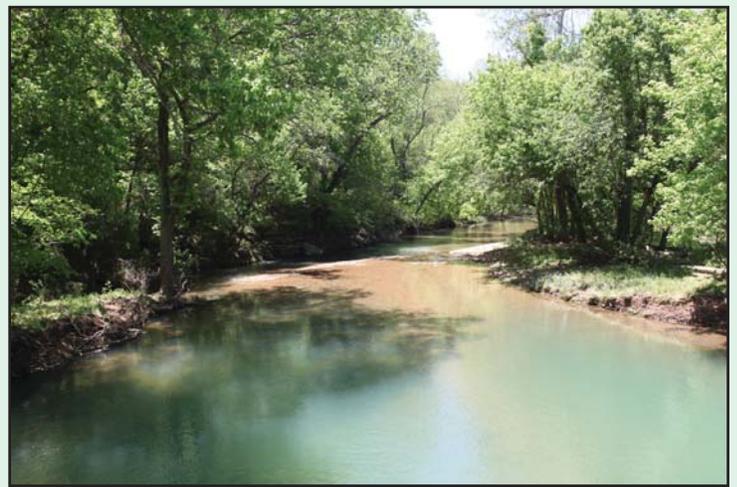




2013 Arkansas NRCS Annual Report

CONSERVING NATURAL RESOURCES IN ARKANSAS



Dear Friends of Arkansas Conservation,

We are pleased to present to you our 2013 annual report. We have much to celebrate because 2013 was another banner year for conservation in Arkansas. The USDA's Natural Resources Conservation Service (NRCS) in Arkansas was number one in the nation in total financial assistance with \$157 million! Arkansas continues to be on the forefront every day, working with private landowners to help them conserve and restore our natural resources.



This past year was a year of "firsts" for Arkansas NRCS. We were the lead state for the Mississippi River Basin Healthy Watersheds Initiative, Illinois River Sub-Basin and Eucha-Spavinaw Lake Watershed Initiative, Drought Initiative obligations in FY12 and FY13, Conservation Stewardship Program obligations, Wetlands Reserve Enhancement Program acres enrolled and we led the nation with 14 Edge-of-Field Monitoring applications funded. On top of all that, we are a leader in Environmental Quality Incentives Program, Wildlife Habitat Incentive Program and Wetlands Reserve Program obligations.

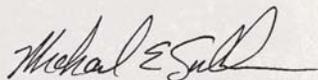
I want to express my sincere appreciation to the Arkansas NRCS staff and partners for their hard work and dedication. None of our accomplishments would have happened without their extra effort to provide the best possible service for our producers. I sincerely appreciate their work!

We have great support from the Arkansas Conservation Partnership - Arkansas Natural Resources Commission (ANRC); Arkansas Association of Conservation Districts (AACD); Arkansas Association of Conservation District Employees; Arkansas Forestry Commission; Arkansas Resource Conservation and Development Councils, Inc.; University of Arkansas, Cooperative Extension Service; University of Arkansas, Pine Bluff; and many others.

Also, contributing to our success were 840 Earth Team volunteers who worked 35,907 volunteer hours in FY13, equaling \$782,413 in salary savings.

Improving the health of our Nation's soil and water is one of our most important endeavors. So, working with ANRC and AACD, we initiated the "Healthy Land and Waters – Naturally" campaign to improve soil health, soil and water management, maintain and improve productivity and natural resources. NRCS, ANRC, AACD, other state agencies, conservation groups and agricultural corporations also hosted a successful cover crop workshop to provide a forum for producers to exchange information and discuss opportunities for collaboration on how cover crops can help with soil health and water quality.

As we embark upon another year of private lands conservation, our agency will continue to promote every avenue and opportunity to provide our partners and customers the products and services they need to be good stewards of their soil, water and other natural resources. Working together, we will continue to help people get conservation on the ground – better and faster than ever before!



