



# Environmental Quality Incentives Program

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ASTC-P, WA



## 440-CPM, Part 530, Subpart R - EQIP

### Objectives:

To provide training to help state program managers to be able to identify and implement new and revised policies related to the Environmental Quality Incentives Program.



# 440-CPM, Part 530 Working Lands Conservation Programs Manual

## Subpart R – EQIP

530.400 General

530.401 EQIP Funds Management

530.402 EQIP Eligibility

530.403 EQIP Planning

530.404 EQIP Application Processing

530.405 EQIP Contracting and Contract Management

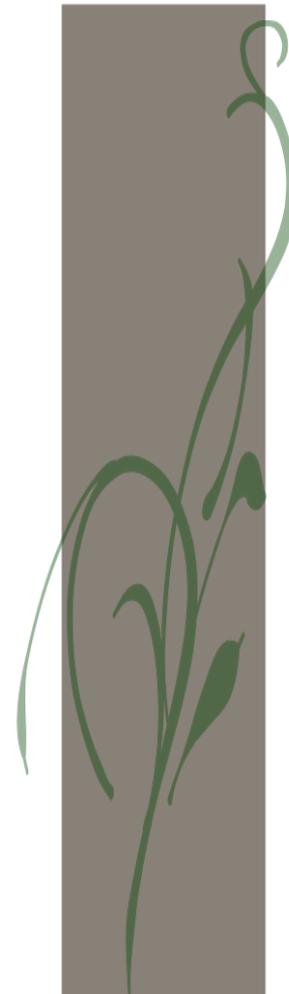
530.406 EQIP Payments and Payment Limitations

530.407 Conservation Innovation Grants (reserved)

530.408 EQIP Incentive Contracts

530.420 Exhibits

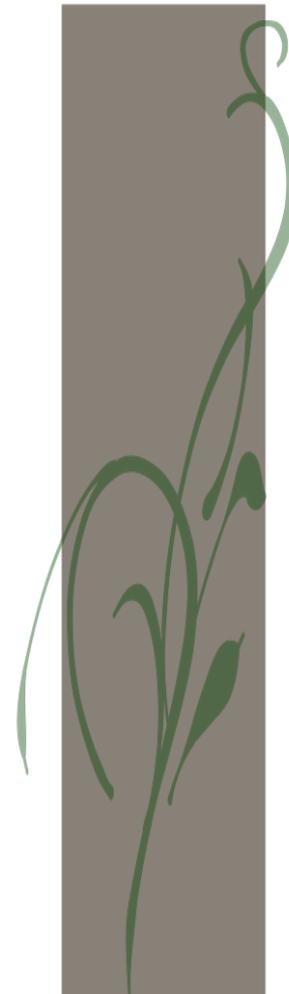
**NEW**



## 530.401 Funds Management

### Funding Targets and Ranking Pools –

- Wildlife target increased from 5% to 10%
  - States may create wildlife habitat-focused ranking pool
  - Joint Chiefs, Longleaf, WLFW-LCI, Core wildlife practices
  - NI 306.12 “Wildlife Subaccount Report Form”
- Livestock target decreased from 60% to 50%
- At least 10% of funds under the conservation title reserved for Source Water Protection

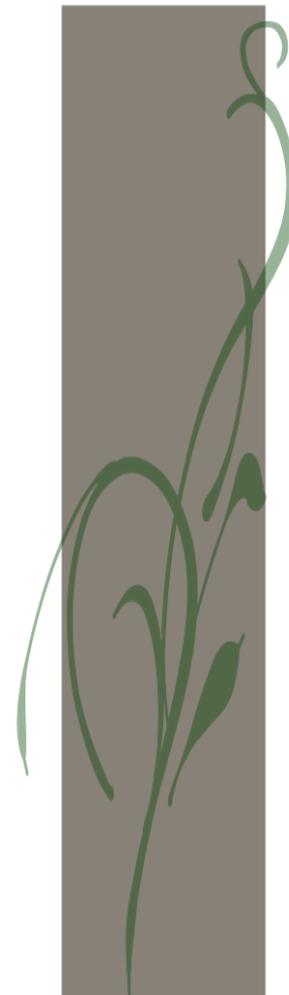


## 530.402 EQIP Eligibility

**NEW**

### Water Management Entities –

- New term to describe “certain entities” under the new Water Conservation and Irrigation Efficiency provision
- Means *a state irrigation district, groundwater management district, acequia, land grant—merced, or similar entity that has jurisdiction or responsibilities related to water delivery or management to eligible lands*



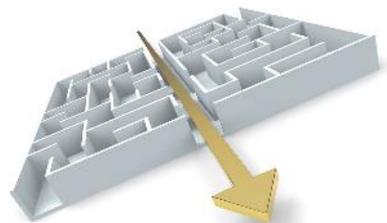
## 530.402 EQIP Eligibility

### Irrigation History Requirements –

- Consolidated irrigation history waiver requirements into exhibit 530.420 C, “Irrigation History Waiver Checklist”

