

## **2013 MINNESOTA EQIP CONSERVATION PRACTICE PAYMENT SCHEDULE**

The EQIP Conservation Practice Payment Schedule lists practices that have been authorized for payments under the Environmental Quality Incentives Program (EQIP) in Minnesota. This payment schedule applies to general EQIP, Beginning Farmer, Limited Resource Farmer, Socially Disadvantaged, Seasonal High Tunnel Initiative, On-Farm Energy Initiative, Organic Initiatives, Livestock -Ag Waste, Livestock – Grazing/pasture/hayland, Soil Health Initiative, Drainage Water Management Initiative and the Forestry Initiative.

The schedule consists of three parts, Program Provisions, General Provisions and Practice Payment Rates. The Program and General Provisions list the requirements that are applicable to all or multiple practices. The Practice Payment Rates list the component codes and payment rates for each schedule practice.

EQIP conservation payments are only authorized for practices listed in the schedule. Non-schedule practices required for the implementation of a schedule practice shall be considered components of and subsidiary to the schedule practice.

### **Conservation Practice Payment Methods:**

**PR – Payment Rate:** The Payment Rate is the unit cost rate of compensation to be received by the participant. The Payment Rate for each practice or component has been established at the National and State level. Payment rates are based on the average cost to implement a practice.

**Payments based on Payment Rates do not require the participant to submit bills or receipts.** However, invoices, receipts, and other supporting documentation may be required to support that the work performed meets practice standards and specifications. Offices are to follow state policy regarding collection of actual costs to support payment rate development for future years.

EQIP funds may be combined with other funds. EQIP does not pay for the same practice on the same land as any other USDA program. The participant should consult other program rules for maximum payment and other limitations.

### **PROGRAM PROVISIONS**

1. Conservation Practice Payments are authorized for practices:
  - a. Implemented following the contents of the NRCS Field Office Technical Guide.
  - b. Implemented following the a) general provisions and b) specific provisions for each practice included in the schedule.
  - c. **Where positive environmental benefits from the benchmark condition can be documented. Payments are not authorized for, or on, existing, in place practices.**
  - d. Starting Practices – Applicants who start a practice before the contract is approved by the NRCS causes the applicant to be ineligible for EQIP financial assistance for that practice. A waiver may be granted if the practice has not been started at time of application and the practice has not been started until after the waiver is granted (see EQIP manual for further guidance).
2. Payment Rates for 2013 EQIP contract is amount per unit as listed in this schedule. These rates are the amount the participant will receive upon completion of the practice, regardless of the cost of installing the practice. If other funding is received by the participant the total financial assistance provided may not exceed 100 percent of the total practice costs.
3. For certified Historically Underserved (HU) participants (Limited Resource Farmers, Beginning Farmers, Socially Disadvantaged Farmers) the payment rate will be HUP rate shown in this schedule. **For participants who certify as a Historically Underserved participant, field staff MUST select the HUP component in the cost list.** Checking the Limited Resource, Beginning Farmer, or Socially Disadvantaged Farmer in the ProTracts application will not automatically result in a higher payment rate.

4. Any contract with a total obligation of EQIP payments greater than \$150,000 must be signed in ProTracts by the Regional Assistant Chief. Instructions and the 2013 questionnaire will be provided by the state office when available.
5. Technical assistance (TA) through technical service providers (TSP) may be paid through EQIP contracts for FY 2013.

