

## Opening of CRP Acres for Haying Raises Question: Is There Enough to Harvest

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The opening of Conservation Reserve Program acres for emergency haying and grazing in drought stricken counties of North Dakota has provided welcome relief in drought conditions, but producers have to carefully assess if there is enough forage on the CRP acres to make harvesting worthwhile, says a North Dakota State University economist.

"Since CRP has been opened when significant drought conditions exist, the question of whether or not there is enough production to justify the costs of rental payment and harvest and hauling costs arises," notes Dwight Aakre, farm management specialist with the NDSU Extension Service. "If CRP participants are also livestock producers in need of hay, they need to determine whether the value of the hay to be harvested exceeds the sum of the payment reduction and the costs of harvesting and hauling of the hay."

In addition producers should compare the cost of this feed relative to alternative feed sources. "One should not automatically assume that CRP is a cheap source of feed. The livestock producer looking for CRP to rent is faced with the same costs since the CRP contract holder is not likely to accept less in rent than the reduction in payment and is prohibited from charging more," Aakre says.

The unknowns that impact the result include the yield per acre, the feed quality and the market price for CRP hay relative to substitute feeds, Aakre says. The average price for "other hay" as reported by North Dakota Agricultural Statistics Service for the last five years has been \$36 per ton, so this may be used as a benchmark for the value of CRP hay. Assuming a one-ton per acre yield and a value of \$36 per ton, the net return to haying CRP would be \$36 per acre less the cost of harvesting and hauling and the reduction in the CRP payment.

Use-related costs per acre for mowing/conditioning are about \$6.50 and for round baling about \$9.50. Hauling costs vary with distance, but the most frequent custom rate reported is \$2 per bale. Assuming a 1-ton yield per acre, approximately one and one-half bales per acre, harvesting and hauling costs amount to \$19 per acre. Renting CRP or the reduction in CRP payment would be \$8 per acre if the CRP annual rental rate was \$32 per acre. The total cost per acre for CRP hay would be approximately \$27.

If the yield was a ton per acre the cost per ton would be about \$9 per ton less than the five-year average price for other hay in North Dakota. However, if the yield was only one-half ton, cost of this hay would be about \$18 per ton greater than the five-year average. During the drought years of 1988-1990, the price of other hay averaged above \$50 per ton in North Dakota.

Quality of CRP hay should be a consideration, says Kevin Sedivec, NDSU Extension Service rangeland management specialist. Protein content of new-growth grasses on CRP is likely to be around 10 to 14 percent. "But when you harvest you will also be getting a considerable amount of dead vegetation from previous years, especially since many of these CRP acres haven't been

harvested in several years," he says. The protein content of that vegetation will be 2 percent or less and other nutrients will be similarly low, he says.

"As much as half of the forage harvested may be of very little feed value, so the average protein content may be about 6 to 10 percent depending on the amount of alfalfa in the stand," Sedivec says. He recommends that producers have forage tested so that it can be accurately integrated into the feeding program

Before haying begins, CRP participants must file a request to hay CRP, identify the acreage to be hayed on an aerial photocopy, obtain a modified conservation plan to include haying requirements as determined by Natural Resources Conservation Service (NRCS) and sign the Terms and Conditions for Emergency Haying of CRP Acreage. The annual rental payment will be reduced by the number of acres actually hayed times the per acre annual rental payment times 25 percent.

Haying is limited to one cutting and must be completed before August 31 or until disaster conditions no longer exist, whichever comes first. Haying and grazing are not permitted on the same acreage. One-half of each field or contiguous CRP fields must remain uncut in a contiguous block for wildlife.

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