource concerns could be addressed through a contract under the program.

(B) Inclusions
The term "eligible land" includes—
(i) cropland;
(ii) grassland;
(iii) rangeland;
(iv) pasture land;
(v) nonindustrial private forest land; and
(vi) other land in agricultural areas (including cropped woodland, marshes, and agricultural land used or capable of being used for the production of livestock), as determined by the Secretary.

The term "priority resource concern" means a natural resource concern or problem, as determined by the Secretary, that—
(A) is identified at the national, State, or local level as a priority for a particular area of a State;
(B) represents a significant concern in a State or region; and
(C) is likely to be addressed successfully through the implementation of conservation activities under this program.

(6) Program

The term "program" means the conservation stewardship program established by this subpart.

(7) Stewardship threshold

The term "stewardship threshold" means the level of management required, as determined by the Secretary, to conserve and improve the quality and condition of a natural resource through the use of—
(A) quality criteria under a resource management system;
(B) predictive analytics tools or models developed or approved by the Natural Resources Conservation Service;
(C) data from past and current enrollment in the program; and
(D) other methods that measure conservation and improvement in priority resource concerns, as determined by the Secretary.

§3839aa-22. Conservation Stewardship Program

(a) Establishment and purpose

During each of fiscal years 2019 through 2031, the Secretary shall carry out a conservation stewardship program to encourage producers to address priority resource concerns and improve and conserve the quality and condition of natural resources in a comprehensive manner—
(1) by undertaking additional conservation activities; and
(2) by improving, maintaining, and managing existing conservation activities.

(b) Exclusions

(1) Land enrolled in other conservation programs
Subject to paragraph (2), the following land (even if covered by the definition of eligible land) is not eligible for enrollment in the program:

(A) Land enrolled in the conservation reserve program, unless—
(i) the conservation reserve contract will expire at the end of the fiscal year in which the land is to be enrolled in the program; and
(ii) conservation reserve program payments for land enrolled in the program cease before the first program payment is made to the applicant under this subpart.

(B) Land enrolled in a wetland reserve easement through the agricultural conservation easement program.

(2) Conversion to cropland

Eligible land used for crop production after December 20, 2018, that had not been planted, considered to be planted, or devoted to crop production for at least 4 of the 6 years preceding that date shall not be the basis for any payment under the program, unless the land does not meet such requirement because—

(A) the land had previously been enrolled in the conservation reserve program;

(B) the land has been maintained using long-term crop rotation practices, as determined by the Secretary; or

(C) the land is incidental land needed for efficient operation of the farm or ranch, as determined by the Secretary

§3839aa-23. Stewardship Contracts

(a) Submission of contract offers

To be eligible to participate in the conservation stewardship program, a producer shall submit to the Secretary a contract offer for the agricultural operation that—

(1) demonstrates to the satisfaction of the Secretary that the producer, at the time of the contract offer, meets or exceeds the stewardship threshold for at least 2 priority resource concerns; and

(2) would, at a minimum, meet or exceed the stewardship threshold for at least 1 additional priority resource concern by the end of the stewardship contract by—
(A) installing and adopting additional conservation activities; and
(B) improving, maintaining, and managing existing conservation activities across the entire agricultural operation in a manner that increases or extends the conservation benefits in place at the time the contract offer is accepted by the Secretary.

(b) Evaluation of contract offers

(1) Ranking of applications

(A) In general

In evaluating contract offers submitted under subsection (a) and contract renewals under subsection (e), the Secretary shall rank applications based on—

(i) the natural resource conservation and environmental benefits that result from the conservation treatment on all applicable priority resource concerns at the time of submission of the application;

(ii) the degree to which the proposed conservation activities increase natural resource conservation and environmental benefits; and

(iii) other consistent criteria, as determined by the Secretary.

(B) Additional criterion

If 2 or more applications receive the same ranking under subparagraph (A), the Secretary shall rank those contracts based on the extent to which the actual and anticipated conservation benefits from each contract are provided at the lowest cost relative to other similarly beneficial contract offers.