### Documenting Land Eligibility–

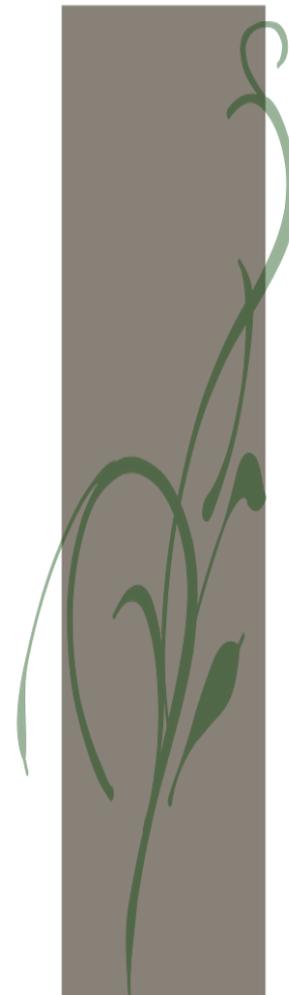
- Moved the ProTracts list of Ag products and commodities and livestock types to Part 502
- Grouped the examples of livestock production under general categories



## 530.402 EQIP Eligibility

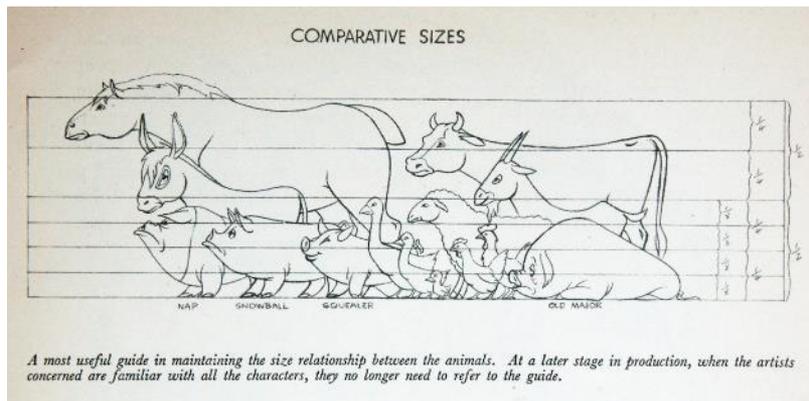
### Adjusted Gross Income Waivers

- Pending publication of 7 CFR Part 1400 or, Departmental Delegation Regulation
  - Waiver authority will be delegated to the Chief
- 
- For projects that will result in the 'protection of environmentally sensitive land of special significance
  - ACEP, AMA, CIG, CSP, EQIP



## 530.403 EQIP Planning

- Changes in land use or land management system—
  - Updated terminology to align with CSP
- Animal feeding operations—
  - Added an additional criteria for expanding or relocating an AFO to **require a site-specific EA or EIS**



**NEW**



## 530.404 EQIP Application Processing

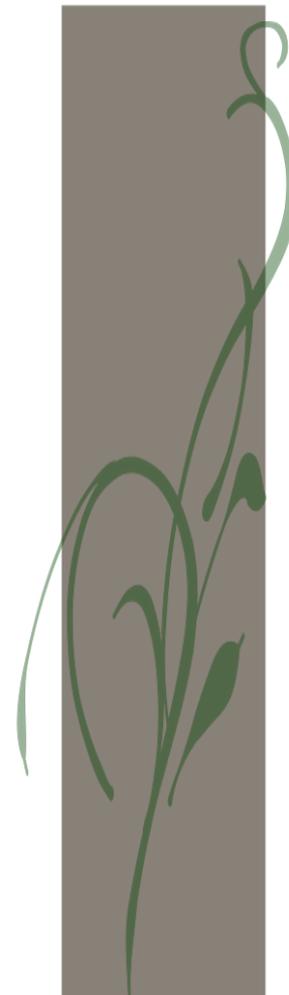
### Historically underserved and Veteran applicants –

- Eligible for increased payment rate
- Advance payment

**NEW**

### Veteran Preference –

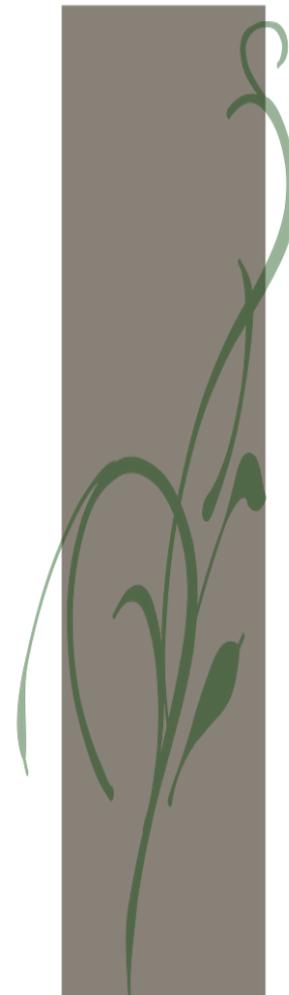
- New Veteran Definition includes veterans who have been discharged in most recent 10-year period
- Veteran's preference in BFR or SDFR ranking pools
- VFR evaluated in other ranking pools:
  - may receive higher payment rate
  - may elect to receive AP
  - Are not provided preference points



