



## Carbon Stewardship Practices Program Guidelines

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The State of New Mexico Energy, Minerals, and Natural Resources Department's Forestry Division (NMFD) administers the Carbon Stewardship Practices (CSP) program to provide direct payments to non-industrial private forest landowners who implement forestry practices that increase long-term carbon storage and improve forest resilience. The program is funded by the USDA Forest Service through the Inflation Reduction Act's Landscape Scale Restoration initiative.

Through CSP, landowners receive payments at pre-approved rates for eligible practices such as forest thinning, prescribed burning, post-fire erosion control (including contour felling, mulching, and seeding), site preparation, and reforestation. These practices are designed to rebuild or retain forest carbon stocks while supporting healthier, more resilient forests.

Project locations are based on landowner interest and statewide priorities identified in the New Mexico Forest Action Plan. Applications are accepted on a rolling basis and prioritized using program criteria, with emphasis on recently burned areas at risk of forest type conversion and high-risk firesheds where treatments reduce wildfire risk and increase carbon resilience.

### **Getting Started**

Landowners are strongly encouraged to contact their NMFD District Office before applying, especially if they have questions or want to discuss project options. District staff can help determine whether the program is a good fit. There are six district offices; refer to this [map](#) if you aren't sure which District serves your property.

Capitan: 575-354-2231

Chama: 575-588-7831

Cimarron: 575-376-2204

Bernalillo: 505-205-0343

Las Vegas: 505-425-7472

Socorro: 575-649-8861

For program-wide questions, contact the statewide program manager: [erin.mcelroy@emnrd.nm.gov](mailto:erin.mcelroy@emnrd.nm.gov)

### **How the Program Works**

The CSP program is supported by a third-party Contracting Specialist, who serves as the fiscal agent responsible for issuing payment agreements, processing landowner payments, and communicating with NMFD on project compliance.

1. **Landowner Application and Screening:** After speaking with their District Office, landowners submit a [standard application](#) with basic property information and the practices they're interested in. NMFD reviews the application and may conduct a site visit. Eligible applications are then prioritized according to program criteria.

2. **Practice Plan Development:** Once an application is approved, NMFD staff or an authorized contractor works with the landowner to develop a practice plan. This plan identifies the approved forestry practices, treatment areas, and expected timelines.
3. **Plan Approval and Agreement:** After NMFD approves the practice plan, payment amounts are calculated using established program rates. These rates and approved practices are incorporated into a landowner agreement between the landowner and the fiscal agent.
4. **Notice to Proceed:** The fiscal agent will issue a formal Notice to Proceed along with necessary documentation required for reimbursement.
5. **Project Implementation:** The landowner hires a contractor to complete the approved work, unless an alternative arrangement is approved in advance. All practices must be implemented according to the practice plan and within the specified timeframe.
6. **Inspection and Monitoring:** When work is complete, NMFD staff or authorized contractors inspect the project to ensure it meets program standards and complies with NMAC 19.20.4 and [NMFD Best Management Practices](#). Reforestation projects, require a one-year monitoring inspection to verify seedling survival and treatment success.
7. **Reimbursement:** After final inspection, the landowner submits the signed inspection form and cost documentation (such as contractor invoices) to both the NMFD District Office and the fiscal agent. The fiscal agent issues payment based on approved rates, including the landowner compensation payment.

### **Compensation Payments**

In addition to reimbursement for approved practices, landowners are eligible for a compensation payment to account for the time and opportunity costs required to coordinate with NMFD, contractors, and the fiscal agent.

Compensation is calculated as a percentage of total project costs, based on property size:

- Small acreage landowners (<15 acres) receive 15% of total project costs
- Large acreage landowners (15+ acres) receive 10% of total project costs

The program provides a cap on landowner compensation payments of \$10,000. This cap applies per landowner over the 5 years of the CSP program, regardless of the number or size of approved projects. Compensation payments are delivered concurrently with the final practice payments.

### **Participation Requirements**

To participate in the CSP program, landowners must agree to the following terms:

- Accept the established rates as outlined in the landowner agreement.
- Understand that actual reimbursements are capped at the lower of:
  - approved practice rates, or
  - actual costs incurred as documented in submitted invoices.
- Pay their contractor(s) directly and in full for all services rendered
- Not use other federal funding for the same purposes on the same land at the same time.
- Maintain implemented practices for a term of ten years.

- For reforestation projects:
  - Submit a one-year monitoring report using the Division's template (technical assistance may be available), and
  - Allow property access for follow-up monitoring for up to three years post-planting.

### **Project Criteria**

These criteria guide project screening and batching during the initial phase of the program.

#### **Minimum Criteria (Eligibility):**

Project must meet all of the following criteria to be eligible:

- Location:
  - Forested landscape impacted by wildfire with demonstrated risk of erosion, sedimentation, or carbon loss due to wildfire impacts (higher priority)
  - OR
  - Priority landscape or high-risk fireshed where treatments reduce wildfire risk and increase carbon resilience
- \* Funding source excludes Lea, Cibola, & Bernalillo Counties
- Alignment with Grant Requirements: Practices must provide demonstrable carbon stewardship benefits by rebuilding or retaining forest carbon stocks and improving long-term resilience.

#### **Prioritized Criteria:**

Projects will be prioritized based on the following (highest priority first):

- Funding Context: Limited access to alternative funding sources.
- Carbon Benefit Quantification: Expected practice impacts, project scale, and treatment effectiveness.
- Location Co-Benefits: Benefits beyond carbon outcomes, such as protection of downstream communities, critical infrastructure, or other high-value resources.
- Urgency: Need for timely treatment to prevent additional carbon loss or long-term forest type conversion.

#### **Disclosures: Funding and Partial Awards**

- Limits may be imposed on the amount of funding allocated to any individual District.
- Funding limits also apply to individual applicants.
- Projects may receive partial funding depending on available grant resources.
- In cases of partial funding, priority practices (as identified by the committee) will be funded first.
- When the Forestry Division is aware of alternative federal or state funding better suited to the project or landowner goals, applicants may be referred to those programs.