(2) Prohibition

The Secretary may not assign a higher priority to any application because the applicant is willing to accept a lower payment than the applicant would otherwise be eligible to receive.

(3) Additional criteria
The Secretary may develop and use such additional criteria that the Secretary determines are necessary to ensure that national, State, and local priority resource concerns are effectively addressed.

(c) Entering into contracts
After a determination that a producer is eligible for a contract or contract renewal under this section, and a determination that the contract or contract renewal offer ranks sufficiently high under the evaluation criteria under subsection (b), the Secretary shall enter into a conservation stewardship contract or contract renewal with the producer to enroll the eligible land to be covered by the contract or contract renewal.

(d) Contract provisions

(1) Term
A conservation stewardship contract shall be for a term of 5 years.

(2) Required provisions
The conservation stewardship contract of a producer shall—
(A) state the amount of the payment the Secretary agrees to make to the producer for each year of the conservation stewardship contract under section 3839aa–24(c) of this title;
(B) require the producer—
   (i) to implement a conservation stewardship plan that describes the program purposes to be achieved through 1 or more conservation activities;
   (ii) to maintain and supply information as required by the Secretary to determine compliance with the conservation stewardship plan and any other requirements of the program; and
   (iii) not to conduct any activities on the agricultural operation that would tend to defeat the purposes of the program;
(C) permit all economic uses of the eligible land that—
   (i) maintain the agricultural nature of the land; and
(ii) are consistent with the conservation purposes of the conservation stewardship contract;
(D) include a provision to ensure that a producer shall not be considered in violation of the contract for failure to comply with the contract due to circumstances beyond the control of the producer, including a disaster or related condition, as determined by the Secretary;
(E) include provisions requiring that upon the violation of a term or condition of the contract at any time the producer has control of the land—
   (i) if the Secretary determines that the violation warrants termination of the contract—
      (I) the producer shall forfeit all rights to receive payments under the contract; and
      (II) the producer shall refund all or a portion of the payments received by the producer under the contract, including any interest on the payments, as determined by the Secretary; or
   (ii) if the Secretary determines that the violation does not warrant termination of the contract, the producer shall refund or accept adjustments to the payments provided to the producer, as the Secretary determines to be appropriate;
(f) include provisions in accordance with paragraphs (3) and (4); and
(G) include any additional provisions the Secretary determines are necessary to carry out the program.

(3) Change of interest in land subject to a contract

(A) In general

At the time of application, a producer shall have control of the eligible land to be enrolled in the program. Except as provided in subparagraph (B), a change in the interest of a producer in eligible land covered by a contract under the program shall result in the termination of the contract with regard to that land.

(B) Transfer of duties and rights

Subparagraph (A) shall not apply if—
   (i) within a reasonable period of time (as determined by the Secretary) after the date of the change in the interest in eligible land covered by a contract under the program, the transferee of
the land provides written notice to the Secretary that all duties and rights under the contract have been transferred to, and assumed by, the transferee for the portion of the land transferred;
(ii) the transferee meets the eligibility requirements of the program; and
(iii) the Secretary approves the transfer of all duties and rights under the contract.

(4) Modification and termination of contracts

(A) Voluntary modification or termination

The Secretary may modify or terminate a contract with a producer if—
(i) the producer agrees to the modification or termination; and
(ii) the Secretary determines that the modification or termination is in the public interest.

(B) Involuntary termination

The Secretary may terminate a contract if the Secretary determines that the producer violated the contract.

(5) Repayment

If a contract is terminated, the Secretary may, consistent with the purposes of the program—
(A) allow the producer to retain payments already received under the contract; or
(B) require repayment, in whole or in part, of payments received and assess liquidated damages.

