

**United States Department of Agriculture** 



#### **NRCS Programs Update**

Natural Resources Conservation Service

November 2023



### FY23 (IRA and General) and FY24 (IRA and General)

- FY23 budget includes \$2million IRA EQIP, \$4.5million IRA CSP
- FY24 budget includes \$20.8 million IRA EQIP, \$11.7 million IRA CSP

Program – FY23	Obligated/Contracted	
EQIP	\$31,800,000	
CSP	\$20,000,000	
ACEP	\$5,500,000	
Program – FY24	Obligated/Contracted	
EQIP	\$38,800,000	
CSP	\$29,400,000	
ACEP	\$5,200,000	

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### Reminder-Inflation Reduction Act (IRA) $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$

- No IRA funds will be disbursed after 9/30/2031
- Provides \$20 billion to support USDA's conservation programs that yield climate-related benefits while building resilience in agricultural operations. (For practices, enhancements and activities that improve soil carbon, reduce nitrogen losses, or reduce, capture, avoid, or sequester CO2, methane, or NOx emissions associated with ag. production)
  - \$8.45 billion for the Environmental Quality Incentives Program
    - FY23- \$250 million
    - ➢ FY24- \$1.75 billion
    - FY25- \$3.0 billion
    - FY26- \$3.45 billion
  - **\$3.25 billion for the <u>Conservation Stewardship Program</u>** 
    - FY23- \$250 million
    - ➢ FY24- \$500 million
    - ➢ FY25- \$1.0 billion
    - ➢ FY26- \$1.5 billion

IRA Law\_https://www.congress.gov/117/plaws/publ169/PLAW-117publ169.pdf

- \$1.4 billion for the <u>Agricultural Conservation Easement</u> <u>Program</u> (for easements or interests in land that will most reduce, capture, avoid, or sequester CO2, methane or NOx emissions associated with land eligible for the program)
  - FY23- \$100 million (EPD said most of this FY's \$ would be pushed to FY24)
  - FY24- \$200 million
  - ➢ FY25- \$500 million
  - ➢ FY26- \$600 million
- \$4.95 billion for the <u>Regional Conservation Partnership</u> <u>Program</u> (shall prioritize partnership agreements that support the implementation of conservation projects that assist...)
  - FY23- \$250 million
  - FY24- \$800 million
  - ➢ FY25- \$1.5 billion
  - ➢ FY26- \$2.4 billion
- \$1 billion for conservation technical assistance
- \$300 million to measure, evaluate, quantify carbon sequestration and greenhouse gas emission reductions from conservation investments

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### Oregon-Inflation Reduction Act (IRA) Forecast

- IRA funding is in addition to OR's regular FB funding
- Financial Assistance funds dispersed to states FY23-FY26
  - Funds will be expended by 9/30/2031

- Environmental Quality Incentives Program- Financial Assistance
  - ➢ FY23- \$2.1 million
  - ➢ FY24- \$20.8 million
  - FY25- \$23 million
  - ➢ FY26- \$26 million
- Conservation Stewardship Program Financial Assistance
  - ➢ FY23- \$4.8 million
  - ➢ FY24- \$11.7 million
  - ➢ FY25- \$15.2 million
  - FY26- \$23 million

- Agricultural Conservation Easement Program (for easements or interests in land that will most reduce, capture, avoid, or sequester CO2, methane or NOx emissions associated with land eligible for the program)
  - ➢ FY23- \$0
  - ➢ FY24- \$0
  - ➢ FY25- \$6.7 million
  - FY26- \$8 million

### IRA uses Climate- Smart Agriculture and Forestry (CSAF) Mitigation Activities

## NRCS climate-smart agriculture and forestry mitigation practices are divided into mitigation categories and delivered through NRCS programs such as EQIP and CSP

