

# Environmental Quality Incentives Program

Natural Resources Conservation Service



*USDA's Natural Resources Conservation Service offers voluntary Farm Bill programs that benefit both agricultural producers and the environment.*

## Overview

The Environmental Quality Incentives Program (EQIP) provides technical and financial assistance to producers to address natural resource concerns and deliver environmental benefits such as improved water and air quality, conserved ground and surface water, increased soil health and reduced soil erosion and sedimentation, improved or created wildlife habitat, and mitigation against drought and increasing weather volatility.

## Benefits

Through EQIP, NRCS provides agricultural producers with one-on-one help and financial assistance to plan and implement improvements, or what NRCS calls conservation practices. Together, NRCS and producers invest in solutions that conserve natural resources for the future while improving agricultural operations.

## Program at a Glance

NRCS will help you develop a conservation plan that meets your goals and vision. This plan becomes your roadmap for selecting the right conservation practices for your land. NRCS offers about 200 unique practices designed for working farms, ranches, and forests.

NRCS financial assistance can cover part of the costs of implementing conservation practices.



USDA is an equal opportunity provider, employer, and lender.

## Who is Eligible?

Farmers, ranchers, and forest landowners who own or rent agricultural land are eligible. EQIP assistance can be used on all types of agricultural operations, including:

- Conventional and organic
- Specialty crops and commodity crops
- Forestry and wildlife
- Historically underserved farmers\*
- Livestock operations

\*Increased and advance payments available for historically underserved producers (beginning, limited resource, socially disadvantaged, and military veterans.)

## How to Apply

Apply at your local USDA Service Center, which you can find at [farmers.gov/service-locator](http://farmers.gov/service-locator).

Applications for EQIP financial assistance are accepted throughout the year. Specific state deadlines are set for ranking and funding. If your application is ranked and selected, you will enter into a contract with NRCS to receive financial assistance for the cost of implementing conservation practices. Payment rates for conservation practices are reviewed and set each fiscal year.

## More Information

For more information, visit [nrcs.usda.gov/farbill](http://nrcs.usda.gov/farbill) or [farmers.gov](http://farmers.gov).

Find your local USDA Service Center at [farmers.gov/service-locator](http://farmers.gov/service-locator).

## What's New in the 2018 Farm Bill

Adds potential resource concerns related to beneficial cost-effective operation changes.

Raises cap for organic producers to \$140,000 over four years.

New enrollment option through incentive contracts to address priority resource concerns.

Requires advance payment option be offered to historically underserved producers.

Authorizes direct program assistance to WMEs such as irrigation districts, acequias and other public or semi-public entities for the purposes of improving water use efficiencies.

**Natural  
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# Environmental Quality Incentives Program (EQIP)

## Is EQIP Right for Me?



### Can You Answer 'Yes' to the Following?

Then EQIP may be a good fit for your operation

- I own or rent, and manage land for agricultural or forest production, such as cropland, rangeland, grassland or forestland.
- I have control of the land such as through ownership or a lease.
- I can prove irrigation history if my conservation work involves water conservation with irrigation system improvements.
- My land complies with highly erodible land and wetland conservation determination provisions (if unsure, ask your local USDA Service Center).
- I established or updated farm records with the Farm Service Agency for me and my operation.
- I have a social security number or employer identification number issued by the IRS.
- My average gross income is less than \$900,000 (does not apply to Indian Tribes).
- If I am a member of an entity or joint operation, I have authority to make management decisions for the business.

### What is EQIP?

The Environmental Quality Incentives Program (EQIP) offers technical and financial assistance for working lands, including field crops, specialty crops, organic, confined livestock and grazing, and non-industrial private forest land.

Rather than take land out of production, EQIP helps farmers maintain or improve production while conserving natural resources on working landscapes.

### What Are the Benefits?

EQIP may provide many benefits, including improved water and air quality, conserved ground and surface water, increased soil health and reduced soil erosion and sedimentation, improved or created wildlife habitat, and mitigation against drought and increasing weather extremes.

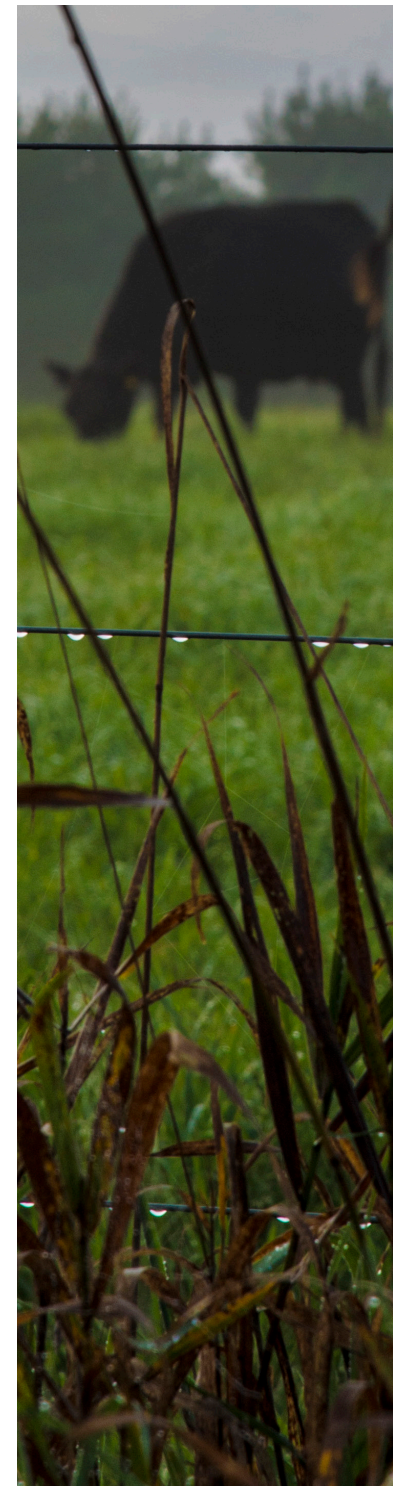
For example, EQIP can help you:

- Reduce contamination from agricultural sources, such as animal feeding operations.
- Efficiently utilize nutrients, reduce input costs and reduce non-point source pollution.
- Increase soil health to help mitigate against increasing weather volatility and improved drought resiliency.

### How Does EQIP Work?

EQIP supports producers who improve and sustain natural resources on their operation by implementing structural, vegetative, and management practices.

For example, if you want to use EQIP conservation practices to improve irrigation efficiency, renovate pastureland or nutrient and pest management on your eligible land,



NRCS offers technical assistance, and EQIP offers financial assistance through a contractual agreement.

If you decide to work with NRCS, you will receive a one-on-one consultation from a local NRCS conservation planner to evaluate your current management system and conduct an assessment of natural resources on your land. You will then work with the NRCS conservation planner to develop a free conservation plan that addresses the identified resource concerns.

Once you choose the conservation practices or activities that best fit your needs, and if your application is selected for funding, EQIP offers payments for implementing these practices on your land with the expectation that you will operate while maintaining the practices for the expected lifespan.

## How Long is a EQIP Contract?

The length of an EQIP contract can vary depending on your goals and timeline, but cannot exceed 10 years.

## EQIP Eligibility

### Land Eligibility

#### Q. What lands are eligible for EQIP?

- A. For eligibility purposes in Farm Bill programs, NRCS considers any land on which agricultural commodities, livestock or forest-related products are produced as eligible land.

That land can include cropland, rangeland, pastureland, non-industrial private forestland and other farm or ranch lands.

EQIP has no minimum acreage requirement; however, EQIP is a competitive program that awards points based on resource concerns to be addressed and other factors.

### Producer Eligibility

#### Q. Who is eligible to apply for EQIP?

- A. Applicants may include individuals, legal entities, joint operations or Indian Tribes that have control of the land and currently manage it for agricultural, forest and livestock production.

## Special EQIP Initiatives

EQIP has a broad delivery system to put targeted conservation on the ground at the local level, across the entire country.



EQIP targets conservation through the following initiatives to address priority natural resource concerns on the most vulnerable lands and high priority watersheds:

- High Tunnel Initiative
- Organic Initiative
- Air Quality Initiative
- On Farm Energy Initiative

## EQIP Payments

#### Q. What types of payments are offered through EQIP?

- A. EQIP offers payments for practices and activities which may be categorized as vegetative, structural, and management practices.

Producers may also apply for Conservation Activity Plans through a Technical Service Provider.

#### Historically Underserved (HU) Participants:

Historically underserved participants are eligible for increased payment rates and advanced payments to help offset the costs of purchasing goods or services. HU participants include socially disadvantaged, beginning, veteran and limited resource farmers and ranchers.

- **Dedicated funds** – at least 10 percent of EQIP funds are dedicated to socially disadvantaged and beginning farmers and ranchers.
- **Higher payment rates** – up to 25 percent higher than the standard practice payment rates.
- **Veteran Preference** – eligible veterans who compete in the beginning or socially disadvantaged farmers and ranchers funding pools, receive preference points.



**Q. When are payments made?**

- A. Under the general EQIP payment process, a producer is reimbursed after a conservation practice is certified as meeting NRCS standards and specifications. This process often means that producers must pay up front costs with their own funds, unless the participant opts for the advance payment option.

**Q. Do I have to pay income taxes on my payments?**

- A. Yes. All payments made to you by NRCS are reported to the Internal Revenue Service and should be reported as income on your tax return for the applicable tax year. You will receive a Form 1099 to report EQIP payments on your tax return.

**EQIP Application and Evaluation****Q. How do I apply for EQIP?**

- A. Contact your local USDA Service Center and let them know you are interested in EQIP. A conservation planner will work with you to determine your eligibility.

NRCS accepts EQIP applications year-round and funding is provided through a competitive process.

State-specific application cutoff dates are set to evaluate applications for funding. Cutoff dates can be found at [nrcs.usda.gov/statecutoffdates](https://nrcs.usda.gov/statecutoffdates). If you apply after the application cut-off date, your application will automatically be deferred to the next funding cycle.

If you are new to working with USDA, you will need to establish your Farm Record with the Farm Service Agency (FSA). Establishing a Farm Record requires several forms and documents, so make an appointment with your FSA office as soon as possible.

**Q. How are EQIP applications evaluated?**

- A. Once NRCS completes an assessment of your operation and you choose the conservation practices or activities that you want to implement, NRCS will rank your application to determine how well your current and future management system will address national, state, and local natural resource priorities.

NRCS will rank your application against other similar eligible applications in the same ranking pool, with the highest scoring applications receiving contract offers first.