## 530.404 EQIP Application Processing

### Application ranking and other considerations –

- Criteria may be questions or based on an assessment of practices, activities, and RC's addressed
  - **High priority practice**—up to 10 practices eligible for increased payment that:
    1. Address water quality impairment due to excess nutrients
    2. Address water conservation,
    3. Meet other identified priority RC's in habitat or other area restoration plans, or
- NEW** Are geographically targeted to a specific watershed



## 530.404 EQIP Application Processing

### Application ranking and other considerations –

- **Source water protection** – protection of drinking water by implementing practices where those waters can be protected or improved. Additionally, states will:
  1. Identify local priority areas, and
  2. Identify practices that address water quality and / or water quantity, and
  3. Offer producers increased incentives and higher payment rates

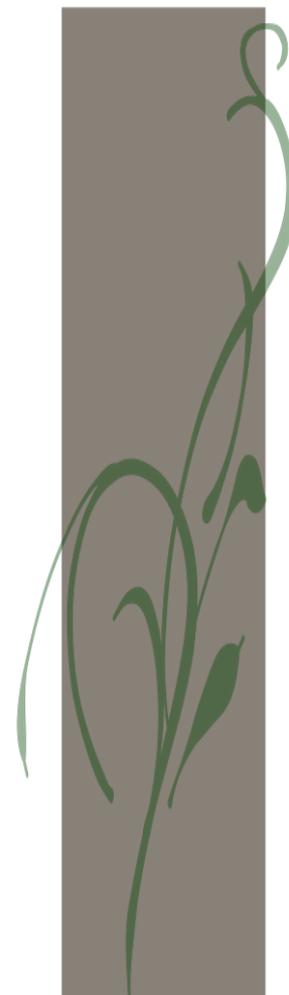
Note: HPP's may be the same as SWP practices as long as the HPP's meet the SWP criteria



## 530.404 EQIP Application Processing

- Application ranking and other considerations –
  - **Wildlife habitat**—New provision in FB allows terms up to 10 years for establishment of one or more annual management practices:
    1. For postharvest flooding, or
    2. That maintain hydrology of temporary and seasonal wetlands for waterfowl and migratory birds

**NEW**



## 530.405 EQIP Contracting and Contract Management

- The EQIP Plan of Operations is used to record HUP decision to receive / not receive an AP, per CIN
- Contract terms may be extended for certain projects to ensure establishment and function:
  - Wildlife habitat
  - Long lifespan
- 2018 FB allows progressive implementation of CNMP's if:
  - Implemented practices are operable and function
  - Participant follows a nutrient management plan
  - Practices in the system must meet the planning criteria

NEW



## 530.406 EQIP Payments and Payment Limitations

The maximum EQIP payment percentages allowed for each cost category are provided in Figure 530-R1:

**Authorized Cost Categories and Maximum Payment Percentages**

Cost Category	General Percentage	HU Percentage	High Priority Practice	Source Water Protection
Materials	75%	90%	90%	90%
Equipment for Installation	75%	90%	90%	90%
Labor	75%	90%	90%	90%
Mobilization	75%	90%	90%	90%
Acquisition of Technical Knowledge	75%	90%	90%	90%
Income Forgone	100%	100%	100%	100%



## 530.405 EQIP Contracting and Contract Management

**NEW**

### Advance Payments—Farm Bill 18:

- Authorizes at least 50% of practice payment to HUP for materials or services
- NRCS must notify HUP of AP availability
- NRCS must document AP election on a CIN basis
- AP funds must be expended within 90 days of receipt. Receipts of CIN materials purchased, receipt of hired labor.
- AP practices must be completed as scheduled in plan of operation



# Advance Payment - Notification

- Per FB 2018, Historically Underserved (HU) applicants **must be notified** that they may receive advance payments.
- Users must document the applicant's intent to request an advance payment.
- The applicant's decision is selected in the PT Application screen after the Toolkit or Conservation Desktop plan is uploaded to PT.
- This ONLY applies to EQIP 2018 and RCPP-EQIP 2014.

# Advance Payment - Application

- The applicant must have a HU category selected under the Applicant Information screen.
- HU refers to:
  - Limited Resource Farmer/Rancher
  - Beginning Farmer/Rancher
  - Socially Disadvantaged Farmer/Rancher
  - Veteran Farmer/Rancher

# Advance Payment - Application

## Applicant Info Screen

Limited  
Resource  
Farmer/Rancher:

Beginning  
Farmer/Rancher:

Socially  
Disadvantaged:

Veteran  
Farmer/Rancher:

Date When  
Discharged:

# Advance Payment - Application

## References:

- HU Validation Reference: ProTracts & Programs Training Materials – “10/22/2013 – Updated 11/14: HU Rates and CPA-1155 Signatures”
- Veteran Guidance: NB 300-19-20, Attachment A

# Advance Payment - Application

- “Advance Payment Requested” checkbox will appear for each CIN.