(e) Contract renewal

The Secretary may provide the producer an opportunity to renew an existing contract in the first half of the fifth year of the contract period if the producer—
(1) demonstrates compliance with the terms of the existing contract;
(2) agrees to adopt and continue to integrate new or improved conservation activities across the entire agricultural operation,
demonstrating continued improvement during the additional 5-year period, as determined by the Secretary; and (3) agrees, by the end of the contract period—
(A) to meet the stewardship threshold of at least 2 additional priority resource concerns on the agricultural operation; or (B) to adopt or improve conservation activities, as determined by the Secretary, to achieve higher levels of performance with respect to not less than 2 existing priority resource concerns that are specified by the Secretary in the initial contract.

§3839aa-24. Duties of the Secretary

(a) In general

To achieve the conservation goals of a contract under the conservation stewardship program, the Secretary shall—
(1) make the program available to eligible producers on a continuous enrollment basis with 1 or more ranking periods, 1 of which shall occur in the first quarter of each fiscal year;
(2) identify not less than 5 priority resource concerns in a particular watershed or other appropriate region or area within a State; and (3) establish a science-based stewardship threshold for each priority resource concern identified under paragraph (2).

(b) Allocation to States

The Secretary shall allocate funding to States for enrollment, based—
(1) primarily on each State’s proportion of eligible land to the total acreage of eligible land in all States; and
(2) also on consideration of—
(A) the extent and magnitude of the conservation needs associated with agricultural production in each State;
(B) the degree to which implementation of the program in the State is, or will be, effective in helping producers address those needs; and
(C) other considerations to achieve equitable geographic distribution of funds, as determined by the Secretary.

(c) Conservation stewardship payments
<table>
<thead>
<tr>
<th>(1) Availability of payments</th>
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<tr>
<td>The Secretary shall provide annual payments under the program to compensate the producer for—</td>
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<td>(A) installing and adopting additional conservation activities; and</td>
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<td>(B) improving, maintaining, and managing conservation activities in place at the agricultural operation of the producer at the time the contract offer is accepted by the Secretary.</td>
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<th>(2) Payment amount</th>
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<td>The amount of the annual payment shall be determined by the Secretary and based, to the maximum extent practicable, on the following factors:</td>
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<td>(A) Costs incurred by the producer associated with planning, design, materials, installation, labor, management, maintenance, or training.</td>
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<td>(B) Income forgone by the producer.</td>
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<td>(C) Expected conservation benefits.</td>
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<td>(D) The extent to which priority resource concerns will be addressed through the installation and adoption of conservation activities on the agricultural operation.</td>
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<td>(E) The level of stewardship in place at the time of application and maintained over the term of the contract.</td>
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<td>(F) The degree to which the conservation activities will be integrated across the entire agricultural operation for all applicable priority resource concerns over the term of the contract.</td>
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<td>(G) Such other factors as are determined appropriate by the Secretary.</td>
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<th>(3) Exclusions</th>
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<tr>
<td>A payment to a producer under this subsection shall not be provided for—</td>
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<td>(A) the design, construction, or maintenance of animal waste storage or treatment facilities or associated waste transport or transfer devices for animal feeding operations; or</td>
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<td>(B) conservation activities for which there is no cost incurred or income forgone to the producer.</td>
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(4) Delivery of payments

In making payments under this subsection, the Secretary shall, to the extent practicable—
(A) prorate conservation performance over the term of the contract so as to accommodate, to the extent practicable, producers earning equal annual payments in each fiscal year; and
(B) make such payments as soon as practicable after October 1 of each fiscal year for activities carried out in the previous fiscal year.

(5) Payment for cover crop activities

The amount of a payment under this subsection for cover crop activities shall be not less than 125 percent of the annual payment amount determined by the Secretary under paragraph (2).

(d) Supplemental payments for resource-conserving crop rotations and advanced grazing management

(1) Definitions

In this subsection:

(A) Advanced grazing management

The term "advanced grazing management" means the use of a combination of grazing practices (as determined by the Secretary), which may include management-intensive rotational grazing, that provide for—
(i) improved soil health and carbon sequestration;
(ii) drought resilience;
(iii) wildlife habitat;
(iv) wildfire mitigation;
(v) control of invasive plants; and
(vi) water quality improvement.

