

May 2008

At a Glance:
**Environmental Quality
Incentives Program**

Overview

The Environmental Quality Incentives Program (EQIP) is a voluntary program that provides financial and technical assistance to farmers and ranchers who face threats to soil, water, air, and related natural resources on their land. Through EQIP, the Natural Resources Conservation Service (NRCS) provides financial incentives to producers to promote agricultural production and environmental quality as compatible goals, optimize environmental benefits, and help farmers and ranchers meet Federal, State, Tribal, and local environmental regulations.

Legislative Changes

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) clarifies EQIP purposes to include forest management and energy conservation, as well as practices related to organic production and fuels management.

The 2008 Farm Bill authorizes increased payments for socially disadvantaged farmers or ranchers in addition to beginning and limited resource producers – up to 90 percent. It further allows these individuals to receive in advance up to 30 percent of the amount needed for purchasing materials or contracting.

Priority will be given to water conservation or irrigation efficiency applications that will reduce water use or where the producer agrees not to use any associated water savings to bring new land under irrigation production.

Assistance to organic production operations will be based on producers agreeing to develop

and carry out organic system plans. Payments for conservation practices related to organic production may not exceed \$20,000 per year or \$80,000 during any 6-year period.

The overall payment limitation is reduced to \$300,000 per person or legal entity over a 6-year period. The Secretary of Agriculture may raise the limitation to \$450,000 for projects of special environmental significance, including those involving methane digesters.

Applications that improve conservation practices or systems already in place at the time of offer acceptance will be given priority. Offers shall be grouped by similar crop or livestock operations for evaluation purposes.

Funding for each fiscal year is authorized as follows: \$1.2 billion for 2008; \$1.337 billion for 2009; \$1.45 billion for 2010; \$1.588 billion for 2011; and \$1.75 billion for 2012.

More Information

For more information and updates about EQIP and other Farm Bill topics, please refer to the U.S. Department of Agriculture Web site <http://www.usda.gov/farmbill> or the Natural Resources Conservation Service Web site <http://www.nrcs.usda.gov/programs/eqip>.