

EQIP Conservation Activity Plans Indiana 2009 State Guidelines

These are Indiana's Guidelines developed from the Conservation Programs Manual (CPM) 440 part 515 and are intended to provide Indiana specific information for implementation of the 2009 EQIP Conservation Activity Plans (CAP) initiative. These Guidelines are not all inclusive for EQIP program management. Additional details on producer eligibility, land eligibility, appeals, evidence of control, and payment limitations can be found in CPM-440 part 515. Contracting specific information can be found in CPM-440 part 512.

EQIP is a voluntary conservation program that promotes agricultural production, forest management, and environmental quality as compatible national goals. EQIP offers financial and technical help to assist eligible participants to install or implement conservation practices on eligible agricultural and forest land.

General EQIP Provisions

- **CONSERVATION PLAN – Conservation Activity Plan ONLY APPLICATIONS:** if a Conservation Activity Plan is the only practice requested in the EQIP Application, the Conservation Activity Plan will take the place of the NRCS Indiana requirement of an on-site visit completed and a conservation plan developed prior to EQIP funding consideration of the Conservation Activity Plan application.
 - **CONSERVATION PLAN:** If any other practices are requested they must be in a separate EQIP application, and an on-site visit will be completed and a conservation plan will be developed in Toolkit on the acres being offered for application *before* the application is ranked. Required documentation will include a resource checklist (CPA-52) and list of conservation practices that the client has agreed to install if funded.
- **APPLICATIONS:** Applications for Conservation Activity Plans will be single-practice applications that include only the Conservation Activity Plan, and will be funded on a first-come, first-served basis (depending on funding availability), without regard to ranking as the applications are received and are certified as eligible.
 - Any reserved funds remaining by the final selection period that are not used for these applications will be used for regular EQIP applications.
 - No more than 1 specific Conservation Activity Plan will be scheduled per FSA tract; however, more than 1 Conservation Activity Plan of different types (i.e. – FOTG 100 codes) may be scheduled per tract if on separate land units within the tract.
 - All applications will be entered in ProTracts. Payment limitations, adjusted gross income (AGI), and producer eligibility **must be** verified before the application status is changed to eligible.
- **APPLICANTS:** Applicants **must** prove control of the land for the contract period to meet basic eligibility

requirements. The proof can be a Deed or other evidence of ownership, a lease, or documented historical use of the land. Applicants that are entities must provide Articles of Incorporation, Corporate Charter or By-laws, court orders, or articles of partnership clearly designating who has signatory authority for the entity at the time of application. Where an applicant is importing or exporting manure, they **must** provide a contract/agreement that shows the terms of receiving or exporting for the life of the EQIP contract. When an applicant is not the owner of the land the landowner **must** sign the contract **or** provide *written permission* to install any structural or vegetative practices on their land.

- **CONTRACTS:** EQIP contracts are written with a minimum term that *ends one year after* the implementation of the last scheduled practice, and a maximum term of ten years. Contracts record the details of payments for implementing conservation practices and are legally binding documents. Only practices being implemented with EQIP financial assistance are listed in the contract. Practices must be implemented according to NRCS technical standards.
 - **Conservation Activity Plans may only be provided to applicants by TechReg-Certified Technical Service Providers (TSPs). Schedule Conservation Activity Plans to be written within 1 year of contract approval.**
 - TSPs must be certified in the TechReg categories for the appropriate Conservation Activity Plan, except for CNMPs which will use the Conservation Activity Plan or existing certification categories:
 - CNMP Conservation Activity Plan
 - CNMP Plan Approval
 - CNMP Plan Development – Total Plan
 - Or a combination of TSPs to provide all 3 of following:
 - CNMP Plan Development – Land Treatment
 - CNMP Plan Development – Manure and Wastewater Handling and Storage
 - CNMP Plan Development – Nutrient Management
- **PAYMENT LIMITATIONS:** An individual or entity may not receive, directly or indirectly payments that, in the aggregate, exceed \$300,000 for **all** EQIP contracts entered into after October 1, 2008. The \$300,000 payment limitation will automatically be confirmed during the ProTracts eligibility update. Producers cannot receive a contract for more than the remaining balance of the payment limitation. The payment limitation can be reviewed in Fund Manager. Additional information on combined payment limitations with 2002 and 2008 Farm Bill contracts can be found in CPM-440-515.92 C
- **HISTORICALLY UNDERSERVED PRODUCERS:** Limited Resource Farmers, Beginning Farmers, and Socially Disadvantaged producers as defined in the EQIP rule at 7 CFR 1466.3, are eligible for higher practice payment rates. Payment rates for these producers are 25% greater than the payment rate for other producers. Producers in these groups are held to the same per practice payment caps as other producers. Ten (10) percent of the states allocated EQIP funds will be available for historically underserved producers.