- Soil Health Reducing emissions and enhancing soil carbon sequestration.
- Nitrogen Management Implementing the 4Rs of nitrogen management and reducing nitrous oxide, a potent greenhouse gas. The 4Rs are Right Source, Right Rate, Right Time and Right Place.
- > Livestock Waste Management Reducing potent methane emissions from manure.
- **Grazing Land Management** Reducing emissions and building soil carbon stocks in grazing systems.
- > Agroforestry, Forestry and Upland Wildlife Habitat Building carbon stocks in perennial biomass and soils.
- Restoration of Disturbed Lands Improving the quality of previously mined or degraded lands to increase soil and perennial biomass carbon stocks.
- Rice Production Reducing methane emissions from rice fields by minimizing methane production during the growing season.

https://www.nrcs.usda.gov/conservation-basics/natural-resource-concerns/climate/climate-smart-mitigationactivities

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#### Climate-Smart Agriculture and Forestry (CSAF) Mitigation Activities List for FY2024



Highlighted activities have been added to the list in FY2024. \*Noted activities are added to the list as "provisional."<sup>[1]</sup>

itigation ategories <sup>[5]</sup>	Code	Conservation Practice Standard Name <sup>[2] [3]</sup> (practice unit)	Code	Conservation Stewardship Program (CSP) Enhancement Activities	
il Health	327	Conservation Cover (acres)	E327A	Conservation cover for pollinators and beneficial insects <sup> 2 </sup>	
			E327B	Establish Monarch butterfly habitat	
	328	Conservation Crop Rotation	E328A	Resource conserving crop rotation	
		(acres)	E328B	Improved resource conserving crop rotation	
			E328E	Soil health crop rotation	
			E328F	Modifications to improve soil health and incre	
			E328N	Intercropping to improve soil health	
			E3280	Perennial grain crop conservation rotation	
	329	Residue and Tillage	E329A	No till to reduce soil erosion	
		Management, No Till (acres)	E329B	No till to reduce tillage induced particulate matter	
			E329C	No till to increase plant-available moisture	
			E329D	No till system to increase soil health and	
			E329E	No till to reduce energy	
	332	Contour Buffer Strips (acres)	Nor		
	<u>336</u>	Soil Carbon Amendment (acres)*	None Available		
	<u>340</u>	Cover Crop (acres)	E340A	Cover crop to reduce soil erosion	
			E340B	Intensive cover cropping to increase soil health and s	
			<u>E340C</u>	Use of multi-species cover crops to improve set organic matter	
			E340D	Intensive orchard/vineyard floor cover	
			E340F	Cover crop to minimize soil comp	
			<u>E340G</u>	Cover crop to reduce water nutrients	
			<u>E340H</u>	Cover crop to suppre	
			E340I	Using cover	
			E340J	C	
	345	Residue and Tillage	E345A	Reduced tillage t	

#### IRA supported Climate Smart Agriculture and Forestry (CSAF)

The full CSAF list can be viewed here:

https://www.nrcs.usda.gov/conservationbasics/natural-resource-concerns/climate/climatesmart-mitigation-activities

Highlighted activities have been added for FY2024, some examples include:

Soil Carbon Amendment Fuel Break Irrigation Pipeline Irrigation System- Micro and Sprinkler Pumping Plant

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### FY24- Revised Top 10 Priority Practices

#### 530.403E EQIP Planning

**High Priority Practice** 

1) NRCS, with input from the State technical committee, may designate up to 10 practices to be eligible for increased payments for conservation practices that—

- I. Address specific causes of ground or surface water impairment relating to excessive nutrients;
- II. Address the conservation of water and declining aquifers, and mitigate drought;
- III. Meet other environmental priorities and other priority resource concerns identified in habitat or other area restoration plans; or
- IV. Are geographically targeted to address a natural resource concern in a specific watershed.