Mike E. Sullivan
State Conservationist

Agricultural Water

Enhancement Program

Contracts: 14 Acres: 3,712.2
Financial Assistance: \$850,316

Conservation Stewardship Program

Contracts: 537 Acres: 547,704.7
Financial Assistance: \$17,806,745

Environmental Quality Incentives Program (EQIP) (includes all initiatives)

Contracts: 2,786 Acres: 534,034.9
Financial Assistance: \$63,977,916

Drought Recovery (EQIP)*

Contracts: 1,413 Acres: 160,480.5
Financial Assistance: \$14,964,340

EQIP Illinois River*

Contracts: 151 Acres: 9,803.5
Financial Assistance: \$4,008,297

Mississippi River Basin Healthy Watershed Initiative (MRBI)* (Cooperative Conservation Partnership Initiative)

Contracts: 453 Acres: 107,998.1
Financial Assistance: \$27,067,199

EQIP National Water Quality Initiative*

Contracts: 33 Acres: 6,021
Financial Assistance: \$992,024

EQIP USDA StrikeForce*

Contracts: 72 Acres: 10,268.5
Financial Assistance: \$2,832,341

EQIP Water Quality Monitoring*

Contracts: 14 Acres: 1,358.3
Financial Assistance: \$1,786,283

Wetlands Reserve Program and MRBI Wetlands Reserve Enhancement Program

Easements: 21 Acres: 8,000
Financial Assistance: \$15,275,800

Wildlife Habitat Incentive Program (WHIP)

Contracts: 156 Acres: 26,901.5
Financial Assistance: \$2,511,810

* included in EQIP amounts

WOW! What a Year

Through Farm Bill programs, special initiatives and technical assistance, Natural Resources Conservation Service (NRCS) employees, volunteers, conservation partners, landowners and agricultural producers in every region of Arkansas addressed the state's primary resource concerns of water quality, water quantity, soil erosion, soil condition, plant condition and air quality. Arkansas led the nation in the amount of Financial Assistance obligated with \$157 million. Following is a brief highlight of the conservation work accomplished in Arkansas during Fiscal Year 2013.

Agricultural Water Enhancement Program

The Little Red River Irrigation District AWEPP project addresses water quantity and quality concerns in the Little Red River Watershed in White County.

The project area encompasses approximately 83,838 acres southeast of Searcy containing approximately 34,000 acres of irrigated cropland. The area has been designated as a critical ground water use area by the Arkansas Natural Resources Commission.

Farmers in the project area received \$850,316 in financial assistance in FY13 funding 14 applications on 3,712 acres.

Conservation Stewardship Program

The Conservation Stewardship Program (CStP) encourages agricultural and forestry producers to undertake additional conservation activities while improving and maintaining the existing conservation on their land. The program provides financial and technical assistance to conserve and enhance soil, water, air and related natural resources. In FY13, 537 contracts were developed enrolling 547,704 acres. The contracts will provide more than \$17.8 million in financial assistance to participants over the five-year contract agreements. Total CStP payments in 2013 were \$58 million, the most in the country.

Drought Recovery

The 2012 drought hit Arkansas hard and many farmers were significantly impacted. In 2012, NRCS field offices collected 3,936 applications in nine days. To help alleviate some of the hardships, a Drought Recovery Initiative was launched in 2013. Arkansas landowners received more than \$14.9 million through 1,413 contracts on 160,480 acres.

Environmental Quality Incentives Program

The Environmental Quality Incentives Program (EQIP) promotes agricultural production and environmental quality as compatible goals. It provides financial and technical assistance to install or implement structural and management conservation practices on agricultural land.

EQIP priorities in Arkansas are to reduce erosion; reduce pollution from animal wastes, nutrients and sediments; improve irrigation and reduce dependence on ground water for irrigation; forest improvements; improve grazing lands; and improve wildlife habitat.

Arkansas farmers received more than \$63.9 million in EQIP financial assistance in FY13, funding 2,786

applications. This financial assistance will help install conservation practices to reduce soil erosion, use water more efficiently and improve grazing land, wildlife habitat and water quality on more than 534,034 acres.

Other initiatives under EQIP included Energy (115 contracts for \$1.3 million), Organic (3 contracts for \$26,098) and Seasonal High-Tunnel (51 contracts for \$328,196).

USDA StrikeForce Initiative

The USDA StrikeForce initiative is helping relieve persistent poverty in high-poverty counties by accelerating USDA assistance while working closely with Community Based Organizations.

