EQIP

Key Points Agricultural Improvement Act of 2018
March 3, 2020
• “Encouraging streamlined and coordinated procedures between EQIP and Conservation Stewardship Program, including applications, contracting, conservation planning, conservation practices and related administrative procedures.”
Statutory Allocation Levels

• Wildlife target increased from 5% to 10%

• Livestock target decreased from 60% to 50%

• At least 10% of funds under the conservation title reserved for Source Water Protection
Summary of Provisions

- $1,750 million for FY 2019
- $1,750 million for FY 2020
- $1,800 million for FY 2021
- $1,850 million for FY 2022
- $2,025 million for FY 2023
SUBPART A- General Provisions

☑ EQIP’s fundamental purpose has been broadened to add specifically addressing new or expected resource concerns, adapting to and mitigating against increasing weather volatility, and drought resiliency measures.

☑ The interim rule also changes the effective date of this section to acknowledge that each EQIP contract is subject to the regulations that are in effect at the time the EQIP contract is enrolled.
SUBPART A- General Provisions

✓ Section 1466.2 describes the roles of NRCS, State technical committees, and local working groups.

✓ The 2018 Farm Bill amends how EQIP interacts with the Regional Conservation Partnership Program (RCPP).
  • Removed the regulatory language that addressed EQIP implementation under RCPP.
Definitions

- **Discretionary**
  - Animal feeding operation (AFO) – (Discretionary to conform to EPA regulation)
  - Eligible land (Discretionary – replaces definition of “agricultural land” due to overlap)
  - Estimated income foregone
  - Semi-public

- **Mandatory**
  - High priority area
  - Incentive practice
  - Priority resource concern
  - Soil remediation & Soil Testing
  - Water management entity (defined term to ease reading of new authority for contracts with non-producers)
• Historically underserved and Veteran applicants –
  • Eligible for increased payment rate
  • Advance payment

• 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
✓ **Expanded eligibility** regarding with whom NRCS can enter into an EQIP contract.

  - May enter into contracts with a State, irrigation district, groundwater management district, acequia, land grant–merced similar entity. NRCS has defined these entities as “water management entities.”
  - Implementation of water conservation or irrigation efficiency practices
  - Limited these projects by authorizing a new **payment limitation for contracts** entered into by these entities at $900,000 between FY 2019 through FY 2023 if the projects qualify for a payment and AGI waiver.
SUBPART B- Contracts and Payment

• Amended the CNMP language to include “progressive” implementation by removing the requirement that the CNMP must be implemented by the end of the contract.

• Included language to specify that NRCS may decline an application for water conservation and irrigation efficiency projects with water management entities if that project would be better suited for implementation under RCPP.

• High Priority Practices

• Source Water Protection Practices
• 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
SUBPART C- Conservation Innovation

• On-Farm Conservation Innovation Trial (OFCIT)
  • The purpose of the On-Farm Conservation Innovation Trials (OFCIT) under this section is for NRCS to facilitate and incentivize experimentation and testing of new and innovative conservation approaches on farms in a diversity of geographic regions and on multiple scales

• Soil Health Demonstration (SHD) Trial
  • To provide incentives to producers to implement conservation practices that improve soil health, increase carbon levels in the soil, or both
SUBPART D – Incentive Contracts

✓ Steppingstone for producers between EQIP and CSP

✓ Incentive contracts offer annual payments to address operations and maintenance costs as well as income foregone.
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