EQIP-CIC

Fiscal Year 2021 Implementation

EQIP CIC - Authorities

- Statute: EQIP CIC is a new enrollment option created by section 2304 of the 2018 Farm Bill
 - Amended Section 1240B of the Food Security Act of 1985 (16 U.S.C. 3839aa-2)
- Regulation: (7 CFR Part 1466) Subpart D—Incentive Contracts
 - §1466.40 High priority areas
 - §1466.41 Incentive contract selection
 - §1466.42 Incentive contract requirements
 - §1466.43 Incentive contract period
 - §1466.44 Incentive payment rates and restrictions
- Policy: Part 530–Working Lands Conservation Programs Manual
 - Subpart R Environmental Quality Incentives Program (EQIP)
 - 530.408 EQIP Incentive Contracts

EQIP CIC – Purpose

To provide stewardship opportunities for producers through EQIP:

- Based on land use
- Must address at least one Priority Resource Concerns (PRC)
- Within an identified watershed or other area (HPA)

Steppingstone for producers from EQIP to CSP:

 Allows producers to implement elements of CSP on a smaller scale

EQIP CIC – Major Features

EQIP CIC can attain additional levels of conservation by providing two types of Incentive Practice Payments:

- Payments for adopting practices
 - Structural, Vegetative, Management Practices
 - Paid after certification
- Payments for managing, maintaining, and improving the incentive practices
 - Paid the FY after certification
 - May not occur every year

EQIP CIC – Major Features

- EQIP CIC Payment Limitation:
 - \$200K Payment Limitation, separate from EQIP 'Classic'
- EQIP CIC Contract Limitation:
 - Joint Operations (bus type 2 or 3) have a contract limit not to exceed \$400K
- EQIP Allocation:
 - For FY 2021, each State will set aside 5% or \$200K, whichever is greater
 - States have flexibility to roll unused CIC funds into general EQIP funds

EQIP, EQIP CIC, CSP Crosswalk Matrix

Features	EQIP Classic	EQIP-CIC	CSP Classic
Conservation target	Addresses identified RCs	Targets up to three priority RCs per land use in State priority area(s)	Encourages maintenance of existing conservation and adoption of new activities
Planning needs for practices and enhancements	Practices planned on a field or planning land unit	Practices and/or enhancements planned on a field or planning land unit	Primarily enhancements and some practices planned across the entire operation
Requires existing conservation efforts to be in place at time of application.	N	N	Υ
Minimum number of priority resource concerns the application needs to address (No.)	N/A	1	Based on program requirements
Payment Limitation (\$ Amount)1	\$450K	\$200K	\$200K
Minimum contract Period (No. years)	1	5	5
Maximum contract Period (No. years)	10	10	5
Contract must include practices	Yes	Yes or No	Yes or No
Contract must include enhancements	N/A	Yes	Yes
Timing of practice payments	Certification	Certification	FY after completion
Timing of enhancement payments	N/A	FY after completion	FY after completion
Minimum Contract Payment (Annual)	N/A	N/A	\$1500
Allows Conservation Activity Plans (Y/N)	Y	N	N
HU Payment Rates apply and Advance Payments permissible (Y/N)	Y	Υ²	N

 $^{^{1}\}mbox{See}$ 530.143C for more information, including payment limits for business types 2 and 3

² HU payment rates and advance payments are only applicable to practices, not enhancements.

Implementing EQIP-CIC in ND for FY2021

- FY21 Priority Area
 - Entire State
- FY21 Land Uses
 - Pastureland
 - Rangeland
- FY21 Priority Resource Concerns for both Land uses
 - Inadequate Livestock water quantity, quality and distribution
 - Plant productivity and health
 - Plant structure and composition

FY 21 Practices

- 314 Brush Management
- 315 Herbaceous Weed Treatment
- 338 Prescribed Burning
- 348 Dam/Diversion
- 378 Pond
- 382 Fence
- 472 Access Control
- 512 Pasture and Hay Planting
- 516 Livestock Pipeline

- 528 Prescribed Grazing
- 533 Pumping Plant
- 550 Range Planting
- 574 Spring Development
- 614 Watering Facility
- 642 Water Well

FY 21 Enhancements

- E314A Brush management to improve wildlife habitat
- E315A Herbaceous weed treatment to create plant communities consistent with the ecological site
- E338A Strategically planned, patch burning for grazing distribution and wildlife habitat
- E382A Incorporating "wildlife friendly" fencing for connectivity of wildlife food resources
- E472A Manage livestock access to waterbodies to reduce nutrients or pathogens to surface water
- E511A -Harvest of crops (hay or small grains) using measures that allow desired species to flush or escape
- E511B Forage harvest management that helps maintain wildlife habitat cover, shelter or continuity
- E511C Forage testing for improved harvesting methods and hay quality
- E512A Cropland conversion to grass-based agriculture to reduce soil erosion
- E512C Cropland conversion to grass for soil organic matter improvement
- 512D Forage plantings that help increase organic matter in depleted soils
- E512G Native grasses or legumes in forage base
- E512H Forage plantings that enhance bird habitat cover and shelter or structure and composition
- E528A Maintaining quantity and quality of forage for animal health and productivity
- E528D Grazing management for improving quantity and quality of food or cover and shelter for wildlife

- E528E Improved grazing management for enhanced plant structure and composition for wildlife
- E528G Improved grazing management on pasture for plant productivity and health with monitoring activities
- E528H Prescribed grazing to improve/maintain riparian and watershed function-elevated water temperature
- E528I Grazing management that protects sensitive areas -surface or ground water from nutrients
- E528J Prescribed grazing on pastureland that improves riparian and watershed function
- E528K -Improved grazing management for soil compaction on pasture through monitoring activities
- E528L Prescribed grazing that improves or maintains riparian and watershed function-erosion
- E528M Grazing management that protects sensitive areas from gully erosion
- E528N Improved grazing management through monitoring activities
- E528Q Use of body condition scoring for livestock on a monthly basis to keep track of herd health
- E528R Management Intensive Rotational Grazing
- E533B Complete pumping plant evaluation for energy savings
- E550B Range planting for improving forage, browse, or cover for wildlife

Recap: EQIP CIC – Purpose

Producers agree to address at least one PRC Steppingstone for producers from EQIP to CSP:

• Allows producers to implement elements of CSP on a smaller scale

Recap EQIP CIC - Major Features

Incentive Practices:

- Structural, Vegetative, and Management practices (EQIP Classic practices)
- Enhancements for managing, maintaining, and improving existing conservation (CSP Classic enhancements)
- Conservation Activity Plans, Bundled Enhancements, and Existing Activity Payments are <u>not</u> offered under EQIP CIC

• Incentive Practice Payments:

- Structural, Vegetative, and Management practices are paid after certification (same as EQIP Classic). Practices are paid at the EQIP rate.
- Annual Payments for enhancements are paid as soon as practicable in the fiscal year after certification (same as CSP Classic)
 - Note: EQIP CIC does not require enhancements be scheduled in every FY, so there may be years where there is no "annual" payment

Recap EQIP CIC – Major Features

- EQIP CIC Payment Limitation:
 - \$200K Payment Limitation, separate from EQIP 'Classic'
- EQIP CIC Contract Limitation:
 - Person or legal entity = \$200K Contract Limit
 - Joint Operations (bus type 2 or 3) = \$400K Contract Limit
- Historically Underserved
 - In a contract, all items will be designated as "HU," but only practices (not enhancements) will receive a higher rate.
 - Advanced payment option will only be available for practices (not enhancements).