EQIP Sub-committee Meeting

May 31, 2023 - 9:30 a.m. – 12:00 p.m. CT

WHERE: MICROSOFT TEAMS &/OR IN PERSON

100 Centennial Mall N. in RM 397A

ATTENDEES:

In-Person – Conor Ward, Brad Soncksen, Fred Stevens, Jenny Prennosil, Tim Kalkowski. Via Teams – Al Juhnke, Annette Sudbeck, Andy Bishop, Chandler Schmidt, Steve Fairbairn, Jana Ingwerson-Laws, John Hansen, Ryan Lodge, Mike McDonald, Lavaine Moore, Mary Reece, Kalee Olson, Elbert Traylor, Patrick Lechner, Buffalo Bruce, Doug Wagner. Via Phone – Mike Crosley.

EQIP Subcommittee Meeting

 ♣ Welcome and Introductions Brad Soncksen, NRCS

♣ FY22 EQIP Updates Conor Ward, NRCS

- Agenda Review
 - EQIP Contract 2010-Present
 - Historically Underserved (HU) Farm Bill 2018
 - Planned and Applied 2014 2028 top 25 Practices Obligations
 - FY23 Applications
 - o 3,735 includes applications that have been obligated into FY23 Contracts.
 - o FY23 Contract as of May 24
 - **722**
 - FY23 EQIP Practices Top 20 Obligations
 - FY23 EQIP Top 25 Practices
 - by Obligations
 - by Count
 - Obligation Status
 - FY23 Application Cutoffs
 - General Application Cutoff Date November 18, 2023
 - State Ranking Pools Ranking Deadline January 31, 2023
 - Local Ranking Pools Ranking Deadline February 21, 2023
 - Additional Signups/Cutoff Dates
 - Great Plains Grassland Initiative SU2 February 17, 2023
 - Conservation Activities, NWQI ACT Now May 1, 2023
 - Statewide Wildfire Assistance ACT Now May 31, 2023
 - Inflation Reduction Act (IRA) March 31, 2023
 - Organic Transition Initiative June 15, 2023

- Application/Ranking Cutoff Recommendations
- FY23 Ranking Pools
 - 146 ranking pools in FY2019
 - 101 ranking pools in FY2020
 - 41 ranking pools in FY2021
 - 47 ranking pools in FY2022
 - 46 ranking pools in FY2023
- FY23 Local Working Group Meetings
 - What is a Local Working Group?
 - Meetings completed in January March
 - At least once a year, but more maybe held at discretion of the chairperson.
 - Required Agenda Items
 - Summary of Priority Resource Concerns
 - Soil Erosion
 - Water Quality degradation
 - Soil Quality Degradation
 - Insufficient Water
 - Degraded Plants
 - Livestock Production Limitation
 - Fish and Wildlife
 - Excess Water
 - Air Quality
 - Inefficient Energy
 - FY23 Recommendations
 - Program/Initiative Requests
 - LWG request (FY24): The recommendation was made to provide a short-term "set aside" program, similar to the idling of acres laid out in the 1980's PIK program. Contracts could be 1-2 years and focus on the underperforming and low yielding acres in a field. Annual payment on a per acre basis would be made, simple, low maintenance cover would be planted to meet wildlife objectives. This could potentially be a short-term CRP contract, or something planned through EQIP CIC.
 - Action: Under review for FY24
 - LWG request (FY24): Allow for Pest Management Conservation Systems (595), (PAMS) approach to be available for all brush management applications (i.e., outside GPGI areas).
 - o Action: Under review for FY24
 - LWG request (FY24): Include 338 Prescribed Burning on the Climate Smart Core/Facilitating Practices list to allow for inclusion in Inflation Reduction Act Funding. 338 can be a facilitating practice under the