More than \$2.8 million in NRCS financial assistance funded 72 contracts on 10,268 acres in Arkansas's StrikeForce counties in FY13 through EQIP.

The counties are: Arkansas, Bradley, Chicot, Clark, Columbia, Dallas, Desha, Drew, Hempstead, Howard, Jackson, Lafayette, Lawrence, Lee, Mississippi, Monroe, Nevada, Newton, Ouachita, Phillips, Randolph, Searcy, Sevier, St. Francis and Woodruff.

Water Quality Monitoring

A new project to monitor edge-of-field water quality on agricultural lands in targeted watersheds throughout the state began in 2013. Producers can use the data from water quality monitoring and evaluation to measure the effectiveness of conservation practices and systems such as nutrient management, cover crop, and irrigation water management. Evaluation of conservation practice effectiveness through edge-of-field monitoring will lead to a better understanding of nutrient and sediment loading and will assist NRCS and participants in adapting or validating the application of conservation measures.

Arkansas landowners received more than \$1.78 million through 14 contracts on 1,358 acres to lead the nation in the program.

Wetlands Reserve Program

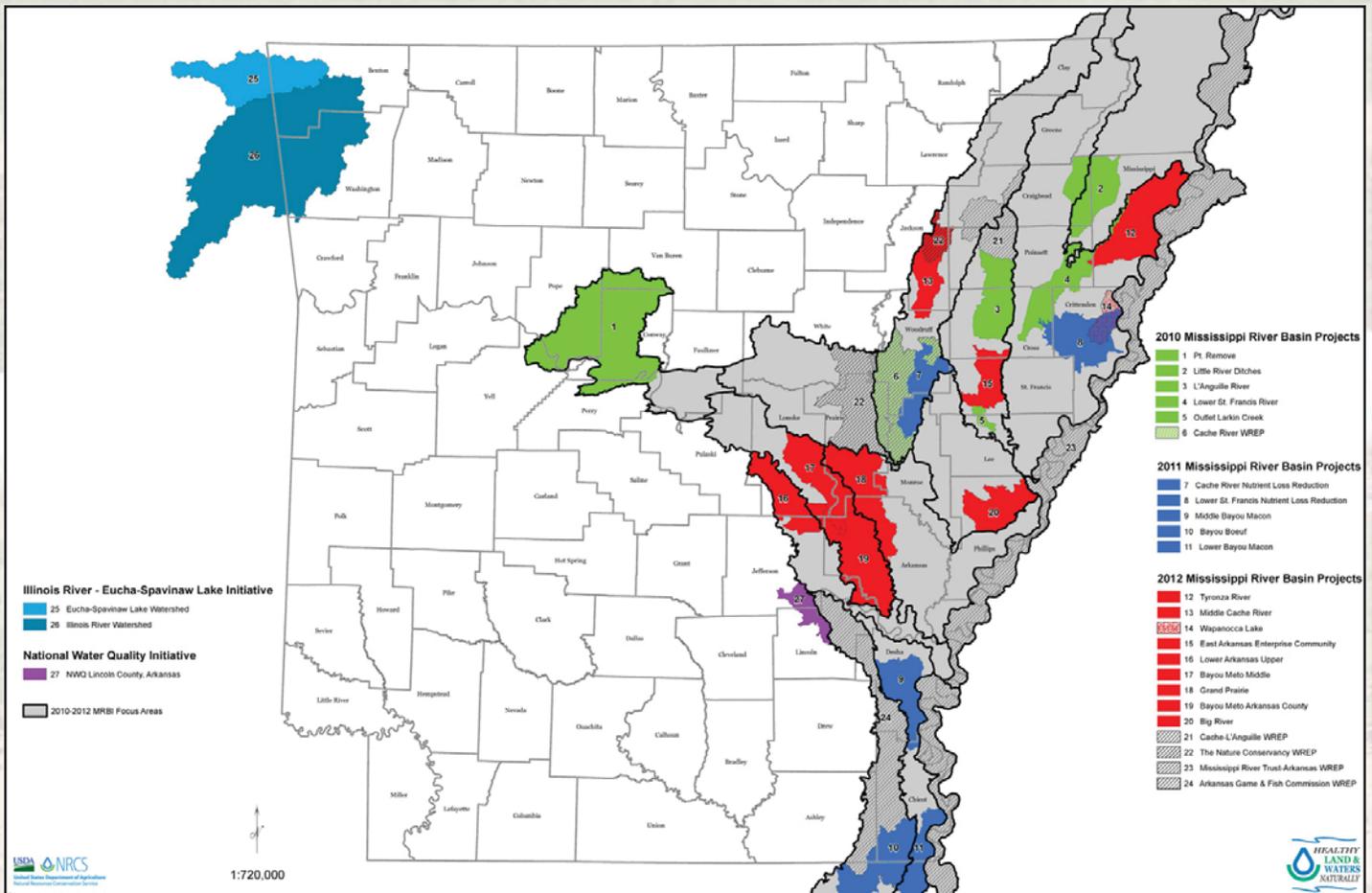
The Wetlands Reserve Program (WRP) is a voluntary program offering landowners the opportunity to protect, restore and enhance wetlands on their property. NRCS enrolled 10 tracts and obligated more than \$3.4 million in FY13. Wetlands were restored on more than 11,250 acres with total obligations of more than \$11 million. NRCS closed on 42 WRP and Wetlands Reserve Enhancement Program (WREP) easements, decreasing the back log by nearly 50 percent.

