



United States Department of Agriculture
Natural Resources Conservation Service

ProTracts
Program Contracts System

EQIP Conservation Incentive Contracts



EQIP CIC – Purpose

To incentivize additional conservation around locally-established resource priorities:

- States identify High Priority Area(s) (HPA)
- States identify Priority Resource Concern(s) (PRC) associated with HPA
- States identify relevant land uses and the set of incentive practices that will address the PRC(s) in the HPA(s).

Producers agree to address at least one PRC

Steppingstone for producers from EQIP to CSP:

- Allows producers to use enhancements to increase conservation benefits without enrolling the entire operation

Benefits of EQIP CIC

Participants

- Access to enhancements previously only available through CSP.
- Chance to implement elements of CSP on a smaller scale, which may inform future interest in applying for CSP on their entire operation.
- A new opportunity for targeted conservation on their land.

NRCS

- Another tool to help get conservation on the ground.
- Opportunity for targeted conservation
What HPAs, PRCs, land uses, crop types, livestock types, etc...
aren't currently well represented in your State?



EQIP CIC – Major Features

EQIP CIC Payment Limitation:

- \$200K Payment Limitation, separate from EQIP 'Classic'

EQIP CIC Contract Limitation:

- Person or legal entity = \$200K Contract Limit
- Joint Operations (bus type 2 or 3) = \$400K Contract Limit

Historically Underserved

- In a contract, all items will be designated as "HU," but only practices (not enhancements) will receive a higher rate.
- Advanced payment option will only be available for practices (not enhancements).

EQIP CIC- Allocation

- States will reserve 5% of the general EQIP allocation or \$200,000, whichever is greater for FY2021 (about \$415,000 for Nevada)
 - States have the option to set aside more than the minimum amount, if they choose
- States will have the flexibility to roll unused funds back to the EQIP general fund



Crosswalk Matrix

| Features | EQIP Classic | EQIP CIC | CSP Classic |
|--|--|---|--|
| Conservation target | Addresses identified resource concerns (RCs) | Targets up to 3 priority resource concerns at the RC category level per relevant land use in each high priority area(s) | Encourages maintenance of existing conservation and adoption of new activities |
| Minimum Planning Footprint | Planning land unit (PLU) | Planning land unit (PLU) | Operation |
| Requires existing conservation efforts to be in place at time of application. | N | N | Y |
| Minimum number of priority resource concerns (No.) | N/A | 1 | Based on program requirements |
| Payment Limitation (\$ Amount)¹ | \$450K | \$200K | \$200K |
| Minimum contract Period (No. years) | 1 | 5 | 5 |
| Maximum contract Period (No. years) | 10 | 10 | 5 |

¹ See 530.143C for more information, including payment limits for business types 2 and 3

² HU payment rates and advance payments are only applicable to practices, not enhancements.



Crosswalk Matrix

| Features | EQIP Classic | EQIP CIC | CSP Classic |
|--|---------------|------------------------------------|------------------------------------|
| Contract must include practices | Yes | No (but practices may be included) | No (but practices may be included) |
| Contract must include enhancements | N/A | Yes | No |
| Timing of practice payments | Certification | Certification | FY after completion |
| Timing of enhancement payments | N/A | FY after completion | FY after completion |
| Minimum Contract Payment (Annual) | N/A | N/A | \$1500 |
| Includes Existing Activity Payment (EAP) | N/A | N/A | Y |
| Allows Conservation Activity Plans (Y/N) | Y | N | N |
| HU Payment Rates apply and Advance Payments permissible (Y/N) | Y | Y ² | N |

¹ See 530.143C for more information, including payment limits for business types 2 and 3

² HU payment rates and advance payments are only applicable to practices, not enhancements.

EQIP CIC High Priority Areas (HPAs)

States, in consultation with the State Technical Advisory Committee (STAC), will identify areas of high priority

