A Guide to Help Fruit Growers Successfully Apply to the Environmental Quality Incentives Program to Support their Use of Conservation Practices

INTRODUCTION

Fruit growers in Washington can now obtain assistance to support the additional cost of implementing environmentally sound farming practices such as integrated pest management, when these practices are new for a farm or block.

The Environmental Quality Incentives Program (EQIP) is a voluntary and competitive program administered by USDA’s Natural Resources Conservation Service (NRCS) that provides technical and financial assistance to eligible growers for the use of a wide range of practices on their farms. Getting started with government programs can be difficult for growers. This guide presents the basic steps for applying for EQIP financial assistance.

The new Farm Bill yet to be passed by Congress may result in some changes to the following information, but the basic information should remain the same.

1) Learn more about EQIP and prepare to apply
   Visit the Washington Tree Fruit Research Commission website for periodic updates: http://www.treefruitresearch.com/

   Contact Naná Simone, Washington tree fruit industry EQIP coordinator 509-667-9557, nanas@nwi.net

   In preparation for applying for an EQIP contract you should have an idea about what you want to do on your land in terms of practices, installations, or wildlife habitat plantings. In NRCS terminology, you will be addressing natural resource concerns on your farm that are intended to improve economic viability of the farm as well. Remember that NRCS wants to fund practices that you are not already doing.

2) Begin the application process
   Start by visiting the USDA Farm Services Agency (FSA) office and providing or updating your farm information. This will determine eligibility for EQIP applications.

   Next, by June 1, 2008 visit the NRCS office and sign the EQIP application cover sheet. An NRCS planner will most likely contact you for a full application meeting and farm visit.

   At your NRCS meeting, plan on spending 1½ - 2 hours with the conservationist. The conservationist will discuss your plans for your orchard and will help you fill out the paperwork. While there may seem to be a lot of paper work involved, most of it is for the
NRCS staff to fill out and they are skilled in simplifying the process for growers. Of course, the information in your application will be kept confidential.

Here are examples of the types of practices you might consider for your farm:

- **Integrated pest management** – includes use of monitoring, mating disruption, use of reduced risk pesticides and low volume tower sprayers.
- **Nutrient management** – use of soil samples to monitor nutrient levels (such as excessive nitrogen) and assist in determining fertilizer needs. Application of compost and manure.
- **Irrigation water management** – monitoring soil moisture to improve irrigation scheduling.
- **Irrigation system improvements** - conversion of rill irrigation to microsprinkler or drip. Only North Central Washington offers assistance for conversion of existing sprinkler systems to more efficient systems.
- **Wildlife plantings** such as hedgerows (patches of trees or shrubs for beneficial species), riparian buffers, and field borders.
- **Windbreaks** to reduce potential for pesticide drift into streams.
- **Abandoned orchard removal** – to remove reservoirs of pest insects immigrating into your orchard. This practice is restricted to land that will not be planted back to a crop for five years.

There may be other practices you and the conservationist will identify. Each practice can be included in a contract because it protects a natural resource. For example, IPM would benefit water and air quality. In general, growers who are willing to apply multiple practices that improve more than one resource are more likely to have their applications approved.

**The deadline for submitting applications for 2009 is July 15, 2008**

4) **After you have applied**
Applications are ranked with other applications in your area based on a system of points. The number of points assigned to each of the practices you want to use on your farm is related to the amount of environmental benefit resulting from these practices. Again, applications that include multiple practices have a higher priority for funding because they offer greater conservation benefits. All applications within a given area are ranked using the same criteria to assuring everyone is treated fairly.

The NRCS District Conservationist will let you know whether or not your application is funded. If your application has been accepted, you will complete and sign a contract specifying the payments and the work you will do on your farm. Contracts are usually signed between January 1 and May 1.

**EQIP FAQ’S for Washington Orchardists**

1) **What is EQIP?**
EQIP – the Environmental Quality Incentives Program, administered by USDA’s Natural Resources Conservation Service (NRCS), provides financial and technical assistance to
eligible growers to support the additional cost of using a wide range of environmentally sound farming practices that are new on their farms. Participation is voluntary and initiated by the grower who submits an application for funding.

2) Who can qualify for EQIP?
- Agricultural producers who make at least $1,000 in gross farm sales.
- Applicant must control the land for the contract period (may own or lease).
- Individuals or entities that have an average adjusted gross income (AGI) of less than $2.5 million for the three tax years immediately preceding the year the contract is approved.
- Growers with an AGI above $2.5 million can qualify if 75 percent of the AGI is derived from farming, ranching, or forestry operation.
- An owner with multiple entities or management units can apply for separate contracts for those units within the same fiscal year.
- The purpose of providing information on your farm to the USDA Farm Services Agency is to determine eligibility.

Eligible land includes cropland, rangeland, pasture, forestland, and other farm or ranch lands where the program is delivered. Organic and transition to organic orchards are eligible.