- 528 Prescribed Grazing core practice. Prescribed fire is an important tool for habitat management and used to reduce wildfire impacts and improve resiliency related to climate change impacts.
- Action: Follow up with additional training. 338 Prescribed Burning can currently be used as a facilitating practice to 528 Prescribed Grazing.
- LWG request (FY24): Consider including a broader range of eligible practices in any future Wildfire Initiatives – specifically tree belt renovations and tree/shrub plantings.
- o Action: Under review for FY24
- LWG request (FY24): We recommend on SSUA. NRCS wants to treat resource concerns for the good of all not just pay large amounts to individuals. Many times, produce only for personal use.
- Action: Under review for FY24
- LWG request (FY24): It was recommended that the 40# that
 producers are allowed to be over when implementing nutrient
 management be taken out so that if they don't meet our
 recommendations they wouldn't get paid for their nutrient
 management.
- Action: Under review for FY24
- LWG request (FY24): Add incentives for Soil Carbon credits, application of Humic can increase carbon and organic matter.(LPNNRD)
- o **Action:** Under review for FY24
- LWG request (FY24): For Animal Feeding Operations, add lagoon sensor for especially when combined with irrigation probes to make good effluent application decisions and best practices decisions.(LPNNRD)
- o **Action:** Under review for FY24
- LWG request (FY24): Provide an incentive on low pressure pivot wheels upgrades especially when pivot encounters a restored wetland that is under a USDA programs. Incentive can be used for water quality/quantity tied to wetland recovery.(LPNNRD
- Action: Under review for FY24
- LWG request (FY24): Add to cover more cost of variable rate irrigation to change speed by degree & create accurate zones by mapping the field w/ soil sled.(LPNNRD)
- o Action: Under review for FY24
- LWG request (FY24): Fire inclusion needs to be included in existing scenarios to support native grassland composition. Current scenario leaves fragmented grasslands and complicates management leading

- to invasive cool season grasses, lower productivity and reduced fish and wildlife benefits.(LPNNRD)
- Action: Follow up with training. 338 Prescribed Burning can currently be used in conjunction with these practices to support.
- LWG request (FY24): LWG requests the GPGI area in the Loess
 Canyons be expanded 2 more miles to the east, so it covers the area
 south of Cozad. This would help greatly with the large area burns and
 lumping projects together, but a large area south of Cozad is not
 included in the GPGI boundary at this time.(CPNRD)
- o Action: Under review for FY24
- Payment Rate & Payment Cap Adjustment Requests
 - LWG request for FY24: Various requests to increase, decrease or maintain FY24 payment rates and caps for Cover Crops, Nutrient Management, Wells, Pumping Plants, High Tunnel System, Livestock Pipeline, Conservation Crop Rotation.
 - o **Action:** Under review for FY24
 - LWG request (FY24): Recommend changing the \$100,000 per practice payment limit for AFO's. It seems lopsided that a pit barn is limited to \$100,000, but a bedded pack barn can get up to \$200,000. In addition to that all the construction cost increased. c. Recommend adding wording as such any combination of practices for barns specifically be capped at \$200,000 and the caps would be entered manually in Protracts.(LENRD)
 - o **Action:** Under review for FY24
 - NRCS-ECS request (FY24): Recommend removing the ceilings from waste storage (313) and Roof and covers (367) due the to the increased cost of construction not being reflected in the payment scenarios. We have had producers with good projects turn down EQIP money because of the increased costs.
 - o Action: Under review for FY24
- Practices/Scenarios Requests
 - Conservation Crop Rotation (328)
 - LWG request (FY24): Recommend changing scenario to pay on all acres in the rotation. Or we need to increase the payment rate to make it more enticing.
 - Action: Under review for FY24
 - Herbaceous Weed Treatment (315)
 - NRCS-ECS request (FY24): add a scenario from the regional/national list for 315 that would provide a higher per acre payment rate than the current scenario 1 (chemical ground, which is \$21.59/ac.). Field offices in the Panhandle have landowners that are interested in utilizing the new herbicide for cheatgrass control in rangeland (Rejuvra-TM). This herbicide is a long lasting pre-emergent that

provides multi-season control. Subsequentially it is significantly more expensive per acre (\$43 - \$61 per acre plus application of est. \$20).

Action: Under review for FY24

Cover Crop (340)

- LWG request (FY24): Would like to see a cover crop 340 scenario for inter-seeding the seeding rate would need to decrease some. I am currently working with the NRD and Extension for a rate that would work. (UBBNRD)
- Action: Under review for FY24

Windbreak/Shelterbelt Establishment and Renovation (380)

- LWG request (FY24): Add scenario for 380 (potted and hand planting scenario) (SPNRD)
- Action: Under review for FY24

Irrigation Water Management (449)

- LWG request (FY24): The group recommended that changes to the IWM scenarios be made to allow technology that allows for soil moisture to be monitored by means other than soil moisture probes, such as ground penetrating radar or other methods that do not require soil moisture probes.(URNRD)
- Action: Under review for FY24

