

Iowa Bulletin: 440-25-02

Date: 1/15/2025

PGM – Fiscal Year (FY) 2025 Environmental Quality
Subject: Incentives Program (EQIP) Timelines and Guidance
for General EQIP, IRA EQIP and ACT NOW EQIP

Action Required By: August 1, 2025

Purpose: To provide the Fiscal Year (FY) 2025 Environmental Quality Incentives Program (EQIP) timelines and guidance to all Natural Resources Conservation Service (NRCS) conservation planners and partners.

Expiration Date: September 30, 2025

Explanation: This bulletin provides program deadlines, program guidance, and eligibility requirements for EQIP. The NRCS can accept applications at any time. There will be two rounds of funding opportunities for EQIP. During 2nd round EQIP, all ranking pools will be ACT NOW providing the minimum ranking threshold is met and funding is available.

1. EQIP Timeline

| Deadline | Activity |
|-------------------|---|
| November 22, 2024 | 1 st Round Regular Application Deadline |
| December 6, 2024 | 1 st Round ACT NOW Continuous sign-up begins for posted eligible ranking pools (see Programs SharePoint and Iowa NRCS website for identified ranking pools and thresholds) |
| February 14, 2025 | 1 st Round Regular Ranking Deadline (note: applications eligible to rank must have been submitted by November 22, 2024) |
| February 14, 2025 | OTI Application Deadline (Must be entered into ProTracts with an accurate cost estimate and the OTI application type.) |
| February 21, 2025 | 1 st Round Regular Preapprovals will be released |
| March 28, 2025 | 1 st Round Regular Obligation Deadline |
| March 28, 2025 | 1 st Round ACT NOW Continuous sign-up ends for posted eligible ranking pools |
| April 4, 2025 | 2 nd Round Regular Application Sign-Up Deadline |

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|------------------|---|
| April 4, 2025 | 2 nd Round ACT NOW Continuous sign-up begins for all eligible ranking pools (note: some ranking pools may not receive additional selections due to funding availability) |
| May 16, 2025 | 2 nd Round Regular Ranking Deadline (note: applications eligible to rank must have been submitted by the April 4, 2025) |
| May 23, 2024 | 2 nd Round Regular Preapprovals will be released |
| June 27, 2025 | 80% Obligation Deadline; Includes all 1 st Round, 2 nd Round and ACT NOW preapprovals |
| July 11, 2025 | 2 nd Round ACT NOW Continuous sign-up ends for all eligible ranking pools |
| August 1, 2025 | Final Obligation Deadline for all preapproved applications |
| December 5, 2025 | All EQIP Contract Cancellation and Termination requests need submitted to State Office to guarantee completion before end of the calendar year |

Note: Regular refers to applications not utilizing the ACT NOW process and following the traditional timelines

2. FY2025 Ranking Pools

A. EQIP

| General | IRA |
|---|---|
| AFO | Climate Smart General |
| CPA, DIA and CEMA | EQIP-CIC |
| Historically Underserved (HU) | Historically Underserved (HU) |
| High Tunnel Initiative | On-Farm Energy |
| Monarch Butterfly Initiative - WLFW | Soil Health Initiative |
| MRBI | Source Water Protection |
| National OTI | Wildlife |
| Non-AFO | Note: ACT NOW will be utilized across all ranking pools either during 1st or 2nd Round. Refer to ACT NOW Guidance below. |
| Non-Farm Bill Targets | |
| Northern Bobwhite Quail Initiative - WLFW | |
| NWQI | |
| Prairie Pothole Initiative | |
| Specialty Ag | |
| State Organic Initiative | |
| Source Water Protection (SWP) | |
| Wildlife | |
| | |

3. New for FY2025

- A. EQIP will be planning to the 100th of an acre. Use acres from common land unit (CLU) layer in Conservation Desktop (CD) as eligible acres for contract. Program acres will be attributed to the hundredth of an acre in CD for planning. For any planning already completed to the tenth of the acres, planners are not expected to go back and update to the hundredth of the acre. Document the eligible acres and control of land on the Producer Farm Data Report for each tract.

Note: Due to rounding in ProTracts, contract acres may be more than eligible FSA acres listed on the Producer Farm Data Report. Staff must document on the CPA-6 notes why there is a discrepancy and proceed with planning. Field offices have the flexibility to make changes to the acres, so contract acres match the Producer Farm Data Report, if they so choose.