Ranking Highlights:

- The Application Evaluation and Ranking Tool (AERT) in ProTracts will NOT be used to rank Conservation Activity Plan applications.

Funding Highlights:

- EQIP funding will be distributed according to the following:
 - Livestock environmental emergencies and all 100 series Conservation Activity Plans (CNMP-102, Irrigation Water Management Plans-118, Forest Management Plans-106, and Transition to Organic-138) 10%

FY 2009 EQIP Conservation Activity Plans Schedule of Events

WHEN	WHAT	WHO
Ongoing	Participants request conservation plans, and submit applications for EQIP	NRCS/Partners
May 18, 2009	Release final AERT, payment schedule, and 09 Guidelines to field	Programs
Ongoing	Approve applications and obligate funds as soon as possible after applicant is determined eligible and basic QA has been completed.	Area
July 15, 2009	Confer with ACs, Sweep unallocated funds and re-disburse if needed	Programs/Area
August 15, 2009	Final date to "accept obligation" in Fund manager and "sign contract" in ProTracts. Funds must be obligated into contracts (National requirement)	Area

**Indiana 2009 EQIP Conservation Activity Plan Practice List
Payment Schedule, Special Provisions, Restrictions, and Requirements**

Practices Eligible for Payments								
Practice Code	Practice Name	Scenario	Unit Type	Unit Payment Rate	Payment type	Rate	Payment Cap	Livestock Practice
102	Comprehensive Nutrient Management Plan	Non-Cattle Small	No	3,064	PR	100		√
	Comprehensive Nutrient Management Plan	Non-Cattle Medium CFO Permit	No	5,153	PR	100		√
	Comprehensive Nutrient Management Plan	Non-Cattle Large CAFO Permit	No	6,431	PR	100		√
	Comprehensive Nutrient Management Plan	Cattle Small	No	3,830	PR	100		√
	Comprehensive Nutrient Management Plan	Cattle Medium CFO Permit	No	5,891	PR	100		√
	Comprehensive Nutrient Management Plan	Cattle Large CAFO Permit	No	7,069	PR	100		√
	<ul style="list-style-type: none"> ❑ By definition a CNMP is a conservation system that is unique to animal feeding operations (CFOs). For EQIP, the CNMP is written/ developed for all acres &/or manure owned or under decision-making authority at that CFO (including lands under a "Land Use Agreement" or other similar control of the manure application). All manure applications under control of the applicant must be included in the CNMP. If the EQIP applicant does not have control over <u>all</u> of the land and/or <u>all</u> of the manure, then they are <u>only</u> eligible for the CNMP Non-Cattle Small or CNMP Cattle Small payment rate. ❑ An economic evaluation will be completed to determine the need for a CNMP on small facilities. ❑ All tracts and fields under the CNMP will be included in the Toolkit plan and the ProTracts contract. ❑ Producers must use a TechReg TSP to be eligible for payment. ❑ Small = confined animal feeding operation with resource concerns that could be addressed by a CNMP: or where the producer does not have control over the manure after it leaves the facility. ❑ Medium (CFO) = confined animal feeding operation with IDEM Confined Feeding Operation Rule permit. ❑ Large (CAFO) = confined animal feeding operation with IDEM/EPA Concentrated Animal Feeding Operation permit. ❑ CNMPs are required on a Waste Storage Facility (313) and Waste Treatment Lagoon (359) and must be completed and paid for prior to the design and installation of the facility or lagoon. The CNMP shall be used as the basis for the design of any waste storage and handling facilities. ❑ <u>Livestock</u> producers not building a 313 or 359 and wanting to develop a CNMP on their operation are eligible for the CNMP Activity Plan. ❑ Non-livestock producers receiving manure from another farm are not eligible for the CNMP Activity Plan, however if they have a contract to receive manure at the site for the length of the EQIP contract and build a Waste Storage Facility (313) or a Waste Treatment Lagoon (359) then they must develop a CNMP and are eligible for payment. ❑ Producers required to develop a CNMP must be informed of the CNMP requirements. Refer to the NRCS AFO CNMP Handout, IN NRCS CNMP Checklist and the CNMP Guidance for Minimum Requirements @ http://www.in.nrcs.usda.gov/technical/agronomy/CNMP%20Requirements%2012-19-05.pdf. ❑ See the Indiana Agronomy web page for additional information on CNMP requirements. 							