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314	Brush Management
315	Herbaceous Weed Treatment
384	Woody Residue Treatment
442	Irrigation System, Sprinkler
430	Irrigation Pipeline
533	Pumping Plant
587	Structure for Water Control
590	Nutrient Management
595	Pest Management
666	Forest Stand Improvement

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### Top 10 Priority Practices- Cont'd

#### **530.406 EQIP Payments and Payment Limitations**

Cost Category	General	HU	High Priority	Source Water
	Percentage	Percentage	Practice	Protection
Materials	75%	90%	90%	90%
Equipment for installation	75	90	90	90
Labor	75	90	90	90
Mobilization	75	90	90	90
Acquisition of technical	75	90	90	90
knowledge				
Income forgone	100	100	100	100

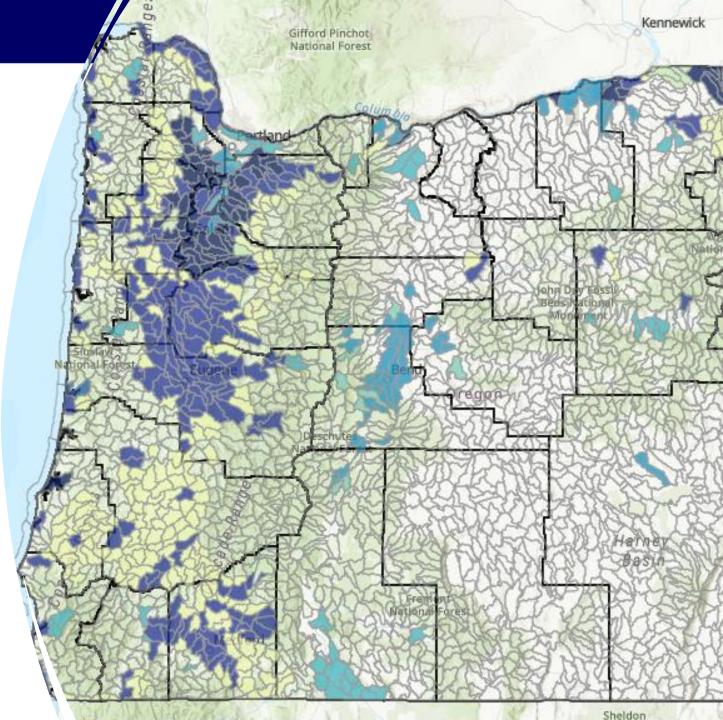
Note: HU participants must receive the HU designated rate



### FY24 Watershed Priority Practices (WP)

• https://gis-

states.sc.egov.usda.gov/portal/a pps/opsdashboard/index.html#/4 07a36b274b148d6b9c252b5b94 efbb6



### **Source Water Protection Practices (WP)-**

### 90% costshare rate

313	Waste Storage Facility	484	Mulching
317	Composting Facility	512	Pasture and Hay Planting
327	Conservation Cover		Pond Sealing or Lining,
328	Conservation Crop Rotation		Geomembrane or Geosynthetic Clay
	Residue and Tillage Management, No	521	Liner
329	ті	528	Prescribed Grazing
340	Cover Crop	550	Range Planting
342	Critical Area Planting	558	Roof Runoff Structure
	Residue and Tillage Management,	561	Heavy Use Area Protection
345	Reduced Till	612	Tree/Shrub Establishment
367	Roofs and Covers		
	Windbreak/Shelterbelt Establishment		
380	and Renovation		
390	Riparian Herbaceous Cover		
391	Riparian Forest Buffer		
422	Hedgerow Planting		
441	Irrigation System, Microirrigation		
	Irrigation System, Surface and		
443	Subsulace		U participants must receive the HU
449	Irrigation Water Management	designa	ted rate

484	Mulching	
512	Pasture and Hay Planting	
	Pond Sealing or Lining,	
	Geomembrane or Geosynthetic Clay	
521	Liner	
528	Prescribed Grazing	
550	Range Planting	
558	Roof Runoff Structure	
561	Heavy Use Area Protection	
612	Tree/Shrub Establishment	



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### Agricultural Conservation Easement Program (ACEP)







### **ACEP Components**

#### **Agricultural Land Easements (ACEP-ALE)**

• NRCS provides cost-share assistance to eligible entities for the purchase of agricultural land easements on eligible land from eligible landowners. *Entity holds the easement.* 

#### Purpose of ALE

- Protect the agricultural use, viability and related conservation values of eligible land by limiting non-agricultural uses.
- Protect grazing uses and related conservation values by restoring and conserving eligible land.