3) How are applications selected?
- Applications are ranked with other applications in your area based on a system of points. The number of points assigned to each of the practices you want to use on your farm is related to the amount of environmental benefit resulting from these practices.
- Applications that include multiple practices have a higher priority for funding because they offer greater conservation benefits. However, unlike previous years, applicants for 2009 seeking funding to advance their use of integrated pest management along with practices such as nutrient management will be ranked within a “new technology” funding pool.

4) What kinds of financial assistance are available?
Payments through EQIP are set to cover a substantial portion (generally 50 – 75%) of the costs of certain conservation practices and installations. Payments to encourage producers to carry out management practices they may not otherwise use without the program may be provided for up to three years. Payments for installations such as irrigation conversions (surface or overtree to drip or micro-sprinkler) may cover a period up to 5 years, as the grower develops different management units.

Limited-resource or beginning farmers (farming for less than 10 years) qualify for higher rates on certain practices.

5) What kinds of practices can be adopted through EQIP?
A wide range of practices is available. The specifics of the list are evolving each year, but for tree fruit producers it includes:
- Integrated pest management (IPM) – includes use of monitoring, mating disruption and use of reduced risk (“soft”) pesticides. Abandoned orchard (pest reservoir) removal.

1 Reduced risk pesticides: low-impact on human health, low toxicity to non-target organisms (birds, fish, and plants), low potential for groundwater contamination, lower use rates, low pest resistance potential, and compatibility with Integrated Pest Management.
• **Nutrient management** – use of soil samples to assist in determining fertilizer needs.
• **Irrigation water management** – monitoring soil moisture to determine how often and how much to irrigate.
• **Irrigation system improvements** - conversion of rill irrigation, handline or overtree impact sprinkler to microsprinkler or drip irrigation. Replacement of waterboxes and outdated pipelines.
• **Wildlife plantings** such as hedgerows, riparian buffers, and field borders. Habitat plantings for beneficial species such as the rose/strawberry system for leafroller parasitic wasps are included.
• **Windbreaks** to reduce potential for pesticide drift into streams.
• **Improvement of access roads** to reduce erosion

6) **What are some typical amounts of financial assistance that may be available for a grower?**
   A few examples for 2009 are:
   - New pest management practices: maximum of $25,000 per contract (not per year)
     o $125 per acre for codling moth mating disruption and monitoring
     o $75 per acre for conversion to reduced risk pesticides
     o $50 per acre for use of low volume precision orchard sprayers
     o $1000 per contract year for developing an IPM plan, specific to the orchard under contract
   - $650 per acre for abandoned orchard removal (certain limitations apply).
   - Nutrient management pays $200 per contract year and involves taking soil samples as part of developing a nutrient (fertilization) plan for the orchard. Use of organic sources of nutrients pays $20 per acre.
   - $975/acre on conversion from rill to microirrigation with a maximum of $25,000 per grower contract. $650/acre on sprinkler conversions that will improve irrigation efficiency by at least 10% (North Central Washington only).

   An owner with multiple entities or management units can apply for separate contracts for those units within the same fiscal year. The only limitation is the $450,000 limit over the 5 years of a given Farm Bill.

7) **How does a grower apply?**
   Producers may apply at any USDA service center. The grower should visit the FSA (Farm Services Agency) office to enter the farm unit information, which will determine eligibility. After signing the application cover page, NRCS makes an appointment with the grower to establish which practices the grower would like to implement. Ideally, an NRCS conservationist should visit the farm as well.

8) **When should a grower apply?**
   Growers can fill out an initial application any time of the year, but the application must be submitted before July 15, 2008 to be considered for the 2009 contract year.

9) **How do you find out if your contract is approved?**
   The initial round of application ranking is complete by January or earlier. Often, more funds trickle in from around the state over the next few months, allowing NRCS to offer contracts to applicants who are further down on the waiting list.
10) **When can the work begin on the items listed in the contract?**

No work covered by payments in the contract can begin until the contract is signed. There are no retroactive payments for work initiated early. All sites are subject to cultural resources review and surveys (e.g. Native American burial sites), but only some sites will require them before work begins. Due to NRCS staff limitations, this can delay the project start date by a month or more.

11) **What might an actual orchardist’s contract consist of?**

This is an actual example using 2006 incentive payment rates:

On a farm property of 43 acres planted to apples, pears and cherries in North Central Washington, the grower will convert undertree impact sprinklers to microsprinklers on 20 acres and replace an old steel mainline ($30,300). He will include IPM practices with monitoring and mating disruption on 19 acres ($170/ac payment). Nutrient management ($5/ac) and Irrigation Water Management ($4/ac) applied to all acres. Stream buffers of windbreak trees (includes $2,083 payment for plant material, irrigation system, fabric mulch). Producer qualified as beginning farmer. Contract value: $36,000.

12) **How long do the contracts run?**

- Contracts based solely on incentive payments are generally 2 – 3 years.
- Contracts that include installations such as irrigation conversions can run 5 – 10 years, but most contracts are 3 – 5 years or less.
- If the land is sold or leased to another entity, the contract “follows” the new operator - they must comply with and complete the contract.

