

## **BENEFITING FROM CONSERVATION PROGRAM OPPORTUNITIES:**

### **A Step by Step Guide** – by Larry Elworth, Center for Agricultural Partnerships (CAPS)

Farmers understand better than most people the value of farming practices that conserve natural resources and protect the environment. They also know implementing those practices can be expensive because the initial costs can rarely be recovered from the sale of their crops. To better support growers' efforts, the 2002 Farm Bill increased the funding available to assist growers with the expense of initiating conservation practices. One of the programs funded by the Farm Bill is the Environmental Quality Incentives Program (EQIP). EQIP is a voluntary program administered by the Natural Resources Conservation Service (NRCS) that provides payments to eligible growers for a wide range of practices on their farms.

If you have had little experience with the Farm Bill, NRCS, or government conservation programs, taking advantage of these opportunities may seem challenging. This guide is intended to be a grower-friendly aid that helps you successfully negotiate the steps to applying for EQIP payments. Here are the four basic steps:

### **STEP ONE - Contact your nearest NRCS office and tell them you want to apply for EQIP.**

You can find your local NRCS office in the phone book. To find the NRCS office in your county look in your phone book under United States Government – Agriculture Dept. – Natural Resources Conservation Service or check: <http://www.nc.nrcs.usda.gov/about/>. Click “Find a Service Center” at the left, to access the directory.

If you have never participated in a USDA program before, first, stop by the USDA Farm Services Agency (FSA) office in the same building as the NRCS office. There you will sign a proof of ownership or lease for the property you are farming and for which you wish to apply.

- You will need to supply your name, address, social security number, tax ID# if you file taxes under a different number than your SS#, and documentation of who owns the land, such as a deed or tax statement. (If you already have an FSA loan this step is not necessary.)
- You should also have a map or aerial photo of your farm.

At your NRCS meeting, the conservationist will discuss your plans for your farm and will help you fill out the paperwork. The conservationist will guide you through the process of applying. **While there may seem to be a lot of paper work involved, most**

**of it is for the NRCS staff to fill out and they are skilled in simplifying the process for growers.** Of course, the information in your application will be kept confidential.

**STEP TWO - Work with NRCS to identify site-specific conservation practices that fit your farm.**

The District Conservationist or a conservation planner working with the District Conservationist will come to your farm to help you identify practices that are eligible for EQIP or similar programs. The goal is to work together to identify what makes sense for your farm, both for resource conservation and maintaining farm production. They will help you to develop a plan to address all the concerns identified during the visit. This is a free plan for your use in choosing what you want to do and when. For your meeting you may want to have available some of the following items:

- A farm layout or aerial photo of the farm
- A list of areas where you have conservation concerns
- A list of crops and rotation schedules, if applicable
- Pest and nutrient management records

The District Conservationist will help you identify practices and which resources (such as soil, water, air, etc.) those practices will address. In doing so he or she will also help you determine whether your application is likely to have priority for funding under EQIP. As a general rule, growers who are able to apply multiple practices, that improve more than one resource, have a higher priority for funding. .

There are options that have been designed specifically for fruit and vegetable growers that are available through EQIP. These have been established to help in minimizing the impacts of methyl bromide use and in helping growers become familiar with the use of alternatives\* :

- Use of methyl bromide alternatives
- Use of very impermeable film (VIF) tarping
- Use of fall cover crop and methyl bromide incentive

**Here are some other practices to consider** for your operation (followed by the practice number). You and the district conservationist may find other practices that will be applicable to your farm.

- Nutrient management (590)
- Ag chemical containment facility (702)
- Field border (386)
- Critical area treatment (342)
- Windbreak establishment (380)
- Filter strips (393)
- Tree and Shrub establishment (612)
- Wetland restoration (657)
- Residue management (334)
- Heavy use area protection (561)

### **STEP THREE - Complete the application.**

Once you have determined the practices most valuable for your operation, you and the District Conservationist will complete your application. If you are a Limited Resource Producer or Beginning Farmer you are eligible for higher payments (Check with the NRCS staff to determine if you qualify.)

### **STEP FOUR - Submit the application to NRCS.**

Once you have completed and submitted your application to NRCS, it will be ranked with other applications in the state based on the number of points it has received. The NRCS District Conservationist will contact you about whether or not your application is funded. If your application has been accepted, you will complete and sign a contract stating the payments and your obligations.