Practice | View All | Add Components | Upload Toolkit Contract | Check Rules | Reorder Items | Delete Item | < Previous Item | Next Item >

Item: 1 ▾ Year: 2020 Estimated Cost-Share: \$ 1206 Cost Share Cap \$ Item Status: Planned Status Date: 4/18/2019  Advance Payment Requested

Practice: Vegetative Barrier Code: 601 Units: Ft Amount: 300 Fund Code: Crop AmSamoa (American Samoa Field Office)

# Advance Payment - Application

- The user will check the box based on the participant's **intent** to request an AP.

Practice View All | Add Components | Upload Toolkit Contract | Check Rules | Reorder Items | Delete Item | < Previous Item | Next Item >

Item: 2 ▼ Year: 2020 ▼ Estimated Cost-Share: \$ 358 Cost Share Cap \$ Item Status: Draft Status Date: 7/12/2019 Advance Payment Requested

Practice: Heavy Use Area Protection Code: 561 Units: SqFt Amount: 225 Fund Code: Boone - Pasture

Narrative: Protect heavily used areas around water tank by providing soil protection with a apron of rock. See attached documentation (AR-ENG-424 SHUA) for details on how the heavy use area must be installed. Operation and Maintenance Inspect annually and after significant storm events the treated areas and associated practices to identify repair and maintenance needs. Periodically

Land Units: Planned Practices



# Advance Payment - Contract

- The selection on the application screen will trigger an “AP” to display next to the CIN on the NRCS-CPA-1155 and new language.

US DEPARTMENT OF AGRICULTURE NATURAL RESOURCES CONSERVATION SERVICE		CONSERVATION PLAN OR SCHEDULE OF OPERATIONS		NRCS-CPA-1155 03/2019	
PARTICIPANT		COUNTY AND STATE BOONE County, AR	PROGRAM AND CONTRACT NUMBER EQIP 2018 7471031947U		SUBACCOUNT Boone - Pasture
LAND UNITS OR LEGAL DESCRIPTION Farm:4549 Tract(s):11088.			WATERSHED Bee Creek-Bull Shoals Lake	ACRES 100	EXPIRATION DATE 12/30/2022

Fields:

Tract: 11088 Fields: 1;

Contract Item	Planned Conservation Treatment	Planned Amount	Unit Cost	Cost Share Rate/Method	COMPLETION SCHEDULE AND ESTIMATED COST-SHARE OR PAYMENT BY YEAR												
					2020 \$	2021 \$											
2 AP	Heavy Use Area Protection(561)	225 SqFt			358												
2a	HU-Rock/Gravel on Geotextile, 6 inch thick, Area 450 Square Feet or less	225 sq ft	\$1.5900/ sq ft	PR <sup>1</sup>	358												

Notes: <sup>1</sup>Payment rates define the unit cost rate of compensation to be received by the participant.

Notes: AP denotes the participants intent to receive an advance payment for this Contract Item. Participant must contact the field office prior to commencing the practice to ensure requirements are met for advance payment purposes.



# Advance Payment - Contract

- Each CIN with a denoted “AP” will be accompanied by the following note.

*“AP” denotes the participant’s intent to receive an Advance Payment for the Contract Item. The participant must contact the field office to request the Advance Payment and to ensure requirements are met.”*

# Advance Payment - Modification

- The “Advance Payment Requested” checkbox becomes active for a new CIN when a contract is modified.
- NOTE:** There is no modification to this checkbox for items originally selected at the time of obligation.

## Conservation Contract

[Contract](#) | [Participant Info](#) | [Approve Modification](#) | [History](#) | [Print](#) | [Save](#) | [Submit For Approval](#) | [Cancel](#) | [Edit Basis](#) | [Unlock Folder](#)

**Program:** EQIP 2018     
 **Total Estimated Cost Share:** \$24,304     
 **Contract Number:** 7441011944M     
 **Contract Status:** Active     
 **Status Date:** 3/20/2019

**Participants:** ELWOOD S BAKER     
 **Modification Reason:** Add, Edit, or Delete Practices or Components     
 **Start Date:** 8/28/2019     
 **Commencement Date:**      
 **Expires:**

[View by Year](#) | [New Item](#) | [New NC Item](#) | [Add Components](#) | [Check Rules](#) | [Delete Item](#) | [Certification and Payment](#) | [Advance Payment](#) | [< Previous Item](#) | [Next Item >](#)

**Item:** 10 **Year:**      
 **Estimated Cost-Share:**      
 **Cost Share Cap:**      
 **Item Status:** Draft     
 **Status Date:** 9/17/2019     
**Advance Payment Requested**

**Practice:**      
**Code:**      
**Units:**      
**NRCS-CPA-153 Deadline:**     
**Amount:**      
**Payment Status:** Eligible

# Advance Payment - Modification

- “AP” is denoted next to the CIN 10.
- The AP language is also applied.