Arkansas ranks third in the nation in the number of acres enrolled with more than 225,000.

Wildlife Habitat Incentive Program

The Wildlife Habitat Incentive Program (WHIP) facilitates environmental improvements for wildlife, encouraging producers to be good stewards of the land. The program addresses wildlife habitat in riparian areas, wetlands, uplands, cave ecosystems, and elk and quail habitat.

Arkansas landowners received more than \$2.5 million through 156 contracts on nearly 27,000 acres.



Landscape Initiatives Target Natural Resource Concerns

Across the state, Arkansas faces environmental and natural resource challenges. Beyond Arkansas's borders, neighboring states face the same challenges. NRCS and partners have adopted a progressive landscape approach to address the most pressing natural resource concerns — strategically investing federal funds and leveraging partner resources across traditional boundaries such as state and county lines, to accelerate conservation implementation where needed.

In Arkansas, this strategy has resulted in:

- ♦ Reducing sedimentation and nutrient loads to water bodies in the Illinois River Sub-Basin and Eucha-Spavinaw Lake Watershed while maintaining the food and fiber production in the area. The project is located in portions of Benton and Washington counties in Arkansas. Funding is assisting landowners in the 576, 517 acre area in Arkansas over an eight-year period.

Farmers and ranchers in the project area received more than \$4 million in financial assistance in Fiscal Year 2013, funding 151 applications on 9,803 acres.

The top five practices applied in FY13 were: amendments for the treatment of animal waste (259,917 animal units), forage and biomass planting (4,773 acres), fence (89,762 feet), watering facility (36 facilities) and prescribed grazing (3,529 acres).

- ♦ More opportunities for agricultural producers to reduce nutrient and sediment run-off from fields while maintaining or improving production levels, as well as increased emphasis on wildlife habitat restoration. Arkansas has 24 active MRBI projects – 19 Cooperative Conservation Partnership Initiative (CCPI) and five Wetlands Reserve Enhancement Program (WREP). Total approved funding for the life of the projects is more than \$123 million.

Through the CCPI projects, 453 contracts were funded on 107,998 acres for more than \$27 million. WREP projects totaled 11 easements, on 4,224 acres for more than \$11.8 million.

The top five practices applied in FY13 were: nutrient management (36,080 acres); cover crop (11,364 acres); irrigation pipeline (208,265 feet); residue and tillage management, mulch till (6,654 acres); and structure for water control (56 structures).

- ♦ Improving water quality and aquatic habitats in Cousart Bayou – Little Cypress Bayou, Upper Deep Bayou and Lower Deep Bayou watersheds in Jefferson and Lincoln counties. Arkansas's three watersheds total 62,473 acres and were selected based on the high amount of sediment and total phosphorus concentration that flow into tributaries of the Bayou Bartholomew watershed.

In fiscal year 2013, a total of 33 contracts totaling \$992,024 million were developed, enrolling 6,021 acres.