Practice Code	Practice Name	Scenario	Unit Type	Unit Payment Rate	Payment type	Rate	Payment Cap	Livestock Practice
138	Conservation Plan Supporting Organic Transition Plan - Written	Conservation Plan Supporting Organic Transition Plan	NO	413.00	PR	100		
	<ul style="list-style-type: none"> ❑ No more than one plan and payment per FSA Tract Number ❑ Eligible to develop a conservation plan that addresses the elements of an Organic System Plan (OSP) that meets the requirements of the NOP. ❑ Payment is for the technical assistance to develop a conservation plan supporting organic transition plan (additional TSP payments are not eligible) payable upon evidence of submission for OSP certification. ❑ If the producer receives a plan free of charge from a qualified provider, they are not eligible for this payment. ❑ Producers must use a TechReg TSP to be eligible for payment 							
106	Forest Management Plan - Written	Forest Management Plan < 20 ac	NO	225.00	PR	100		
		Forest Management Plan 20-79 ac	NO	338.00	PR	100		
		Forest Management Plan 80+ ac	NO	413.00	PR	100		
	<ul style="list-style-type: none"> ❑ Eligible for a one time only payment to develop a Forest Management Plan that meets the 106 standard. ❑ No more than one plan and payment per FSA Tract Number ❑ The offered upland forestland acreage under control of the applicant must be at least 10 acres <u>after</u> the plan is implemented. ❑ The offered bottomland or wetland forests acreage under control of the applicant must be at least 5 acres <u>after</u> the plan is implemented. ❑ Payment is for the Technical Assistance to develop a Forest Management Plan (additional TSP payments are not eligible). Producers must use a TechReg TSP to be eligible for payment. ❑ If the producer receives a plan free of charge from a qualified forester (i.e. – IDNR District Forester), they are not eligible for this payment. 							
118	Irrigation Water Management Plan - Written	Irrigation Water Management Plan Development	NO	488	PR	100		
	<ul style="list-style-type: none"> ❑ No more than one plan and payment per FSA Tract Number ❑ Eligible to develop an Irrigation Water Management Plan that meets the 118 standard ❑ Payment is for the Technical Assistance to develop an Irrigation Water Management Plan (additional TSP payments are not eligible). ❑ If the producer receives a plan free of charge from a qualified provider, they are not eligible for this payment. ❑ Producers must use a TechReg TSP to be eligible for payment 							

Historically Underserved Instructions:

Limited Resource Farmers:

- Limited Resource Farmers have the responsibility to prove that they are eligible for that Special Group. Potential Limited Resource Farmers must meet the definition of ag producer and meet both of the following:
 1. Direct or indirect gross farm sales not more than \$155,200 in each of the previous two years.*1