(B) Management-intensive rotational grazing

The term "management-intensive rotational grazing" means a strategic, adaptively managed multipasture grazing system in
which animals are regularly and systematically moved to fresh pasture in a manner that—
(i) maximizes the quantity and quality of forage growth;
(ii) improves manure distribution and nutrient cycling;
(iii) increases carbon sequestration from greater forage harvest;
(iv) improves the quality and quantity of cover for wildlife;
(v) provides permanent cover to protect the soil from erosion; and
(vi) improves water quality.

(C) Resource-conserving crop rotation

The term "resource-conserving crop rotation" means a crop rotation that—
(i) includes at least 1 resource-conserving crop (as defined by the Secretary);
(ii) reduces erosion;
(iii) improves soil fertility and tilth;
(iv) interrupts pest cycles;
(v) builds soil organic matter; and
(vi) in applicable areas, reduces depletion of soil moisture or otherwise reduces the need for irrigation.

(2) Availability of payments

The Secretary shall provide additional payments to producers that, in participating in the program, agree to adopt or improve, manage, and maintain—
(A) resource-conserving crop rotations; or
(B) advanced grazing management.

(3) Eligibility

To be eligible to receive a payment described in paragraph (2), a producer shall agree to adopt or improve, manage, and maintain resource-conserving crop rotations or advanced grazing management for the term of the contract.

(4) Amount of payment
An additional payment provided under paragraph (2) shall be not less than 150 percent of the annual payment amount determined by the Secretary under subsection (c)(2).

(e) Payment for comprehensive conservation plan

(1) Definition of comprehensive conservation plan

In this subsection, the term "comprehensive conservation plan" means a conservation plan that meets or exceeds the stewardship threshold for each priority resource concern identified by the Secretary under subsection (a)(2).

(2) Payment for comprehensive conservation plan

The Secretary shall provide a 1-time payment to a producer that develops a comprehensive conservation plan.

(3) Amount of payment

The Secretary shall determine the amount of payment under paragraph (2) based on—

(A) the number of priority resource concerns addressed in the comprehensive conservation plan; and

(B) the number of types of land uses included in the comprehensive conservation plan.

(f) Payment limitations

A person or legal entity may not receive, directly or indirectly, payments under the program that, in the aggregate, exceed $200,000 under all contracts entered into during fiscal years 2019 through 2023, excluding funding arrangements with Indian tribes, regardless of the number of contracts entered into under the program by the person or legal entity.

(g) Specialty crop and organic producers

The Secretary shall ensure that outreach and technical assistance are available, and program specifications are appropriate to enable specialty crop and organic producers to participate in the program.
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<th>(h) Organic certification</th>
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<tr>
<td>(1) Coordination</td>
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<td>The Secretary shall establish a transparent means by which producers may initiate organic certification under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.) while participating in a contract under the program.</td>
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<tr>
<td>(2) Allocation</td>
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<tr>
<td>(A) In general</td>
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<tr>
<td>Using funds made available for the program for each of fiscal years 2019 through 2031, the Secretary shall allocate funding to States to support organic production and transition to organic production through paragraph (1).</td>
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<tr>
<td>(B) Determination</td>
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<tr>
<td>The Secretary shall determine the allocation to a State under subparagraph (A) based on—</td>
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<td>(i) the number of certified and transitioning organic operations within the State; and</td>
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<tr>
<td>(ii) the number of acres of certified and transitioning organic production within the State.</td>
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<tr>
<td>(i) Regulations</td>
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<td>The Secretary shall promulgate regulations that—</td>
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<td>(1) prescribe such other rules as the Secretary determines to be necessary to ensure a fair and reasonable application of the limitations established under subsection (f); and</td>
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<td>(2) otherwise enable the Secretary to carry out the program.</td>
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<td>(j) Streamlining and coordination</td>
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<td>To the maximum extent feasible, the Secretary shall provide for streamlined and coordinated procedures for the program and the environmental quality incentives program under subpart A, including</td>
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</table>
applications, contracting, conservation planning, conservation practices, and related administrative procedures.