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### **ACEP Components**

### $\circ \circ \circ \circ \circ \circ \circ$

#### Wetland Reserve Easements (ACEP-WRE)

• NRCS purchases easements directly from eligible landowners through a reserved interest deed on eligible land to restore, protect, and enhance wetlands and associated habitats. *NRCS holds the easement.* 

#### **Purpose of WRE**

• Restore, protect, and enhance wetlands on eligible land while maximizing wetland wildlife habitat.

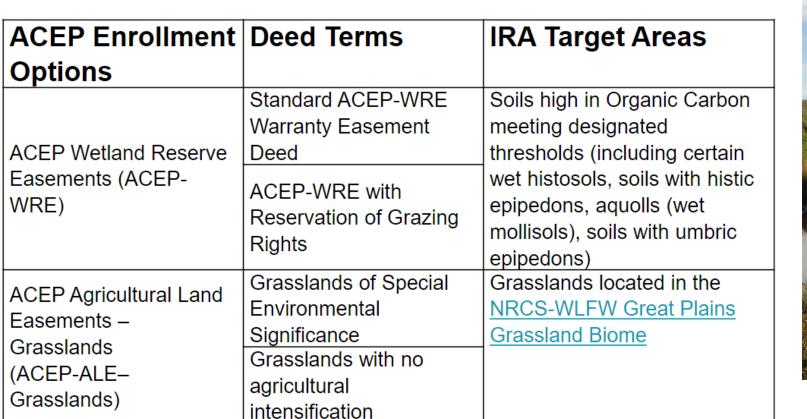


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### FY 2024 IRA ACEP

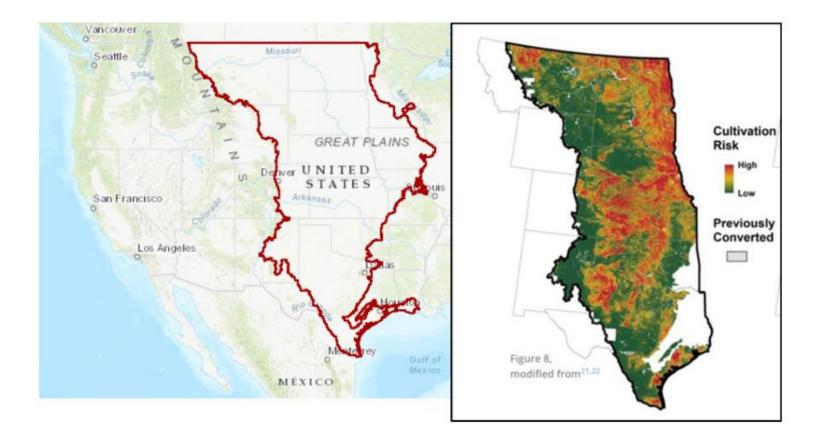




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### FY 2024 IRA ACEP-ALE Prioritization