13) **How does NRCS verify contract compliance?**

The NRCS verifies the contract compliance based on the practice. For example:

- For irrigation conversions, a certified irrigation designer or a professional engineer will design and upon completion, verify the irrigation improvements. Soil moisture measurements are recorded and provided to NRCS at the end of the season.
- The IPM Plan
  - Grower works with a technical specialist to develop a pest management plan based on conservation. The involvement and understanding of grower’s field staff that make pesticide recommendations is very important to successfully implement the new pest management practices.
  - This approach aims towards elimination or reduction of pest control measures such as organo-phosphate insecticides that are disruptive to non-target species.
  - Advanced IPM places greater reliance on biologically-based pest management, that is, conservation of natural enemies.
  - IPM plan components includes:
    - Listing pests,
    - How they will be monitored
    - Degree day model data for spray timing
    - Controls to be used – including non-chemical practices (such as desuckering for mildew prevention in cherries, or psylla in pears)
- Keep records of actions taken: scouting records (such as weekly trap counts), spray records and what each spray was for, and other non-chemical control activities.
- Evaluate results at end of season in writing.
- Provide all records to NRCS at end of season by December.

- For Nutrient Management: a grower takes soil samples and provides reports to NRCS conservationists before applying fertilizers.

14) **What happens if the terms of the contract are not completed (the grower defaults on the contract)?**

The contract holder may be liable for payments received under the contract plus interest and a 20% penalty if there is no significant deterrent to complying with the contract such as fire, hail, etc.

15) **When does grower get payments from NRCS?**

Contract participants are paid when a practice is certified complete and it meets the intent, purpose and specification of the NRCS practice. Payments for IPM are made at the end of the year after IPM Plan records are turned in. Generally, payments will be made within 4-6 weeks of the payment documents being signed and an updated/current/accurate direct deposit is on file. Keep in mind that payments are classed as income for tax purposes.

16) **How much funding is available overall?**

Washington State received $15 million per year during the last Farm Bill. This funding is broken down geographically among the Local Work Groups in the state. For example, North Central LWG receives $1.2 million. The Local Work Groups further break down their allocation into land use pools. Orchards generally fall into the Irrigated Agriculture pool and as such orchard applications compete with other irrigated crops. For 2009 there will be a “New Technology” which includes IPM applications.

A second tier of applications may be funded by late spring if unexpended funds from another Local Work Group become available. Most contracts during the 2002 Farm Bill ranged from $25,000 – 50,000 and during that period an operator could receive up to $450,000 in EQIP funds over the life of the Farm Bill. The 2007 Farm Bill may retain or change this limit.

17) **Who administers EQIP?**

NRCS, the Natural Resources Conservation Service administers EQIP based on national, state, and local priorities. On the national level, NRCS sets policy and develops program rules and procedures, and identifies national resource priorities. The State NRCS office convenes the State Technical Advisory Committee (STAC). The STAC identifies resource priorities on the state level, eligible practices, payment levels and limits, and provides technical leadership (engineering, plant materials specialists, etc). Local work groups determine local resource conservation priorities, based on input from other agencies and farmers.

NRCS information can be found here: [http://www.wa.nrcs.usda.gov/index.html](http://www.wa.nrcs.usda.gov/index.html). Click on “Programs” in the gray menu bar to find EQIP.
18) **What are Local Work Groups (LWG’s) and who serves on them?**

The local work groups are made up of representatives from Conservation District board members and key staff, NRCS, Farm Service Agency (FSA) county committees and key staff, the Cooperative State Research, Education, and Extension Service, and other federal, state, and local agencies interested in natural resource conservation. Their recommendations go to the District Conservationist for each local team and then to the State Conservationist, who sets priorities with the advice of the State Technical Advisory Committee. The recommendations are integrated into regional and national strategic plans. These strategic plans provide a basis for funding decisions.

In Washington the Local Work Group divisions can be viewed on this webpage (which will be updated for 2009 by mid May:


Although the representatives mentioned above are the only voting members on the LWG’s, participation from the agricultural industry is welcomed and the groups attempt to run on a consensus model. There are feedback loops throughout the system.

![Diagram of NRCS National Office and other levels](image)

19) **What are “resource concerns”?**

These resource concerns give a framework to think about a conservation plan:

**Resource concerns in Orchards**

I. Water quality  
   a. pesticides  
      i. harmful levels of pesticides in surface water  
      ii. harmful levels of pesticides in ground water  
   b. nutrients  
      i. harmful levels of nutrients in surface water  
      ii. harmful levels of nutrients in ground water

II. Water quantity use or loss reduction  
   a. Conversion to micro irrigation

III. Air quality: chemical drift, burning removed trees

IV. Wildlife Resources – Conservation and habitat enhancement, including for beneficial insects

V. Erosion (few orchards present this concern unless still under rill irrigation, but adjacent areas such as slopes and access roads may be applicable)