### (k) Soil health

To the maximum extent feasible, the Secretary shall manage the program to enhance soil health.

### (l) Annual report

Each fiscal year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the payment rates for conservation activities offered to producers under the program and an analysis of whether payment rates can be reduced for the most expensive conservation activities.

§3839aa-25. Grassland Conservation Initiative

### (a) Definitions

In this section:

1. **Eligible land**

   Notwithstanding sections 3839aa–21(4) and 3839aa–22(b)(2) of this title, the term "eligible land" means cropland on a farm for which base acres have been maintained by the Secretary under section 9012(d)(3) of title 7.

2. **Initiative**

   The term "initiative" means the grassland conservation initiative established under subsection (b).

### (b) Establishment and purpose

The Secretary shall establish within the program a grassland conservation initiative for the purpose of assisting producers in protecting grazing uses, conserving and improving soil, water, and
wildlife resources, and achieving related conservation values by conserving eligible land through grassland conservation contracts under subsection (e).

### (c) Election

Beginning in fiscal year 2019, the Secretary shall provide a 1-time election to enroll eligible land in the initiative under a contract described in subsection (e).

### (d) Method of enrollment

The Secretary shall—
1. notwithstanding subsection (b) of section 3839aa–23 of this title, determine under subsection (c) of that section that eligible land ranks sufficiently high under the evaluation criteria described in subsection (b) of that section; and
2. enroll the eligible land in the initiative under a contract described in subsection (e).

### (e) Grassland conservation contract

#### (1) In general

Notwithstanding section 3839aa–23(a)(1) of this title, to enroll eligible land in the initiative under a grassland conservation contract, a producer shall agree—
1. to meet or exceed the stewardship threshold for not less than 1 priority resource concern by the date on which the contract expires; and
2. to comply with the terms and conditions of the contract.

#### (2) Terms

A grassland conservation contract entered into under this section shall—
1. (i) be for a single 5-year term; and
2. (ii) not be subject to renewal or reenrollment under section 3839aa–23(e) of this title; and
3. (B) be subject to section 3839aa–23(d) of this title.
### (3) Early termination

The Secretary shall allow a producer that enters into a grassland conservation contract under this section—
- (A) to terminate the contract at any time; and
- (B) to retain payments already received under the contract.

### (f) Grassland conservation plan

The grassland conservation plan developed for eligible land shall be limited to—
1. eligible land; and
2. resource concerns and activities relating to grassland.

### (g) Payments

#### (1) In general

Beginning in fiscal year 2019, of the funds made available for this subpart under section 3841(a)(3)(B) of this title, and notwithstanding any payment under title I of the Agriculture Improvement Act of 2018, an amendment made by that title, or section 3839aa–24(c) of this title, the Secretary shall make annual grassland conservation contract payments to the producer of any eligible land that is the subject of a grassland conservation contract under this section.

#### (2) Payment noneligibility

A grassland conservation contract under this section shall not be—
- (A) eligible for payments under section 3839aa–24(d) of this title; or
- (B) subject to the payment limitations under this subpart.

#### (3) Limitation

The amount of an annual payment under this subsection shall be $18 per acre, not to exceed the number of base acres on a farm.
### (h) Considered planted

The Secretary shall consider land enrolled under a grassland conservation contract under this section during a crop year to be planted or considered planted to a covered commodity (as defined in section 9011 of title 7) during that crop year.

### (i) Other contracts

A producer with an agricultural operation that contains land eligible under this section and land eligible under section 3839aa–23 of this title—

1. may enroll the land eligible under this section through a contract under this section or under section 3839aa–23 of this title; and
2. shall not be prohibited from enrolling the land eligible under section 3839aa–23 of this title through a contract under section 3839aa–23 of this title.

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**Compiled by: Savannah Bertrand**

This resource will be updated as the House and Senate legislative Farm Bill texts are released.

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