- B. Exterior fence is eligible for EQIP financial assistance when the land where fence is planned supports Prescribed Grazing (528) to improve management and resource concern(s) are identified on at least one side of the fence (i.e., grazing cover crops or stalks on crop ground and grazing on existing pastures). A new factsheet has been developed to help aid those counter discussions with your producers and can be found on the Programs SharePoint.

In addition, due to the State of Iowa's Fence law, NRCS requires the participant will provide an agreement signed by both landowners, prior to obligation, when the contract includes property line fence. The agreement must state that both landowners agree on installation and operation and maintenance requirements. The agreement does not need to include who is responsible for the installation, operation and maintenance of the fence.

- C. The EQIP cost lists (Regular and HU) will include Cost of Living Adjustments (COLAs) for FY2025, these are not retroactive. When entering new applications into ProTracts, the COLAs are determined by the county selected from the drop-down menu, not where the location pin is dropped. In addition, the application county and the CD case file county need to be the same or the user may be blocked from ranking in Conservation Assessment Ranking Tool (CART). Producers must use the cost list of the county containing the majority of their enrolled acres.

Please refer to the attached Iowa COLAs Map for counties identified for the 2025 Payment Booklet. If you are in a COLA area, please adjust your cost estimates accordingly. The Council Bluffs COLA adds 1.12%, the Des Moines COLA adds 0.86% and the Davenport COLA adds 1.84%.

- D. The National Organic Transition Initiative (OTI) will be available again for FY2025. The application with an accurate cost estimate must be entered into ProTracts by **February 14, 2025**. This is a **hard** deadline. Funds will be distributed to the States

based upon these cost estimates. **Conservation Practice Organic Management (823) should not be scheduled more than 3 years for the initial transition period. If participant runs into constraints such as weather, etc., then additional years could be added up to two years for a maximum of five years according to policy.** The National OTI ranking pool is only for land in transition. This initiative is separate from the State Organic Initiative.

- E. The State Organic Initiative pool will allow up to five years to be scheduled for Organic Management (CPS) . This applies to the Historically Underserved pool, as well.

4. Reminders

- A. FY 2025 Environmental Quality Incentives Program-Conservation Incentives Contract (EQIP-CIC) is offered and there will be no changes in guidance this year. Refer to the Programs SharePoint EQIP folder under FY2025 for further information. Listed are the 3 priority resource concerns and the 11 priority practices for EQIP-CIC planning:
- (1) There is statewide eligibility on cropland and pastureland.
 - (2) The 3 priority resource concerns are:
 - Soil Quality Limitations
 - Field Sediment, Nutrient, and Pathogen Loss
 - Livestock Production
 - (3) The 11 eligible annual payment practices are:
 - CPS Conservation Crop Rotation (328)
 - CPS Residue and Tillage Management, No-Till (329)
 - CPS Cover Crops (340)
 - CPS Forage Harvest Management (511)
 - CPS Prescribed Grazing (528)
 - CPS Drainage Water Management (554)
 - CPS Nutrient Management (590)
 - CPS Annual Forages for Grazing Systems (810)
 - CEMA Soil Health Testing (216)
 - CEMA Soil and Source Testing for Nutrient Management (217)
 - CEMA Carbon Sequestration and Greenhouse Gas Mitigation Assessment (218)
- B. Iowa will continue to have 10 high priority practices identified to receive an increased payment rate equivalent to 90 percent for the following practices: brush management (314), conservation cover (327), constructed wetlands (656), denitrifying bioreactor (605), saturated buffers (604), silvopasture (381), tree & shrub establishment (612), wetland creation (658), wetland enhancement (659), and wetland restoration (657).
- C. Policy changed two years ago allowing up to 5 years of management practices to be contracted instead of only 3 years. With this adjustment, Iowa further updated its policy for EQIP to allow Cover Crops (340) to be planned non-consecutively. Cover crops can

be planted year 1 and year 3, with no cover crop year 2. While we have this flexibility now, management contracts **will not be planned more than 5 years**. As a reminder, cover crops are planned like any other management practice. Once the practice has been implemented, it can only be planned again in a new contract if the applicant is achieving a higher level of practice implementation. This is defined in Title 440 - Conservation Programs Manual (CPM), Part 530 Working Lands Conservation Programs Manual, Section 403 H (440 CPM § 530.403H)