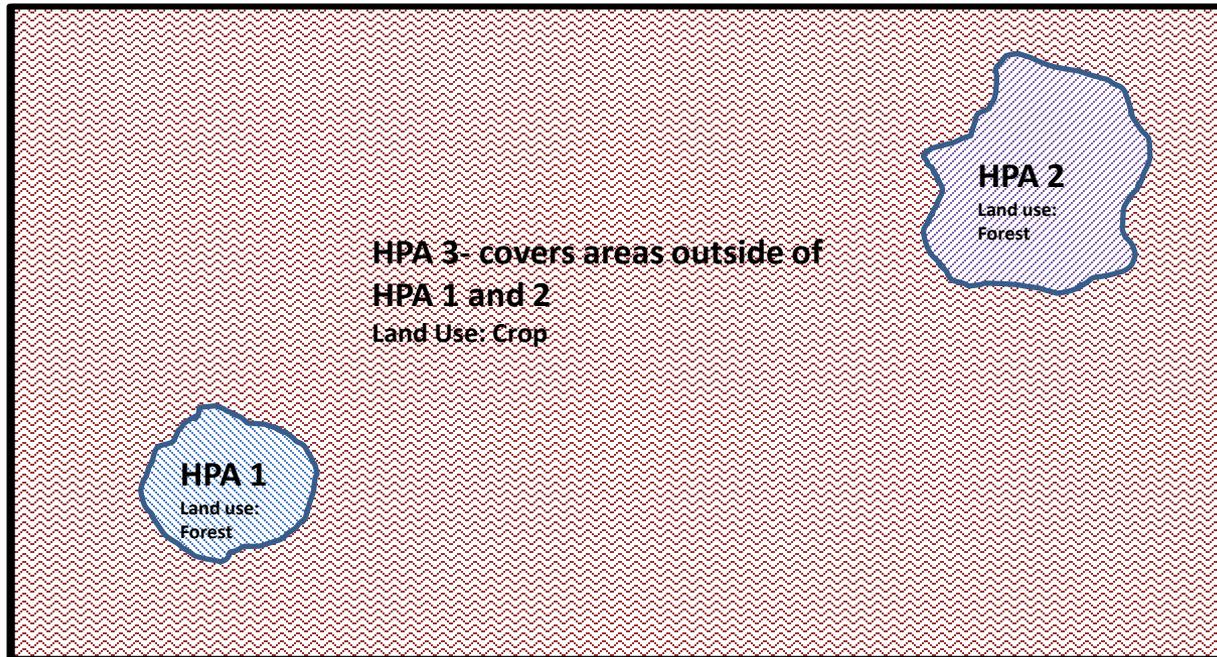
High Priority Areas (max 3 areas):

- Represent areas of significant concern
- Must encompass every region within the State
- May encompass an entire State or overlap with other high priority areas

Set of High Priority Areas must cover the whole state

States will submit high priority area geospatial boundaries to NHQ

High Priority Area Example



EQIP CIC Priority Resource Concerns (PRCs)

States, in consultation with the State Technical Advisory Committee, will identify priority resource concerns

Priority Resource Concern Criteria:

- States may identify **up to** 3 PRCs for each land use within a given high priority area
 - Note: Not all land uses need to be included
- The same PRCs may be used for more than one land use within the same high priority area
- For each PRC, States will identify the incentive practices (practices and enhancements) that will be available
- Conservation plans must target at least one PRC

Selecting PRCs in EQIP CIC and Land uses

- Priority Resource Concerns should be selected at the **Resource Concern Category Level**, not the Resource Concern Level
- **Land uses** : Crop, pasture, range, forest, farmstead, Associated Ag land

Resource Concerns Categories

Categories

| Category |
|--|
| Air quality emissions |
| Aquatic habitat |
| Concentrated erosion |
| Degraded plant condition |
| Field pesticide loss |
| Field sediment, nutrient and pathogen loss |
| Fire management |
| Inefficient energy use |
| Livestock production limitation |
| Pest pressure |
| Salt losses to water |
| Soil quality limitations |
| Source water depletion |
| Storage and handling of pollutants |
| Terrestrial habitat |
| Weather resilience |
| Wind and water erosion |



EQIP CIC Ranking

- **Creating Ranking Pools:**

- Each HPA must have a separate ranking pool
- Each relevant land use within an HPA must also have a separate ranking pool
- BF/SDF fund pools not required in CIC
- States will include required questions per the instructions in NI 440-310
- States will use a geospatial layer for the applicability question - guidance forthcoming on how to set up State geospatial layers

Recommendations for FY2021

Due to time constraints, States may choose to pursue a straightforward approach for FY21

Examples:

Designate a HPA that encompasses the entire state

- Targets one PRC on one land use
- Targets two PRCs on one land use
- Targets one PRC on two land uses
- Targets one PRC on multiple land uses

Recommendation 1

Straight forward approach recommended by NHQ

- **High Priority area:** 1 area include entire state (due to time constraint as recommended by NHQ (only 1 area))
- **Land uses:** Range and Pasture (most of EQIP funds in Nevada are used for cropland, the \$415K allocated for CIC can be used for different land uses).
- **Priority RCs:** Terrestrial habitat, degraded plant condition and livestock production limitation (we are required to use enhancements and most range and pasture enhancements target these 3 RCs)

Recommendation 2

- **High Priority area:** 1 area include entire state (due to time constraint as recommended by NHQ (only 1 area)).
- **Land uses:** Range, Pasture, and Crop (most of previously funded EQIP contracts are under these land uses).
- **Priority RCs:** Pest pressure, livestock production limitation and degraded plant condition for Range and Pasture. Source water depletion, soil quality limitation and field sediment and nutrients loss for Crop (these are most of the RCs we received applications for in the past).



In closing

- Any other recommendation from STAC members?
- Which recommendation do you suggest we move forward with?

Questions & Answers