## **GENERAL PROVISIONS**

1. The minimum length of a contract is 1 year beyond the completion of the final practice. Practices may not be scheduled in the final year of the contract.
2. An approved participant may choose to obtain the technical assistance required to implement their EQIP contract from **EITHER** USDA **OR** a Technical Service Provider (TSP). If the participant chooses to have USDA perform the technical assistance, non-USDA personnel through a public agency partner or private sector consultant may provide parts of those services. If the participant chooses to hire a TSP certified by the NRCS, to perform the technical assistance, the maximum amount of USDA reimbursement for that assistance is the amount listed in the EQIP contract. All services provided by a TSP are done independently. Consultations or concurrence of USDA staff is not required. TSP costs in excess of the contract amount are the responsibility of the producer.
3. Pesticides used, as a component of any practice, will be state approved for the use involved. These pesticides will also be applied according to registered uses, label directions, and other applicable federal or state regulations.
4. Soil testing - Any practice, which includes the application of liming materials, commercial fertilizer, and/or manure shall be prescribed based on a soil test no older than three years old and from a soil testing laboratory shown on Minnesota Department of Agriculture's list of approved Soil Testing Laboratories. Application rates of lime, commercial fertilizer, and manure shall be based on University of Minnesota recommendations, or from North Dakota's or South Dakota's Land Grant University.
5. Liming Materials - Lime refers to Agricultural Liming Material (ALM). All liming material must meet the label information required by Minnesota Statue Section 18C.545 and include the following: 1) ALM type and; 2) ALM quality rating (minimum pounds of effective neutralizing power (ENP) per ton).
6. Land enrolled in other conservation programs is eligible under EQIP provided EQIP does not pay for the same practice on the same land as any other USDA program. CRP land may only be offered for enrollment during the last year of the CRP contract and no EQIP practice may be applied until after the CRP contract has ended. Other program rules may prohibit the use of EQIP funds. See also 440-V- CPM 515.52F.
7. NRCS Wetland Policy as found in the General Manual 190, Part 410 must be followed. This policy provides direction to the agency for compliance with the National Environmental Policy Act (NEPA). This policy prohibits NRCS from providing technical or financial assistance to participants that will adversely affect wetlands, unless the lost functions are fully mitigated.
8. As a requirement of eligibility, participants are required to perform upland treatment actions, according to Minnesota Conservation Planning Policy, and adequately address potential adverse impacts to conservation practices. Adverse impacts to conservation practices could include, but are not limited to, increased siltation by water and/or wind borne soils, excessive runoff, degradation of vegetation practice components by pesticides transported in runoff and sediment, and degradation of wildlife habitat.
9. Practice Pre-requisites and facilitating practices: Some practices require the implementation of one or more other practices. For example, Fence (382), Pipeline (516), and Watering Facility (614) all require the participant to implement either a Prescribed Grazing System or Access Control. However, the participant is NOT required to receive a program payment for either Prescribed Grazing System or Access Control. So a

Fence required to keep livestock off a Dam, does not require the participant to receive the Access Control program payment in order to receive payment for the required Fence. For this example the Access Control implementation must be documented in the participant's customer service file. **Similarly, the practice Tree/Shrub Establishment (612) requires the participant to implement and document the practice Site Preparation (490) when planting bare-root, plugs, containerized, potted, whips, cuttings, poles, stakes and/or balled & burlap stock either with or without a program payment.**

10. Participants wanting to perform practices on land they do not own, or to install practices that require permits are responsible for obtaining easements, permits, right-of-way, water rights or other permission necessary to perform and maintain the practices. Expenses incurred due to these items are not cost shared. The permission from the authority must be in writing and a copy must be provided to the NRCS field office prior to installation being made on the practice.
11. Materials – New materials must be utilized in the construction of practices, unless PRIOR approval has been granted by the State Conservation Engineer. The State Conservation Engineer has granted approval for specific used material as provided by specific practice provisions in this schedule.
12. Comprehensive Nutrient Management Plan (CNMP) Requirements. As outlined by the EQIP manual, any EQIP contract that includes a manure or wastewater storage or treatment practice will provide for the development and implementation of a CNMP. Consult EQIP Comprehensive Nutrient Management Plan (CNMP) Requirements (EQIP Schedule Attachment B) for details. Review the requirements with applicants interested in a waste management facility. All CNMP requirements apply to land under the control of the EQIP applicant.

The following CNMP land treatment and nutrient management CNMP requirements apply when the applicants manure is applied to land not under the control of the applicant:

- a. Minimum acreage calculations for all manure generated by the EQIP applicant.
- b. State Law Land application of Manure requirements.
- c. Information on State Law Recordkeeping requirements when manure has been transferred.