- D. Multiple payments for implementing the same structural and vegetative practices on the same land within the practice lifespan is generally not allowed. 440 CPM § 530.406.B.(4)(i) outlines an exception for Brush Management (CPS 314) and/or Herbaceous Weed Treatment (CPS 315), which allows up to 3 payments for either practice on the same land. Refer to the 2025 payment booklet for more information on the variance granted to Iowa.
- E. Per national policy located in 440 CPM, § 530.71C “Administrative Review of Participant Certification,” States are no longer required to conduct a five percent random spot check on historically underserved participant’s self-certifications. Additionally, do not attempt to verify a person’s self-certification as a member of a socially disadvantaged group as no verification process exists for this certification type.
- F. Payment caps are in place for Farmstead Energy Improvement Grain Dryer (374) at \$50,000 per individual and for Soil Carbon Amendments (336) at \$65,000/per contract/per individual and \$75,000/per contract/per HU individual.
- G. Conservation planning guidance: planners will evaluate resource conditions to determine if they meet minimum acceptable condition levels established by the National Resource Concern List and Planning Criteria. CART is the business tool used to document the resource concern assessment. Iowa CART Assessment Resource Tool (ICART) provides Iowa guidance for resource concern assessment on selected land uses and land use modifiers. Conservation planners must follow the guidance in the FY25 ICART to evaluate resource conditions for consistency. FY25 ICART is posted to the [Ecological Sciences SharePoint](#). Additional CART resources can be found on the [National CART SharePoint](#) site.
 - 1. The following must be completed before ranking applications:
 - a) Evaluate all Special Environmental Concerns (NRCS-CPA-52 Sections G and J) for existing conditions, no action impacts, and preferred alternative impacts.
 - b) Cultural resources process, except consultation (if required).
 - c) All applicable Threatened and Endangered Species Assessments. Consultation, if required, will be initiated.
 - d) If permits are required but not obtained, the permits must have a high likelihood of approval. List all required permits on the Environmental Evaluation (NRCS-CPA-52 Section K) (e.g., U.S. Army Corps of Engineers 404 permit, Iowa Department of Natural Resources floodplain permit, county floodplain permit, etc.). Document on the Environmental Evaluation the permits must be approved before construction starts.

2. The following must be completed before obligating applications:
 - a) Entire cultural resources review procedures (including consultation if required).
 - b) Consultation for Threatened and Endangered species.
 - c) Environmental Evaluation (NRCS-CPA-52) completed and signed.

H. Make sure to attribute these modifiers in CD, if applicable:

- The organic modifier is required for all organic applications.
- The grazed modifier is required for all pastureland applications and if grazing on cropland, farmstead and/or forestland.
- The wildlife modifier is required for all wildlife applications.

5. Inflation Reduction Act (IRA) Funded Applications

- A.** Use the guidance in this bulletin, along with policy in Title 180 National Planning Procedures Handbook, Title 440 Conservation Program Manual (CPM) Part 502, “Terms and Abbreviations Common to All Programs,” 440 CPM Part 530, “Working Lands Conservation Program Manual,” National Instruction 440-310, “NRCS Program Ranking through Conservation Assessment Ranking Tool (CART),” and training to prepare for program opportunities, completing assessments, accepting and processing applications, and evaluating requests for funding. Follow 440 CPM Part 530 policy, including the newly added Subpart M, “Inflation Reduction Act (IRA) – Funded Contracts,” for additional guidance on IRA-funded contract obligations.
- B.** IRA funds cannot be combined with any other United States Department of Agriculture (USDA) program funds within a contract. If practices are not eligible for IRA, those will need to be a separate application entered into ProTracts NOT a separate CD assessment in CART. Required to complete all activities by September 30, 2031, no exceptions allowed. See 440 CPM § 530.121 and § 530.123 for additional guidance.
- C.** Applications selected for IRA funding must have the IRA radio button on the ProTracts application page set to “Yes” **before the application is promoted to preapproved status** in Select Application Tool (SAT) and ProTracts. The radio button selection can only be changed if it’s in pending, eligible, or preapproved status. Users may not change this selection for approved applications or obligated contracts.
- D.** EQIP contracts using IRA funds must include at least one core conservation practice identified and specific narrative, if applicable, in the Climate-Smart Agriculture and Forestry (CSAF) Mitigation Activities list for FY2025. Facilitating/supporting practices are allowed to be scheduled if they directly support the core IRA practice. These supporting practices must be linked to receive funding. A copy of CSAF Mitigation Activities List FY2025 must be kept in the participant’s file for future reference.
- E.** In addition to the appendix to Form NRCS-CPA-1202, NRCS must use 440 CPM § 530.129(A), “IRA Addendum to Appendix to for NRCS-CPA-1202.” The addendum supplements the general terms and conditions established in the appendix to Form