US DEPARTMENT OF AGRICULTURE NATURAL RESOURCES CONSERVATION SERVICE		REVISION OF PLAN / SCHEDULE OF OPERATIONS OR MODIFICATION OF A CONTRACT						NRCS-CPA-1156 03/2019										
PARTICIPANT	COUNTY AND STATE BALDWIN County, AL	PROGRAM AND CONTRACT NUMBER EQIP 2018 74			SUBACCOUNT Baldwin GL													
		ACRES		MODIFICATION NUMBER AND DATE	EXPIRATION DATE													
		54		2 --- N/A	12/31/2022													
Contract Items 10: Herbaceous Weed Treatment(315)			Practice Lifespan: 5 years			Status: Planned 2019												
Remove or control of herbaceous weeds including invasive, noxious or prohibited plants.																		
Fields: Tract: 11500 Fields: 1;																		
Contract Item	Planned Conservation Treatment	Planned Amount	Unit Cost	Cost Share Rate/Method	COMPLETION SCHEDULE AND ESTIMATED COST-SHARE OR PAYMENT BY YEAR													
					2019 \$	2020 \$												
10 AP	Herbaceous Weed Treatment(315)	5 Ac			317													
10a	HU-Chemical, Ground	5 Ac	\$34.3800/ Ac	PR <sup>1</sup>	172													
10b	HU-Chemical-Broad Band	5 Ac	\$28.9200/ Ac	PR <sup>1</sup>	145													
Notes: <sup>1</sup> Payment rates define the unit cost rate of compensation to be received by the participant.																		
Notes: "AP" denotes the participants' intent to receive an Advance Payment for this Contract Item. The participant must contact the field office to request the Advance Payment and to ensure requirements are met.																		

# Advance Payment –Criteria Requirements

- Advance Criteria language is updated in the Certification screen.

# Advance Payment – 1245 Form

- Advance Payments certification & payment process will be the same as in the past.
- ***“ADVANCE PAYMENT: I understand that I am receiving advance payment(s) for the following and I hereby certify that I will complete the practice(s) by the agreed-to date(s) on the Conservation Plan or Schedule of Operations (NRCS-CPA-1155 or NRCS-CPA-1156), otherwise I will be responsible for returning payment(s) already received. Additionally, I understand that failure to expend the advance payment(s) within 90 days of receipt of the funds is a violation of the contract.”***

# Advance Payment – Monitoring

- Follow up on implementation progress.
- ProTracts Reports: **Manage Contracts-Pending Actions**
  - **Contract with advance payments**
  - **Contracts with Advance payments where practices are not installed**



## Manage Contracts - Pending Actions

Find Contracts | Name & Contract Number | Programs | Practices | Pending Actions | Maintenance | Clear Selections | Search

Program: All Programs | Fiscal Year: All | State: | Counties | Field Offices | Locations | GO

**Pending Actions:**

- Contract Modifications waiting for Approval
- Contract Modifications in Progress (not yet Submitted for Approval)
- Contract Reviews awaiting Approval
- Obligations pending second level review
- Obligations rejected in second level review

**Pending Payment Actions:**

- Payments waiting for Approval
- Prior Year Items not Paid
- Pending installment payments.

**Advance Payments:**

- Contracts with advance payments.
- Contracts with advance payments where practices are not installed.

# Advance Payment – Rollback

- **Debt Collection & ProTracts Rollback Process:**
  - State submits a debt packet to the Billings and Collections Operations Section (BCOS) through the Service Now Portal per the Customer Service Guide.
    - ✓ <https://nrcscfo.service-now.com>
  - BCOS will review the packet for completeness; enter a Vendor Clearing (VC) document into the financial system, FMMI.
    - ✓ The State POC will receive an email from the ART (Accounts Receivable Tracker) when the debt is “posted”.

# (Advance Payment – Rollback – continued)

ART  
email -  
Proof of  
Debt  
Posting

**Cole, Gerry - FPAC-BC, Stillwater, OK**

**From:** NRCS ART <nrcscfo@midatl.service-now.com>  
**Sent:** Monday, November 4, 2019 2:17 PM  
**To:** [REDACTED]  
**Cc:** Cole, Gerry - FPAC-BC, Stillwater, OK  
**Subject:** ART - AR Request: AR0052743 - [REDACTED] - Moved to State Billing

NRCS ART AR0052743 has progressed to the Billing for processing.

Your request can be tracked using [NRCS ART](#). Please see additional information regarding this request below.

**AR Request Information**

AR Request ID: AR0052743  
 Process Type: Non-UCO  
 Agreement Type: Other Accounts Receivable  
 State/Division: [REDACTED]

**Summary Information**

Agreement Type: Other Accounts Receivable  
 Customer Name: [REDACTED]  
 FMS Number: [REDACTED]

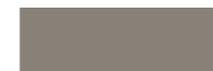
For responses regarding NRCS ART, please reply to this email.