Prescribed Grazing (528)

- LWG request (FY24): Add scenario for <3 pastures. (SPNRD)
- Action: Under review for FY24

o Restoration of Rare or Declining Natural Communities (643)

- LWG request (FY24): Recommend adopting practice (643)
 Restoration of Rare or Declining Natural Communities with a
 scenario for beaver analog structures as a cost sharable
 practice. Recommended payment rate would be \$10 \$15 per
 foot
- Action: Under review for FY24

Livestock Shelter Structure (576)

- LWG request (FY24): A recommendation to evaluate the livestock shelter (576) standard so that used or other available materials may be considered to make it more feasible to install in areas of high risk of cedar invasion. Recommendations were made regarding Livestock Shelter Structures In lieu of Windbreaks using trees especially in areas of high risk of invasion. Discussion on the engineering requirements for the Livestock Shelter Structure are impossible to meet. A recommendation to evaluate the livestock shelter standard so that used or other available materials may be considered in the 576 specifications. (ULNRD, TPNRD, UNWNRD)
- Action: Under review for FY24

- Annual Forages for Grazing Systems (810)
 - NRCS-ECS request (FY24): Develop new scenario with forgone income (FI). Needed for purpose to incentivize people to utilize prescribed burning since one of the top reasons producers say they can not do it is because they have no place to go with their cows to grow the fine fuel on their rangeland.
 - Action: Under review for FY24
- EQIP High Priority Practices
 - State Conservationists, in consultation with the State Technical Committee, have the option to select up to 10 high priority practices, which may receive increased payment rates. A high priority practice must meet one of the following criteria:
 - Addresses specific causes of impairment relating to excessive nutrients in ground or surface water;
 - Addresses the conservation of water, to advance drought mitigation and declining aquifers;
 - Meets other environmental priorities and other priority resource concerns identified in habitat or other area restoration plans; or
 - Is geographically targeted to address a natural resource concern in a specific watershed.
 - *Selection of practices to receive higher payment should incentivize conservation practices that have high potential for conservation but are underutilized.
- FY23 High Priority Practices
- Q: Consideration for rotational grazing
 - FY23 NE Wildfire Assistance
 - ACT Now Signup November 1, 2022 May 31, 2023
 - Currently 48 Applications/Contracts
 - \$1.9 Million Allocated
 - 528 Prescribed Grazing Livestock Deferment on Grazing lands
 - 340 Cover Crop on Cropland
 - FY20-23 Source Water Protections
 - FY23 Source Water Protection Practices (Wp)
 - Source Water Protection EQIP Contracts
- **♣** EQIP CIC (Conservation Incentive Contracts)
 - Purpose
 - Contracts
 - Payments
 - Limitation may not exceed \$200K to person or legal entity.
 - High Priority Areas Statewide in FY23
 - o Goals in Nebraska for FY23
 - Goal: Help producers address priority resource concerns on part of their operation a s a "steppingstone" to achieving sustainable stewardship on their entire operation

Outcomes:

- Reduce greenhouse gas emissions
- Enhance carbon sequestration
- Due to positive experiences under EQIP CIC, some participants go on to pursu
 e further conservation benefits on their entire operation through applying fo
 r CSP
- Land Use: Crop, Pasture, Range, Forest
- Priority Resource Concern: "Soil Quality Limitations", "Degraded Plant condition", "Water Quality and Quantity", "*New FY23 Terrestrial Habitat for Wildlife and Invertebrates"

Incentive Practices

- Focus is on Climate Smart Agriculture and Forestry and Drought Mitigation Practices
- 32 eligible management practices (1 year lifespan)
- 5 CEMAs
 - CEMAs are not required to be scheduled
 - Encouraged if applicable to the operation
- Management practices can be scheduled 5 years if practical for the operation
- Contract Schedule
- o FY23 Current Results
 - 46 Applications
 - 39 Cropland
 - o 31 Approved \$1,199,721
 - 1 Rangeland
 - 1 Approved \$27,576
 - 0 Pasture
 - 0 Forestry

Organic Transition Initiative

- The EQIP-OTI provides funding to support producers transitioning to organic production by providing financial assistance (FA) and technical assistance (TA) to implement conservation practices that support organic production.
- The OTI supports USDA's objective of developing diverse and equitable food systems while encouraging climate-smart agriculture by focusing funds on transitioning producers to organic production.
- OTI is a separate initiative than the National Organic Initiative (NOI). NOI will still be offered in EQIP.
- o States will receive funding based on the number of applications received.