### **AFTER YOU HAVE APPLIED**

Applications are ranked with other applications in your area based on a system of points. The number of points assigned to each of the practices you want to use on your farm is related to the amount of environmental benefit resulting from these practices. Again, applications that include multiple practices have a higher priority for funding because they offer greater conservation benefits. All applications within a given area are ranked using the same criteria to assure that everyone is treated fairly.

The NRCS District Conservationist will let you know whether or not your application is funded. If your application has been accepted, you will complete and sign a contract specifying the payments and the work you will do on your farm.

## **EQIP FAQ'S**

### **1) What is EQIP?**

EQIP – the Environmental Quality Incentives Program, administered by USDA's Natural Resources Conservation Service (NRCS), provides financial and technical assistance to eligible growers to support the additional cost of using a wide range of environmentally sound farming practices on their farms. Participation is voluntary and initiated by the grower who submits an application for funding.

### **2) Who can qualify for EQIP?**

- Agricultural producers who make at least \$1,000 in gross farm sales.
- Applicant must control the land for the contract period (may own or lease).
- Individuals or entities that have an average adjusted gross income (AGI) of less than \$2.5 million for the three tax years immediately preceding the year the contract is approved.

- Growers with an AGI above \$2.5 million can qualify if 75 percent of the AGI is derived from farming, ranching, or forestry operation.
- An owner with multiple entities or management units can apply for separate contracts for those units within the same fiscal year.

Eligible land includes cropland, rangeland, pasture, forestland, and other farm or ranch lands where the program is delivered.

### **3) How are applications selected?**

- Applications are ranked with other applications in your county based on a system of points. The number of points assigned to each of the practices you want to use on your farm is related to the amount of environmental benefit resulting from these practices.
- Applications that include multiple practices have a higher priority for funding because they offer greater conservation benefits.

### **4) What kinds of financial assistance are available?**

- EQIP provides payments as incentives to growers to perform land management practices such as nutrient management, integrated pest management, irrigation water management, and wildlife habitat management.
- Payments through EQIP may be provided for up to three years to encourage producers to carry out management practices they may not otherwise use without the program incentive.
- The rates are set to cover a substantial portion of the costs of certain conservation practices and installations, such as irrigation conversions, and other practices important to improving and maintaining the health of natural resources in the area. Limited-resource or beginning farmers (farming for less than 10 years) may qualify for higher rates on certain practices.

### **5) How can a grower apply?**

Producers may obtain contract applications at any USDA service center. After the initial application (one page), NRCS makes an appointment with the grower to establish which practices the grower would like to implement.

### **6) When should a grower apply?**

Growers can fill out an initial application any time of the year, but application typically must be submitted by the middle of January to be considered for that 2008 contract year

### **7) How do you find out if your contract is approved?**

The initial round of application ranking is usually complete by mid to late January and will be completed by February 15, 2008. Approved applicants are informed as soon as possible after that date.

### **8) When can the work begin on the items listed in the contract?**

No work covered by payments in the contract can begin until the contract is signed. There are no retroactive payments for work initiated early.

**9) How long do the contracts usually run?**

- Contracts based solely on incentive payments are generally 2 – 3 years.
- Contracts that include installations can run 5 – 10 years, but most contracts are 3 – 5 years or less.

If the land is sold or leased to another entity, the contract can “follow” the new operator - they must comply with and complete the contract.

**10) When does grower get payments from NRCS?**

Contract participants are paid when a practice is certified complete and it meets the intent, purpose and specification of the NRCS practice. Generally, payments will be made within 4-6 weeks of the payment documents being signed and an updated/current/accurate direct deposit is on file. As of 2008, growers can elect to receive up front payments for management practices. Keep in mind that payments are classed as income for tax purposes.

**11) Who administers EQIP?**

NRCS, the Natural Resources Conservation Service administers EQIP based on national, state, and local priorities. On the national level, NRCS sets policy and develops program rule and procedures, and identifies national resource priorities. The State NRCS office convenes the State Technical Advisory Committee (STAC). The STAC identifies resource priorities on the state level, eligible practices, payment levels and limits, and provides technical leadership (engineering, plant materials specialists, etc).