*\*Note: Please do not change the subject line as this may impact routing; responses will be recorded in NRCS ART.*

Ref:MSG1712610

## (Advance Payment – Rollback – continued)

- The State submits a ProTracts Support Ticket through Service Now:
  - ❑ <https://usdafpacbc.service-now.com/ServiceDesk/>  
and
  - ❑ Describe the background situation and action needed for the contract for each CIN affected;
- The request will be reviewed and the CIN's previously receiving the AP will be rolled back and funds returned to the **active** contract.





## (Advance Payment – Rollback – continued)

### Meanwhile... Back at the Ranch...

- National Finance Center (NFC) will generate an invoice (every Tuesday of the following week) and send to the contract participant.
- The participant has 30 days to make payment; at day 31 the debt becomes delinquent.
- If the debt remains unpaid at day 60, NFC will issue a Past Due Notice; then a Final Debt Notice is sent at day 90.

## (Advance Payment – Rollback – continued)

- When the Final Debt Notice is issued the State is contacted by the BCOS to confirm that the debt is still valid and enforceable, not under appeal, and can be referred to Treasury for cross servicing.
- IF the debt remains unpaid at day 120 it is referred to Treasury.
- Treasury will begin penalties & interest and ADD a 28% administrative fee.



## (Advance Payment – Rollback – continued)

- Per the Debt Collection Improvement Act of 1996, all federal agencies must refer their valid and enforceable debts to Treasury prior to them reaching 120 days delinquent (day 150 of receivable).





# Advance Payment –Rollback Verification

Tools Applications Contracts Rates Forms Funds Reports Contact Us Help Log Off Session ends in 6 minutes if not active.

Machine: NRCSPRD0028 User: 002623 # Active Sessions: 95

## Manage Contracts - Name and Contract Number

Find Contracts Name & Contract Number Programs Practices Pending Actions Maintenance Clear Selections Search DMS Audit

Participant Name:  Contract Number:

Name starts with  Contract Number starts with

Contracts Returned: 1 - 1 of 1

Contracts View Contract Expand Items Collapse Items Manage Letters Totals Export

Program	State	County	Field Office	Participant	Contract Number	Status	Obligation	Payments	Contract Acres
EQIP 2018			GREENVILLE SERVICE CENTER		744423191N2	Active	\$8,424.00	\$4,212.00	0.1

Item	Code	Practice	Units	Amount	Planned	Status	Obligation	Payment Status	Payment
1	325	High Tunnel System	SqFt	2,160.0	2020	Partial Certified	\$8,100.00	Partial Approved	\$4,050.00
2	441	Irrigation System, Microirrigation	Ac	0.1	2020	Partial Certified	\$324.00	Partial Approved	\$162.00

# Advance Payment –Rollback Verification

- Certification page, Print Form (1245)

Payment Applications - Internet Explorer



Add Delete Print Contract Items Print Components Cancel

Payment Application	Date	Participant Certification	Contract Items	Components
1	5/28/2019		1, 2	AP, AP



# Advance Payment – Rollback Verification

## Conservation Contract

Contract | Participant Info | **Approve Modification** | History | Print | Modify | Special Payments

**Program:** EQIP 2018    **Total Estimated Cost Share:** \$8,424    **Contract Number:** 744423191N2    **Contract Status:** Active    **Status Date:** 9/11/2017

**Participants:** [Redacted]    **Start Date:** 5/14/2019    **Commencement Date:**    **Expires:** 5/15/2021

**Location:** Ditch Number Eighty Eight GREENVILLE SERVICE CENTER    **Current Contract Year:** First Year    **Practice Waiver Expiration Date:**    **Modification Number:** 0    **Modification Date:** N/A

**Cost List:** MississippiEQIP-Washington-2019 - EQIP    **FA Fund Code:** FY19 Seasonal High Tunnel    **Planner:** BLAKE NEW

**Treated Acres:** 0.1    **Land Units:**    **Organic Production:** None    **LiveStock Related:** No Livestock

**Predominant Crop Type:** Vegetables

**Conservation Plan:** T8681\_EQIP2019    **Owner:** Free    **Refresh**    **Contract AGI Eligibility:** 100.0000%    **Application Type:** Conventional    **Resource Concern:** Insufficient Water; Inefficient Use of Irrigation Water; Water Quality Degradation; Nutrients in Surface water; Degraded Plant Condition; Undesirable Plant Productivity and Health

**CAPS Waiver:**  Yes  No    **Estimated AGI Eligible Cost Share:** \$8,424.00

Practice | View by Year | **New NC Item** | Add Components | Check Rules | Delete Item | Certification and Payment | Advance Payment | < Previous Item | Next Item >

**Item:** 1    **Year:** 2020    **Estimated Cost-Share:** \$8,100    **Cost Share Cap:** \$8,100.00    **Item Status:** Partial Certified    **Status Date:** 5/28/2019

**Practice:** High Tunnel System    **Code:** 325    **Units:** SqFt    **NRCS-CPA-153 Deadline:**    **Amount:** 2160    **Payment Status:** Partial Approved

**Narrative:** A High Tunnel System will be constructed as shown on the plan map. This structure will be constructed according to NRCS standards and design components by installing an enclosed polyethylene, polycarbonate, plastic, or fabric covered structure that is used to cover and protect crops from sun, wind, excessive rainfall, or cold, to extend the growing season in an environmentally safe manner. Because of extensive sun intensity, shade cloth is required for all structures.

