

A Reprint from *Tierra Grande*

Cash for Conservation

By Charles E. Gilliland and Sarah Whitmore



“**G**oing green” is not just for an environment-conscious minority anymore. Most companies are rethinking how they do business and looking for ways to increase efficiency while reducing environmental impacts. This trend is apparent even in rural acreage management.

Typically, landowners incur the full cost of implementing environmentally friendly practices. Now participants in the federal Environmental Quality Incentives Program (EQIP) receive financial assistance from the government when they implement approved environmental measures on their land.

Farmers and ranchers who face threats to soil, water, air and related natural resources on their land may benefit from this voluntary conservation program that provides financial and technical assistance.

The Natural Resource Conservation Service (NRCS) of the U.S. Department of Agriculture (USDA) administers a number of programs that monetarily reward conservation practices. The EQIP initiative is the largest such program for working agricultural lands, providing financial support in all

50 states, the Caribbean and the Pacific Basin. Landowners who are not already participating in another government incentive such as the Conservation Reserve Program on the same acreage should consider the EQIP program.

EQIP has a number of subprograms, including the Organic Initiative, Conservation Innovation Grants, and the Agricultural Water Enhancement Program. Through EQIP, NRCS develops contracts known as cost-share agreements with agricultural producers.

The contracts outline the planned implementation of conservation practices that address environmental natural resource problems. The program encourages producers to use innovative technologies and cost-effective methods to produce significant environmental benefits. Cost share payments are made to producers once conservation practices are completed according to NRCS requirements.

The 2011 Texas EQIP resource concerns include animal waste management, sheet and rill water erosion control, grazing land productivity, irrigation water use, air quality, fertilizer use, wildlife habitat, energy, conservation tillage and carbon sequestration. See <http://www.tx.nrcs.usda.gov/programs/eqip/index.html> for more information on EQIP in Texas.

Under these generalized resource concern headings are defined activities that landowners may undertake to qualify for EQIP cost sharing. For example, official NRCS air and water quality concerns focused on animal feeding operations in Kerr County presents the following list of "eligible practices":

- Atmospheric resource quality management
- Closure of waste impoundment
- Diversion
- Fence
- Field border
- Filter strip
- Grassed waterway
- Heavy use area protection
- Irrigation pit or regulating reservoir (storage tanks)
- Irrigation system, sprinkler
- Irrigation water conveyance (pipeline)
- Irrigation water management (for chemigation valves and flow meters)
- Manure transfer
- Nutrient management
- Pasture and hayland planting
- Pond sealing
- Pumping plant
- Sediment basins
- Terrace
- Waste storage facility
- Waste treatment lagoon
- Waste utilization
- Windbreak/shelter belt establishment

For more information on 2011 local EQIP concerns see: <http://www.tx.nrcs.usda.gov/programs/eqip/11/index.html>.

EQIP has two separate pools of funds. The primary pool is for general EQIP aid. These payments are limited to \$300,000 per person/entity for all contracts entered into during any six-year period. The secretary of agriculture may raise the limitation to \$450,000 for projects of special environmental significance, such as those involving methane digesters, which decompose

animal byproducts into useful resources such as energy. Once accepted into the program, the producer receives a payment representing 75 percent of the cost of practices undertaken.

The second pool of funding concentrates on aiding organic production. Payments to organic producers for installation of conservation measures can amount to a maximum of \$20,000 per year or \$80,000 during any six-year period.

Under both types of aid, EQIP offers priority payments for socially disadvantaged and limited resource producers of up to 90 percent of the costs of installing or implementing a conservation practice. These participants can also receive advance payments of up to 30 percent of the anticipated costs incurred to purchase materials or to contract services to implement a practice.

Governmental funding is scheduled to steadily increase through 2012 (see figure). These numbers should encourage a greater number of producers to apply.

Funding is in the form of a grant. However, owners must compete with others for the limited funding. Eligible applicants are not guaranteed to receive funding. NRCS ranks applicants based on a number of factors, including the environmental benefits and cost effectiveness of the proposed measures. Based on national priorities, the NRCS chief allocates funds to state conservationists. With advice from state technical committees, the state conservationists identify and prioritize the major natural resource concerns. Together, they determine the allocation of funds, which practices to support, payment rates, priority of contracts, and the degree of authority delegated to

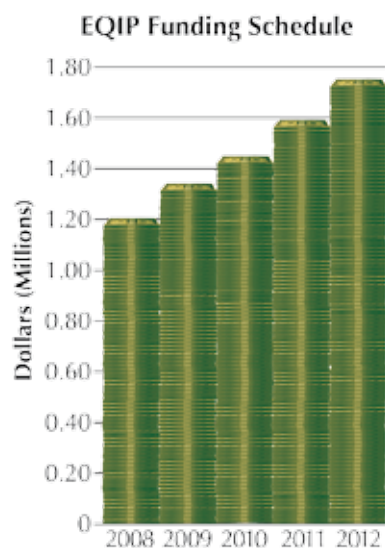
the local level. Local conservationists work with local work groups to adapt state programs to local conditions. As a result, EQIP assistance can fluctuate between different states and even between counties.

Once accepted into the program, participants work with NRCS to develop the EQIP plan of operations. The plan outlines specific conservation and environmental objectives as well as a schedule for execution. This plan becomes the basis of the EQIP contract between the NRCS and the participant. NRCS provides conservation practice cost share payments to landowners based on the terms negotiated in the contract. Contracts vary from a minimum term of one year after implementation of the last scheduled practice to a maximum term of ten years.

EQIP has benefited a number of Texas landowners. Parties interested in participation should visit the program website (<http://www.nrcs.usda.gov/programs/eqip/>) for additional

information and details on the application process. ♣

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Sources: U.S. Department of Agriculture and Natural Resource Conservation Service

THE TAKEAWAY

The Environmental Quality Incentives Program administered through the National Resource Conservation Service offers cost-sharing contracts to landowners who implement conservation practices. Supported practices are prioritized based on state and local natural resource concerns.



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