AND

 2. A total household income at or below the national poverty level for a family of four or less than 50 percent of county median household income in each of the previous two years.*2
- Limited Resource Farmers should go to this link <http://www.lrftool.sc.egov.usda.gov/tool.asp> and run the tool to see if they meet the requirements.
- Prior to signing the EQIP contract, producers will have to show District Conservationists the following two items from the IRS 1040 for the previous two tax years: 1. the Gross farm income, generally on line 11 of Schedule F, Profit or Loss from Farming to substantiate gross farm sales and; 2. the Adjusted Gross Income, generally on line 33 of the 1040 to substantiate household income less than 50 percent of the county median. The IRS 1040 form must be the signed document as filed with IRS, copies are acceptable.
- All members of an entity must meet the Limited Resource Farmer requirement.
- District conservationists will document in assistance notes that they have confirmed the Limited Resource Farmer status. Copies of 1040's and schedule F's will NOT be maintained by NRCS.

*1 This value will be adjusted for inflation beginning in 2010 using the "Prices Paid by Farmer Index" compiled by **NASS**.

*2 Total household income will be determined annually and indexed for inflation using Commerce Department Data.

Beginning farmer:

- Beginning Farmers have the responsibility to prove that they are eligible for that Special Group. Potential Beginning Farmers must meet the definition of ag producer and meet both of the following:
 1. Be an individual or entity that has NOT operated a farm, or who has operated a farm for not more than 10 consecutive years. (This requirement applies to all members of an entity.)

AND

 2. Will materially and substantially participate in the operation of the farm
- Prior to signing the EQIP contract producers must show District Conservationists at least one IRS 1040 from the previous ten years where Schedule F, Profit or Loss from Farming, has NOT been filed. Information from Schedule F is generally found on line 18 of the 1040. The IRS 1040 form must be the signed document as filed with IRS, copies are acceptable.
- All members of an entity must meet the Beginning Farmer requirement.
- District conservationists will document in assistance notes that they have confirmed the Beginning Farmer status. Copies of 1040's and schedule F's will NOT be maintained by NRCS.

Socially Disadvantaged farmer:

- Is a member of a group that has been subjected to racial or ethnic prejudices because of their identity as a member of a group, without regard to their individual qualities.
- Gender alone is not a covered group.
- There is no validation process for participants who self certify as belonging to a socially disadvantaged group.
- See CPM-440-512.5 for additional information

Producer Eligibility:

To be eligible to participate in EQIP, an applicant must be an agricultural producer. To be considered an agricultural producer, there must be a minimum of \$1,000 in agricultural products sold, or that normally would have been sold, in a normal year.

Producers with **only** forest land must have one of the following to be considered eligible:

- A forest management plan or forest stewardship plan.
- A prior record of timber harvest or revenue from timber sales.
- Proof of capital investment in forest practices.

See CPM 440-515.51 for additional information on producer eligibility.

Land Eligibility:

Eligible land is land on which agricultural commodities or livestock are produced and includes cropland, grassland, pastureland, and private non-industrial private forest. ***Reclaimed mine land is eligible only if it has been used as agricultural land and has been released from bond. NRCS must have written proof that the bond has been released.***

See CPM-440-515.52 for additional information on land eligibility.

Technical Assistance from TSPs:

TSP technical assistance (TA) funds are not available for the CAP practices. The CAP payment rates were designed to adequately provide for needed technical assistance and implementation.

Using ProTracts Application Fund Codes:

Specific fund codes will be used for Conservation Activity Plans.

Products to the Participant:

NRCS shall provide one signed copy of the NRCS-CPA-1202, NRCS-CPA-1202 appendix, and NRCS-CPA-1155 to the participant when the "Approved" EQIP contract is signed by the participant. Every signatory to the contract that receives any payment share greater than 0% shall receive a copy of the listed documents.