ACTION REQUIRED BY:

JUNE 15, 2023	EQIP-OTI Application Cutoff
JUNE 23, 2023	Deadline for field offices to send eligibility notification letter and 530.142E Conservation Program Application Checklist
JULY 7, 2023	EQIP-OTI Eligibility Deadline for EQIP-OTI applications received by June 15 application cutoff– All items on 530.142E Conservation Program Application Checklist on file to be considered an eligible application for ranking
JULY 14, 2023	EQIP-OTI Ranking Deadline - Applications ranked, cost estimates entered, and assessments submitted in Conservation Assessment Ranking Tool (CART)
AUGUST 11, 2023	EQIP-OTI obligation deadline for all approved applications

- Contract Development and Requirements
 - EQIP-OTI contracts must include the Organic Management (823) conservation practice.
 - Organic Management (823) and supporting land management practices may receive up to five separate payments. Refer to 440 CPM § 530.406(B)(4).
 - Practices or activities that directly support practice code 823 may be included in the contract and receive payment.
 - While EQIP allows contracts to last up to 10 years, Nebraska is encouraging to limit the schedule of operations for OTI contracts to the shortest period to support organic transition.
 - **Note:** While organic transitioning can occur within three years or less, additional years may be needed.
 - Applicants may choose to transition their entire operation or a part of their operation.
 - Producers will self-certify their eligibility for participation in OTI by identifying their operation as transitioning to become certified using form NRCS-CPA-1200 under item 4(d). If selected for participation, the producer must meet the standards of each classification.
 - CONTRACT MUST INCLUDE AT MINIMUM 823 ORGANIC MANAGEMENT
- Climate and the Inflation Reduction Act (IRA)
 - Signed into law by President Biden in August 2022
 - The IRA provides NRCS with \$19.5 billion in additional funds for its existing conservation programs:
 - \$8.45 billion Environmental Quality Incentives Program (EQIP)
 - \$4.95 billion Regional Conservation Partnership Program (RCPP)
 - \$3.25 billion Conservation Stewardship Program (CSP)
 - \$1.4 billion Agricultural Conservation Easement Program (ACEP)
 - \$1 billion Conservation Technical Assistance
 - The IRA does not create any new programs it gives NRCS additional funds to expand its
 existing climate efforts and satisfy unmet demand
 - IRA funds begin in fiscal year 2023;
 all IRA funds must be spent
 by September 30, 2031
 - Nebraska IRA Allocation FY2023
 - IRA-CSP = \$4.7 million
 - IRA-EQIP = \$2.4 million

- o NRCS, Producers, and the IRA
- Focuses on Mitigation
- o Facilitating Practices Enable Mitigation
 - Described 645 Upland Wildlife Habitat Management
- Conservation Systems Multiple Benefits
- o FY23 EQIP IRA Implementation in NE
 - EQIP-IRA
 - Nebraska Allocation = \$2.4 million
 - Applications = 280
 - 4 Ranking Pools w/ 23 NRD Categories
 - Cropland
 - Grassland
 - Forestry
 - Energy
- FY24 EQIP IRA Implementation in NE
 - Potential Policy Modifications
 - Revise payment caps (remove all caps or raise caps)
 - Increase payment rates (max all at 75%/90% or practice/scenario specific increases)
 - Consider revising application, ranking and obligation deadlines.
 - Revise policy on restricting applications for management practices that an applicant has previously implemented unless the applicant will achieve a higher level of conservation benefit. (i.e. allow new applications for cover crops and no-till even when the producer has previously applied these practices.)
 - Staffing considerations

Discussions:

Carbon Credit for

Al Juhnke – Very little money being allocated for On Farm Practices. How do we get some of our people involved in our On Site Farm Management?

John Hansen would like to get together and help to get more of an outreach on our programs that are new & producers may not know about.

Tim Kalkowski – Would like to invite everyone to our summer tour for NGLC in south-east NE to bring in urban & rural community together.

- June 27, 2023 - All day, sign-up & Register on Nebraska Grazing Land website.

Kalee Olson – When we break next for questions, I'd be curious to hear if there has been any consideration of using the Act Now model for IRA funds.