**Fund Codes:** FY19 Seasonal High Tunnel

**Planned Practices**

	Conservation Plan	Tract	Land Unit	Land Use	Land Unit Acres	Planned Amount	Month	Year
<input checked="" type="checkbox"/>	T8681_EQIP2019	8681	3	Crop	5.1	2160.0	4	2020

**Advance Payment:** \$4,050.00    **Energy Benefits:**  Yes  No

Component | Delete Component | Sort Components

CIN	Component	Units	Unit Cost	Rate	Type	Amount	Cost-Share
1a	HU-High Tunnel, Low Wind or Snow Load, Intensive Sun	sq ft	\$ 3.7500	% 100	PR	2160	\$ 8,100

# Fund Manager – Rollback Acronyms

## Contract Summary

Search Filters

Contract Number

## FMMI Summary

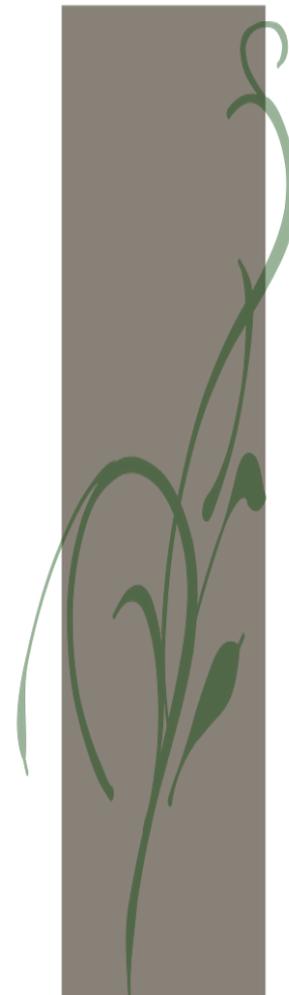
Document Number	Contract Number	Vendor Number	Document Date	Total Amount
			20190514	8,424.00

Line	PT Item	Line Date	Line Text	Line Amount	Total Amount	Open Amount	Fund	Funds Center	Budget Period	Functional Area	Funded Program	Commitment Item	Ledger Account	Line Completion
001	1	2019-05-14	325 - High Tunnel System	8100.00	8100.00	8100.00	NR0001004N	NR20151000	19XX19	NR42ECPBFA	NR.SLECP0.20.0000.19XXF	4116	6100004116	

Type	Document and Line	Document Date	Posting Date	Line Text	Amount	Total Amt	TC Schedule #	TC Check #	Reference	Payment Block Key	Preceding Doc	Preceding Doc Line
PT	7700538273 001	2019-05-14		325 - High Tunnel System	8100.00	8100.00			744423191N2			
PA	1700913189 001	2019-05-28	2019-05-28	Credit 1410900000 (Adv & Prepynt), 325 - High Tunnel System	-4050.00	0			744423191N2		7700538273	001
TI	2011762446 001	2019-05-29	2019-05-29	Debit 1410900000 (Adv & Prepynt), 325 - High Tunnel System	4050.00	0					1700913189	001
VC	1500125791 002	2019-09-05	2019-09-05	Credit 1410900000 (Adv & Prepynt)	-4050.00	0			74423191N2		2011762446	001
DZ	1404627965 002	2019-09-26		Credit 1310900000 (AR-SD Recon)	-4212.00	0			502394		1500125791	002
TC	2113755432 001	2019-05-30		Credit 1010320000 (FBINT-Deb Col 32), 2011762446	-4212.00	0	0A129053003	2051903600342	0A129053003		7700538273	001
DZ	1404627965 001	2019-09-26		Debit 1010320000 (FBINT-Col 23), 000001013	4212.00	0			502394		7700538273	001

## 530.406 EQIP Payments and Payment Limitations

- FB 2018 Payment limitations:
  - Aggregate payments cannot exceed \$450K
  - Payment limitation is not cumulative with prior FB's
  - Organic payment limitation (NOI) increased from \$80K to \$140K with no annual payment limitation
- Contract limitations:
  - \$450K contract limit with a person or legal entity
  - New: Joint operations and group projects may be eligible for \$900K contract limit



## 530.406 EQIP Payments and Payment Limitations

- Contract Transfers:
  - From person or legal entity to a joint operation - No increase
  - From joint operation to an individual or entity - Contract limit decrease