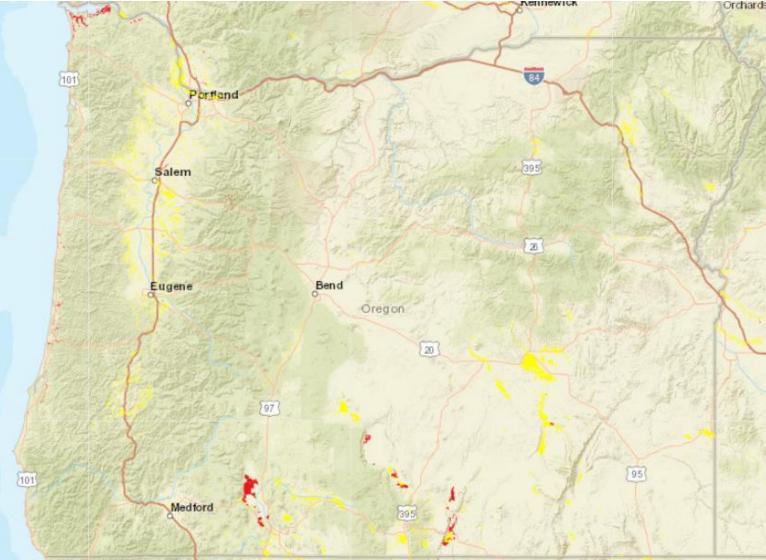


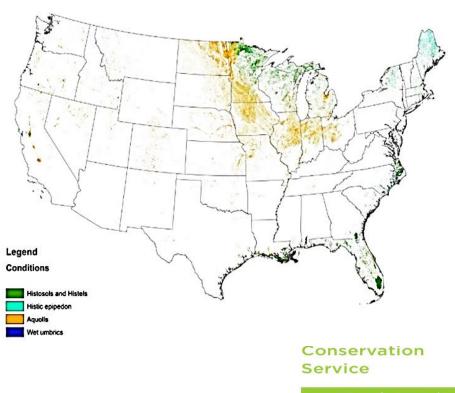
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### FY 2023 IRA ACEP-WRE Prioritization 🕗 🕗 🕗 🎸





### USDA Non-Discrimination Statement $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$

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#### Construction Construction Construction Partnership Program (RCPP) - Updates



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### **IRA National Funds**



Inflation Reduction Act--RCPP 👌 🕗 🦉

- FY 23--\$250 million
- FY 24--\$800 million
- FY 25--\$1.5 billion
- FY 26—\$2.4 billion
- 15 awards per FY for AFA/grants is removed

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# Oregon RCPP -Highlights

In Oregon, We have a portfolio of projects that are making an impact at landscape & watershed scales.

#### RCPP 2015-2023

• 35 Projects

- \$130 million in NRCS funding allocated
- ~\$130 million in partner contributed funds
- = > \$260 million invested in strategic conservation

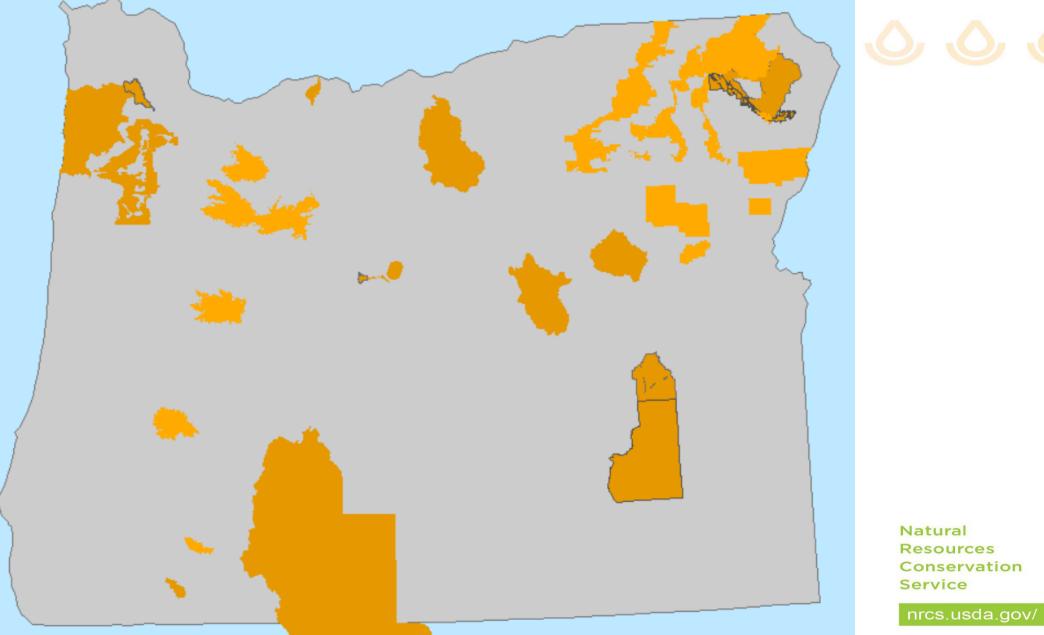
#### **Current RCPP**

- 22 Projects
- \$100 million in NRCS funding, \$103 million partner contributions

