

National Bulletin: 300-12-7

Date: November 14, 2011

Subject: LTP - Guidance for Support of Conservation Activity Plans Funded Through the Environmental Quality Incentives Program (EQIP)

Action Required By: November 25, 2011

Purpose. To provide State Conservationists (STCs) with guidance to manage EQIP to support implementation of Conservation Activity Plans during fiscal year 2012.

Expiration Date. September 30, 2012

Background. The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) provides authority to the Natural Resources Conservation Service (NRCS) for practice payments through EQIP, which include support for development of Conservation Activity Plans or CAPs. This bulletin provides guidance for support of CAP during fiscal year (FY) 2012.

Explanation. During FY 2012, the agency will allow the use of the 16 CAPs to support priorities of the Department and NRCS. All 16 CAPs are available for use in all States through EQIP during FY 2012; however several CAPs are **required** to be offered in specific States, as indicated in the following table and approved in the Conservation Practice Standards (CPS) database. In addition for FY 2012, States **will not** rank any CAP application. All CAP applications will be approved as funding is available.

Practice Code	Conservation Activity Plan (Practice Payment Name) **	Required to be offered:
102	Comprehensive Nutrient Management Plan	All States
104	Nutrient Management Plan	All States
106	Forest Management Plan	All States
110	Grazing Management Plan	Optional
114	Integrated Pest Management Plan	All States
118	Irrigation Water Management Plan	All States
122	Agricultural Energy Management Plan-Headquarters (AgEMP)	All States
124	Agricultural Energy Management Plan-Landscape (AgEMP)	All States
126	Comprehensive Air Quality Management Plan	Air Quality States
130	Drainage Water Management Plan	All States
134	Conservation Plan Supporting Transition from Irrigation to Dry-land Farming Plan (Only for use in approved AWEF project areas)	AWEF States
138	Conservation Plan Supporting Organic Transition	All States
142	Fish and Wildlife Habitat Management Plan	Optional
146	Pollinator Habitat Enhancement Plan	Optional
150	Oil Spill, Prevention, Control and Countermeasure (SPCC)	Pilot States
154	Integrated Pest Management Herbicide Resistance Weed Conservation Plan	Optional

** The "units" for all CAP practices are number or "No".

For each of the offered Conservation Activity Plans, EQIP payments will only be made to producers for development of plans by certified technical service providers (TSP). The NRCS national TSP web site contains TSP certification requirements for the 16 types of approved CAPs.

For FY 2012, the national office will develop payment schedules (Except CNMP, 102), payment percentages, and practice payment rates for TSP services supported through EQIP. Establishment of national CAP payment schedules will help meet the agency goal for consistency and efficient delivery of program benefits to participants requesting these services.

As in previous program years, note the following requirements that must be met in order to support this effort during FY 2012 and meet statutory requirements, including:

- No financial assistance payments are authorized for development of Conservation Activity Plans other than through the EQIP program.
- Only certified TSPs may be used to provide services for development of Conservation Activity Plans. Under no circumstance shall an NRCS employee develop an EQIP funded Conservation Activity Plan. Certification requirements for TSPs are available on the TSP website.
- With the exception of CNMP Conservation Activity Plans, the use of TA funds for TSP planning services for CAPs is prohibited. TA funds for TSP services may be used for development of CNMP plans and other authorized services (planning, practice design, implementation, and checkout services using 900-series activity codes). These requirements do not preclude State Conservationists from use of "A&E" type agreements using TA for other services (outside ProTracts), but not for development of EQIP Conservation Activity Plans other than a CNMP.
- To assure consistency in program delivery, nationally developed payment schedules for CAPs will include a standard program percentage rate of 75%, and historically underserved participants will be eligible for a payment rate of 90%. With the exception to CNMP (102), this bulletin provides the approved payment schedules and payment rates for use in ProTracts during FY 2012.
- Conservation Activity Plans must meet the minimum requirements of the CAP planning criteria issued by the Science and Technology Deputy Area for inclusion in all State Field Office Technical Guides, Section III (FOTG). States **will not** modify the CAP planning criteria.
- To assist agency efforts to develop capacity for TSP services, States should market offered CAPs to producers and assist service providers in becoming certified. In support of Memorandums of Understanding with various service provider organizations, the national TSP team anticipates offering training to prospective TSPs during FY 2012. Additional information will be provided by the TSP team. For additional information, contact Dwayne Howard, National TSP Team Leader at 202-720-6731.

Note that several of the required CAPs are required to be offered for support of Department or agency priority initiatives or strategies during FY 2012.

- The nutrient management CAP (104) and drainage water management CAP (130) are required to be offered to support the agency strategy for the Nutrient Management (590) practice requirements.
- The SPCC CAP continues to be required in pilot States to meet the Department's initiative to help meet new EPA regulatory requirements to prevent potential spills on farms and ranches with above ground oil and fuel storage facilities.
- The two AgEMP CAPs are required to be offered to support the agency initiative to assist producers with improvements to conserve energy using EQIP authorities.
- The Comprehensive Air Quality Management CAP is required to be offered in States approved for the National Air Quality Initiative. This CAP identifies practices which will assist producers address regulated air quality resource concerns. The air quality CAP may also be offered in States which establish a separate State AQ sub account.

Action Required. STCs are responsible to complete the following by Friday, November 25, 2011:

Conservation Activity Plan (CAP): States shall offer CAPs through EQIP in the State programs listed per the requirements of the table on the first page of this bulletin.

Conservation Practice Standards (CPS) Database: The national data steward has made practice payment codes available in the CPS database. State data stewards must also make the practice code "active" in the State CPS database for each of the conservation plan activities approved for use. The practice lifespan for all CAPs are one year.

EQIP Financial Assistance Support: Each approved Conservation Activity Plan is supported by a single, stand-alone program contract with plan development scheduled during the first 12 calendar months after obligation. The expectation is that these agreements will be completed within the first year. Modification of CAP program contracts to reschedule and allow completion of the conservation plan beyond the first year is strongly discouraged.

ProTracts: The ProTracts application type of "planning" must be associated with each EQIP CAP application and ranking of these applications is not allowed for FY 2012. For CAP applications that are properly associated with an application type of "planning," ProTracts will allow approval and obligation of the application with a zero ranking score. Eligible EQIP applications for CAPs may be approved on a continuous basis, as funds are available. CAPs shall not be ranked.

One Conservation Activity Plan per Land Unit Restriction: Under this authority, eligible producers may submit applications for development of multiple CAPs; however, only one CAP contract is allowed to be developed on eligible land unit (e.g., field) at the same time. Contracting of multiple CAP contracts on the same land unit is prohibited.

State Conservationists shall assure that approved EQIP contracts will not allow duplication of payments for the same planning services in program contracts (i.e., contracts with both 100-series practice payments (FA) and 910 technical assistance (TA) practice payments for the same planning services on the same land).

CAP Payment Schedules for FY 2012: The national office will provide approved payment schedules to States for all CAPs, except the Comprehensive Nutrient Management (CNMP), and will post to the national EQIP CAP web site by November 28, 2011. Upon receipt, STCs shall include the CAP payment rates in the final payment schedules uploaded to ProTracts. STCs shall make appropriate public announcement on each State program's web site for each CAP offered and provide a link to the national web site. For national consistency, all CAP payment schedules include a standard program percentage rate of 75 percent, and historically underserved participants will be eligible for a payment rate of 90 percent.

Contact. If you have any questions, contact the EQIP Team Leader, Financial Assistance Programs Division (FAPD), at (202) 690-2621.

/s/

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