## 530.406 EQIP Payments and Payment Limitations

**NEW**

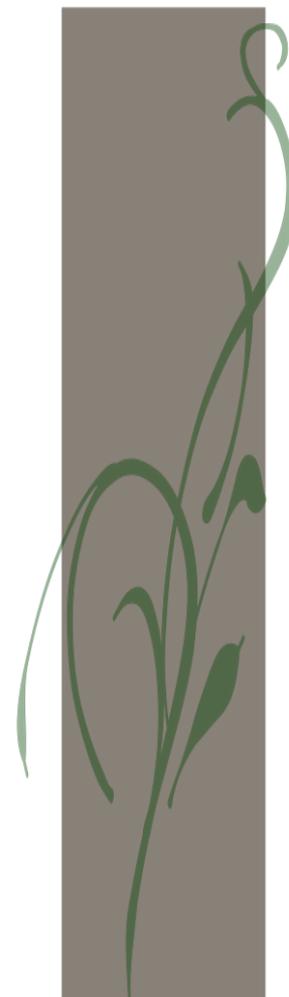
- Payment Limitation Waivers:
  - Water management entities may be eligible for AGI or PL waiver of up to 900K for water conservation projects based on:
    - Number of producers who will benefit
    - Conservation value
    - Non-federal assets
    - Extent of progressive practice implementation
    - Other criteria determined by the Chief
  - AGI waiver will be approved concurrently with PL waiver



## 530.408 EQIP Incentive Contracts

Expands resource benefits for producers and acts as a stepping stone to CSP.

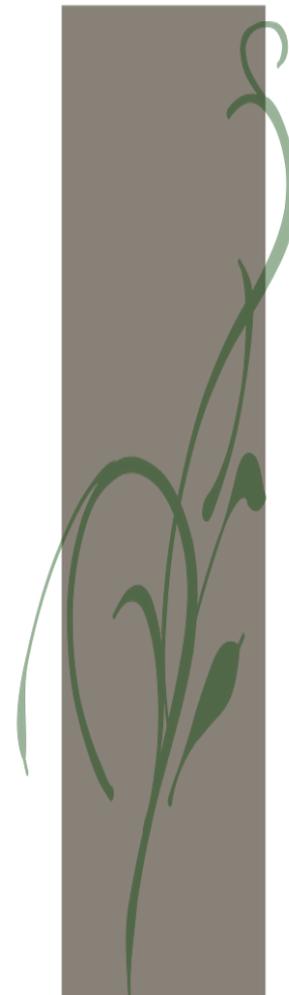
- **High priority areas** have identified PRC's:
  - Must encompass every region within the State
  - May cover whole state or, overlap with other HP areas
- **Priority resource concerns:**
  - States ID up to 3 for each land use within a high priority area
  - The same PRC may be used for multiple land uses within a high priority area



## 530.408 EQIP Incentive Contracts

**Additional application requirements**—Incentive contract selection follows general EQIP process, but:

- Priority given for addressing eligible PRC's,
- Evaluated relative to other similar ag and forestry operations
- Must have at least one qualifying incentive practice



## 530.408 EQIP Incentive Contracts

### **Contract development:**

- Participant agrees to implement one or more incentive practices
- Minimum contract area is the PLU
- May include payment for technical services

### **Contract Terms** – incentive contracts will:

- ID practices, timing of installation, responsibilities, O&M, payments
- Specify any other technical requirements needed
- Be an appropriate length to achieve the desired benefits, not less than 5 and not more than 10 years



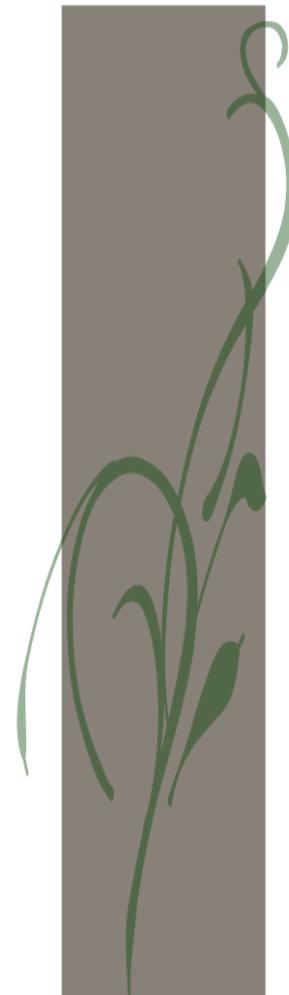
## 530.408 EQIP Incentive Contracts

Payments are made of two components:

1. Incentive practice payments for adopting and installing practices
2. Annual payments for managing, maintaining, and improving incentive practices during the contract period

Aggregate payment limitation:

- May not exceed \$200k total payments to person or legal entity
- PL may not be waived



## 530.408 EQIP Incentive Contracts

Incentive practice payments:

- Will be the same as practice implementation rates
- States may offer higher payment rates for Incentive practices that overlap with high priority practices and source water protection

Annual payments may provide up to 100% for:

- O&M of the incentive practice
- FGI



## 530.420 EQIP Exhibits

- A. EQIP Preobligation Checklist
- B. EQIP Incentives Preobligation Checklist
- C. Irrigation History Waiver Checklist
- D. EQIP Regulation 7 CFR 1466
- E. Advance Payment Letter [reserved]

**NEW**



