



Establishing the Agricultural Wetland Bank

October 2014 Snapshots

While many people associate wetland banking programs with road projects, here in Minnesota we've discovered a need for that same approach within agricultural areas. Despite increasing need in recent years for wetland replacement (mitigation) credits in agricultural areas, few opportunities existed and the approach wasn't a viable option for many farm program participants. In 2012-2013, the Minnesota Board of Water and Soil Resources (BWSR) partnered with the Natural Resource Conservation Service (NRCS) on a new initiative to provide wetland mitigation for agricultural producers in the federal farm program. This initiative resulted in the establishment of the agricultural wetland bank (the "Ag Bank") within the existing state wetland banking system.

The goal of the Ag Bank is to provide mitigation opportunities for agricultural producers while at the same time ensuring the protection and improvement of agricultural wetland resources. BWSR and NRCS worked through the details to produce standards and processes for participants that comply with both state and federal rules. The result is a win-win: a bank that offers a quick and efficient solution for producers, and banked wetlands whose standards provide greater wetland function than the ones lost to approved projects.

In just two years, this initiative has exceeded expectations, generating over 400 agricultural wetland credits deposited into the banking system. Over 250 credits have already been used to offset wetland impacts resulting from agricultural projects, and more are in the pipeline.

Initially, our staff focused on capturing expiring acres within the state's Conservation Reserve Program (CRP). This was an effective way to prevent this land from being lost to drainage and farming, with the additional benefit of allowing quick establishment of restored wetlands to generate Ag Bank credits.

In its first two years, the Ag Bank has produced sites with substantial natural resource value. One example of this is a restored wetland in Clay County near the Buffalo River State Park and The Nature Conservancy's Bluestem Prairie Preserve. This 160-acre site, set to expire from CRP, was restored to wet prairie and wet meadow. It is adjacent to over 7,000 acres of permanently protected grasslands, providing an important piece to this large wetland and upland habitat complex. The site contains rare plant species such as the small white lady slipper and sedges typical of a fen type wetland. It also provides habitat for many grassland song birds and prairie chickens, in addition to more commonly known wildlife species such as whitetail deer and waterfowl. Establishing this site in the Ag Bank has now helped to prevent grassland habitat fragmentation, improve and protect wildlife habitat, and provide substantial water quality benefits. It also provides much needed mitigation for agricultural producers in this part of the state, resulting in a significant increase in wetland function and value over the impacted wetlands.



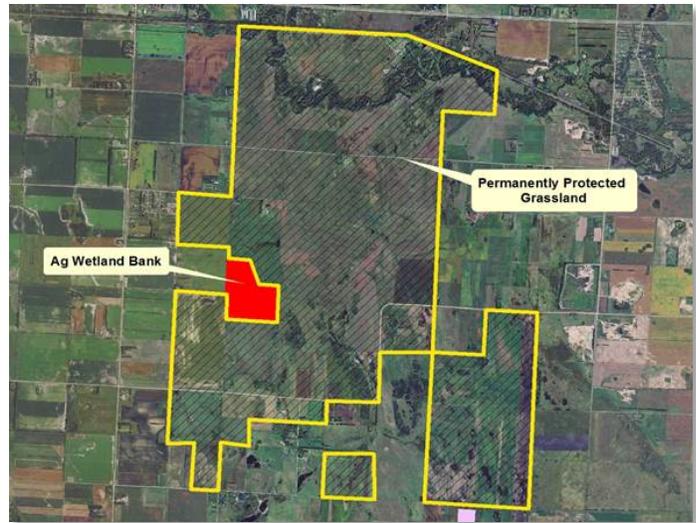
This Ag Bank site contains restored wetlands and native prairie that will replace degraded agricultural wetland impacts.

A majority of Ag Bank credits have been established in the northwestern part of the state. BWSR staff have begun focusing on potential sites in the southwestern part of the state, where there's substantial need. More credits are expected to be issues in those areas this fall.

Sales of Ag Bank credits were very high this past year, and this demand is expected to continue. This is good news for landowners who may be considering establishing an Ag Bank site. If you're a landowner in the south and southwestern parts of the state with restored wetlands on expiring CRP, or farmed and drained wetlands that could be restored, agricultural wetland banking may be a restoration and protection option for your property.

In two short years, Minnesota has not only developed the criteria and procedures for the Ag Bank, but has launched a fully functioning program that's generating credits and restoring wetlands. The current federal farm bill includes provisions for the promotion and establishment of agricultural wetland banking programs, and Minnesota stands out nationally as *the* state with the most advanced and successful program. National and State resource agencies, conservation groups, and agricultural interests are now looking to Minnesota as the model for establishing similar agricultural wetland banking programs across the country.

For additional details, see the BWSR website at: <http://www.bwsr.state.mn.us/wetlands/agbanking/>.



This Ag Bank site provides a missing "piece of the puzzle" to this complex of over 7,000 acres of protected native grassland and wetlands.