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DATE: December 5, 2006

WASHINGTON BULLETIN WA WA300-7-7

SUBJECT: LTP - Revised Cost-Share Policy for Residue Management Practices

**Purpose.** To rescind Washington Bulletin WA300-7-6 and provide a corrected version of the new technical and programmatic policies that will guide the use of EQIP cost-share for residue management practices. The portion that was changed is on page 2 and is shown in italicized print.

**Expiration Date.** September 30, 2007

**Background** - Over the past years, NRCS cost-share for residue management practices has been primarily linked to the planting of a crop. Payments were made only when a crop was planted using no-till or direct seed practices or when adequate residue remained after planting. From the program perspective, this forced planners to modify contracts whenever changes were made to planting dates or crop rotations. From a technical perspective, planners and producers often missed the importance of considering all phases of residue and tillage management of the crop system, as they implemented the new practice.

In an effort to reduce the number of contract modifications and increase the efficiency of contract implementation, the policy for cost-share of management practices in EQIP was changed for FY 2007 to require payments to be made in three (or less) consecutive years. (Ref: WA300-6-27) While this change may have solved part of the issue of contract modifications, it did not address the technical side of the problem.

**Policy Change** - Beginning with the FY 2007 EQIP contracts, residue management practices will receive cost-share based on a "residue management system" approach. The NRCS conservation practice standards for 329, 344, and 345 are defined as "Managing the amount, orientation and distribution of crop and other plant residue on the soil surface..." according to specific criteria for each practice. The producer who implements a residue management system and meets the requirements of Practice Code 329, 344 or 345, will receive three consecutive annual payments on all acres of the planning unit each year.

Producers (and Local Work Groups) will be able to choose from four types or levels of treatment. These practice components will be used consistently across the state.

- 1) No-till or Direct Seed System - This component will require that the Practice Code 329 standard be met in all phases of the crop and planting systems during the three years of payments. Incentive payment will be \$20/acre.
- 2) Mulch Tillage System, Organic Matter Improvement - This component will require that the Practice Code 345 be met in all phases of the crop and planting system and in addition will meet an SCI of at least 0.4 in rainfall zones above 14" and an SCI of at least 0.2 in rainfall zones at and below 14". Incentive payment will be \$15/acre.

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- 3) Mulch Tillage System - This component will require that the Practice Code 345 be met in all phases of the crop and planting system. Incentive payment will be \$10/acre.
- 4) Residue Management Seasonal - This component will require that the Practice Code 344 be met in all phases of the crop and planting system. Incentive payment will be \$5/acre.

NRCS will utilize the following guidance in managing contracts with these practices:

- 1) The same residue practice and component will be scheduled and paid for all three consecutive calendar years in the EQIP contract. For example, a system that includes some direct seed and some mulch tillage and meets the SCI of 0.4 in a 15" rainfall zone would be planned and paid as Mulch Tillage System, Organic Matter Improvement for all three years of the contract.
- 2) *It is permissible to pay for a residue management practice on fields when residue management criteria are met for the appropriate practice standard, even if the residue was derived from a crop that was harvested prior to the date of contract obligation.*
- 3) A RUSLE2 report will be developed for the planned system during contract development. Field verification of practice application will be conducted at the appropriate times, based on crop rotation, to determine that the practice is being followed and that resource protection is provided during the critical erosion period. The field verification timing will be determined based on the local resource concerns and cropping systems.
- 4) The producer will only receive one payment per year for all fields and the timing of the practice's annual payment will remain consistent for the three payment years.

If you have any questions on the implementation of this new policy, please contact your Area Program Liaison or area technical specialists.

/s/ RL Hughbanks

R. L. "GUS" HUGHBANKS  
State Conservationist