In Minnesota the CNMP shall be completed and verified and reported in PRS (or IDEA) **before** an Ag Waste application will be considered "eligible" in ProTracts for the following practices:

- Anaerobic Digester Controlled Temperature (Code 366)
- Roofs and Covers (Code 367)
- Waste Storage Facility (Code 313)
- Wastewater Treatment (Code 629)
- Vegetated Treatment Area (Code 635)
- Solid/Liquid Waste Separation Facility (Code 632)

13. Producers receiving EQIP funding for one or more of the Waste Storage and Treatment practices listed in the item above or for Nutrient Management (code 590) must demonstrate adequate land base for manure applications and insure that nutrients are managed according to NRCS standards on lands where the producers' manure will be applied, regardless of ownership\*. This ensures compliance with manure application requirements of State Chapter 7020 Rules. These rules address sensitive areas, application timing, and application rates based on either the nitrogen needs of the crop as determined by nutrient budgeting or on a P205 removal basis.
  - a. CNMPs or Strategic Plans for Livestock operations should list total acres necessary to receive manure applications from all manure generated on the EQIP applicant's operation.
  - b. If the producer does not have the necessary acres, he or she must obtain written permission from others to apply or have manure applied to their land according to NRCS requirements\*.
  - c. Copies of the permissions must be provided to the NRCS field office prior to construction of the above listed practices in Provision 12 or implementation of nutrient management (590).
  - d. The "USDA-NRCS Agreement to Allow Manure Application" (EQIP Schedule Attachment F) should be used to obtain permissions.
  - e. It is the EQIP contract holder's responsibility to insure that manure from their operation(s) is managed according to NRCS requirements on land(s) they do not control.

\*Requirement does not apply to manure given or sold to a manure broker who sells or gives the manure to other individuals.

14. Program authority does not allow the NRCS to establish limits on the extent of practices proposed by program applicants; however, NRCS may establish maximum payment caps on individual practices. For the following practices a maximum payment cap is established **per individual/entity for the life of the current farm bill**.

a. For these practices the payment cap is a **per year** payment with a maximum of 3 payments. See each practice for the appropriate payment cap amount

Access Control	Prescribed Grazing
Drainage Water Management	Residue Management – Mulch till
Irrigation Water Management	Residue Management – No till/Strip till
Nutrient Management	Residue Management – Ridge till
Pest Management	Cover Crop*

b. For these practices the payment cap is **per practice**, although individual practice provisions may restrict whether the participant is eligible for any additional practice payment:

Cover Crop*	Seasonal High Tunnel
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**\*Exception:** Cover crop, Soil Health scenario only – per year payment with a maximum of 5 payments.

15. **Payment for any Ag Waste System will be capped at \$250,000.** This includes all facilitating or supporting practices, such as, but not limited to: Anaerobic Digester Controlled Temperature, Animal Mortality Facility, Closure of Waste Impoundment, Critical Area Planting, Diversion, Fence, Heavy Use Area Protection, Nutrient Management, Obstruction Removal, Pipeline, Pond Sealing or Lining, Pumping Plant, Roof Runoff Structure, Roofs and Covers, Sediment Basin, Sinkhole Treatment, Solid/Liquid Waste Separation Facility, Subsurface Drain, Vegetated Treatment Area, Waste Facility Cover, Waste Storage Facility, Waste Transfer and Wastewater Treatment.

16. Establishment weed control is included in the cost of the tree planting or grass seeding. No additional payments are authorized for weed control to establish a tree planting or grass seeding. This is part of operation and maintenance (O & M).

17. Facilitating practices of a Prescribed Grazing system (i.e. fencing, pipeline, watering facility, seeding and heavy use area protection) must all be installed prior to payment of the Prescribed Grazing management practice payment. If the Prescribed Grazing practice payment is not implemented, financial assistance for all facilitating practices will be recovered according to CPM 512.71.