Environmental Quality Incentives Program (EQIP) Advance Payment Option
Natural Resources Conservation Service

Who is Eligible?
Historically Underserved Farmers and Ranchers:

- **Beginning Farmer or Rancher** – is someone who has never operated a farm or ranch, or, has operated a farm or ranch for less than 10-consecutive years.

- **Socially Disadvantaged Farmer or Rancher** – is a member of a group whose members have been subjected to racial or ethnic prejudice because of their identity as members of that group without regard to their individual qualities.

- **Veteran Farmer or Rancher** – is a farmer or rancher who has served in the armed forces and has not operated a farm or ranch, has operated a farm or ranch for less than 10-consecutive years, or first obtained veteran status during the last 10 years.

- **Limited Resource Farmer or Rancher** – is a farmer or rancher with direct or indirect gross farm sales which do not exceed the current indexed value in each of the previous two years, and household income is at or below the national poverty level for a family or four, or less than 50 percent of county median household income in each of the previous two years.

How It Works
All EQIP practices are eligible for advance payments, including vegetative, structural, and management practices, and conservation activity plans. Producers can use the option for as many or as few practices as they choose and have the right to change their decision before they receive payment.

Historically Underserved farmers and ranchers are also eligible for a higher payment rate.

How was the advance payment changed under the 2018 Farm Bill?
The 2018 Farm Bill requires NRCS to offer proactively the advance payment option to all historically underserved EQIP applicants.

NRCS field staff are required to document the producer’s decision to select (or not select) the advance payment on a contract item basis.
Important Note: Any funds not expended within 90 days of receipt must be returned to NRCS. Therefore, participants should make sure that the advance payment is for an immediate need, and that the design or job sheet, as well as any additional funding needed to purchase materials, is ready and available before requesting the funds.

Example: A beginning farmer applies for and is approved for an EQIP contract to plant cover crops on 40 acres of their land. If the applicable payment rate for implementation of a cover crop practice is $56.81 per acre, multiplying that rate by 40 acres, the total payment that beginning farmer would receive for planting cover crops through EQIP would be $2,272.40. Under the advance payment option, that beginning farmer would be eligible to receive $1,136.20 in advance of implementing the practice, thus making it possible to offset some of the up-front costs such as purchasing the seed. The beginning farmer would then receive the remaining $1,136.20 upon completing the cover crop practice.

How to Apply

EQIP applications are accepted on a continuous basis and contracts awarded through a competitive process. Historically underserved farmers and ranchers who are approved for EQIP contract development may elect to receive advance payments on form NRCS-CPA-1155 “Conservation Plan of Operation.” Producers with EQIP contracts who are ready to purchase materials or to contract services may request the advance payment by contacting their NRCS office.

More Information

For more information, visit nrcs.usda.gov/farmbill or farmers.gov.

Find your local USDA Service Center at farmers.gov/service-locator.