NRCS-CPA-1202. Participants with an IRA-funded contract must sign both the contract appendix and IRA addendum **at the time of obligation**.

5. ACT NOW Eligibility and Obligation Requirements

- A. Applications for EQIP ACT NOW must meet all general eligibility criteria **prior to ranking** to be consider eligible.
- B. Due to the fast nature of the ACT NOW process, the planning and assessment requirements for ranking pool applicability must be completed early. Ensure resource concerns, tracts and fields, acres and cost estimates are accurate. Complete all job sheets and practice implementation requirements (IRs), necessary permits, cultural resource evaluations, T&E and preliminary engineering designs.

Important to note: If cultural resources, T&E, or preliminary engineering designs cannot be completed within the ACT NOW timeframe, then the applicant is not eligible for ACT NOW. Confirm application details and timelines with the applicant prior to submitting the ranked application for selection. These applications must be contracted without delay once they are preapproved.

- C. Applications are Ineligible for ACT NOW, if they meet any of the criteria below:
 - 1. Applications that do not meet the posted ACT NOW minimum threshold
 - 2. Applications do not have planning completed thoroughly enough to make final decisions
 - 3. Preliminary engineering designs and permits with estimates, if applicable, have not been completed
 - 4. All eligibility requirements have not been met and completed

Note: These applications may be considered for funding during the next batching period once the above criteria have been met for ACT NOW. If you resubmit a previously ineligible ACT NOW application that's now eligible, the new ranking submittal date will be used for the order of selection. If the application doesn't meet the ACT NOW threshold, the application can be considered in the general batching period, as long as, the original application date was entered in by November 22, 2024, or April 4, 2025.

- D. The field office will follow the same ranking and obligation procedures as used with general EQIP and IRA EQIP. Applications received for the identified ACT NOW ranking pools must be assessed and ranked **within 20 business days** from when the application is received. Applicants must be notified in writing as soon as possible about any records that must be filed or updated to meet EQIP eligibility (440 CPM § 530.141C 'Intent to Proceed Letter.') After preapproval, applications must be submitted for 2nd level review within **10 business days**. Obligation must occur **within 7 business days** after the review process has started.
- E. ACT NOW selections will be made on the **first Wednesday of each month**, following start and end dates posted (see program deadlines table above).

F. Planners will no longer need to submit their ACT NOW applications ranked to their APS for consideration. In an effort to streamline the process, planners will now rank their applications in the corresponding ACT NOW ranking pool. As funding allows, selections will come directly from the ranking pool and selections will be based on two criteria.

1. Applications that meet or exceed posted threshold.
2. Applications will be sorted by the oldest date submitted and selected towards the most recent date submitted. First in, First out.

G. As mentioned, planners will see a corresponding ACT NOW pool for all EQIP ranking pools in CART. Confirm applications were ranked in the correct pools by looking at the identifier on the end of the ranking pool name. Reminder that 'Regular' refers to applications not utilizing IRA funds and follows the traditional timelines, unless otherwise noted. If it's a Regular ACT NOW ranking pool, it's an application utilizing Farm Bill funds and the ACT NOW process. Examples of what to expect in CART for ranking purposes:

1. Regular EQIP pool; example – CPA, DIA and CEMA **IA25**
2. IRA Regular EQIP pool; example – Source Water Protection **IRA IA25**
3. Regular ACT NOW EQIP pool; example – CPA, DIA and CEMA **ACT NOW IA25**
4. ACT NOW IRAEQIP pool; example – Source Water Protection **IRA ACT NOW IA25**

Contact: If you have questions about EQIP, please contact Jessica Downey, EQIP Program Coordinator, at jessica.downey@usda.gov.



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