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### **NFO Highlights**



- \$500M total for Classic and AFA projects
- \$50M set-aside for AFAs with Tribal Entities
- Project maximum increased to \$25M
- 1:1 partner contribution requirement removed
- Replaced 70/30 FA &TA split with a 25% cap for TA
- Entity-Held easement maximum federal share is 25/50/75, based on US ROE & benefit to HU landowners
- Allows use of covered program deeds
  - US-Held easements may use WRE, HFRP, or other deed templates for US-held easements
  - Entity-Held easements may use ACEP-ALE template

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### OR: 2 New Projects Funded in FY23, 1 Partner State

**Nationally**, This year, more than \$1 billion is being invested to advance partner-driven solutions to conservation on agricultural land through 81 projects. See below for the awarded projects:

https://www.nrcs.usda.gov/regional-conservation-partnership-program-2023-awarded-projects

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### Restoring, Protecting, and Supporting Tribal Connection to Native Oak Habitat

Restoring, Protecting, and Supporting Tribal Connection to Native Oak Habitat

Lead Partner: Oregon Agricultural Trust

Project Type: Classic

Funding Pool: CCA

CCA (if Applicable): Western Waters

Lead State: OR

Total Funding Request: \$9,232,000.00

Oregon's biodiverse oak savannas and woodlands hold immense ecocultural value. This project's three interrelated goals are to 1) restore native oak habitat by reintroducing traditional disturbance regimes, 2) permanently protect private agricultural lands with associated oak habitats from development and fragmentation and 3) facilitate access to restored and protected properties for Native people for harvest, cultural purposes and stewardship. The Oregon Agriculture Trust's priority area for this project are Oregon's Lane and Linn Counties in the Upper Willamette Valley.

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### Oregon Dairy Climate and Water Quality Partnership 🕗 🍐

Oregon Dairy Climate and Water Quality Partnership

Lead Partner: Tillamook County Creamery Association Project Type: AFA Funding Pool: S/M

CCA (if Applicable): N/A

Lead State: OR

Total Funding Request: \$4,000,000.00

The Oregon Dairy Climate and Water Quality Partnership project will assist dairy producers in Clatsop and Tillamook, OR counties interested in adopting NRCS conservation practices focused on manure management. By enrolling 22+ producers representing a target of 10,000 cows this project will result in lasting improvements to water quality of impaired watersheds by tracking reductions of bacterial loads caused from livestock and field runoff. This will also result in reduced methane emissions by approximately 5,000 tons of carbon dioxide equivalents.



### Stewarding the Working Wild in MT, OR, and CO: Non-lethal Predator Risk Management on Agriculture Operations

Stewarding the Working Wild in MT, OR, and CO: Non-lethal Predator Risk Management on Agriculture Operations

Lead Partner: Heart of the Rockies Initiative

Project Type: Classic

Funding Pool: S/M

CCA (if Applicable): N/A

Lead State: MT

Total Funding Request: \$16,664,634.00

The Stewarding the Working Wild project will help producers address some of the many threats they currently face, including drought, soil degradation, invasive species, wildlife displacement, conversion pressure, and commodity market fluctuations. The Heart of the Rockies Initiative, and other contributing partners will provide a holistic approach to incentivize producers to implement solutions that benefit land, livestock, and wildlife. This project will support the biologically diverse working lands that produce food and fiber, sustaining both rural and urban communities; enhance ecosystem services including clean water, biodiversity, and carbon storage; and maintain connected lands that provide essential habitat and migratory corridors.





### **RCPP Improvement Process**

•Streamlining RCPP agreements for fiscal year 2023 awards and moving to one programmatic agreement to begin implementing the RCPP projects awarded under the fiscal year 2024 notice of funding opportunity. This will allow partners to more quickly begin implementation of their RCPP projects.

•Entrusting program management and negotiation to the State Conservationists, who lead NRCS programs in each state, further encouraging the locally led process and ensuring the necessary technical needs and costs were realized before project proposal submission.

•Establishing parameters and expectations for easement negotiations, including availability of easement deed templates and established program processes to reduce partnership agreement negotiation and implementation timeframes.

•Improving RCPP guidance and training, ensuring RCPP policies and procedures are communicated in a uniform and consistent manner.

•Enhancing existing business tools to improve the user experience while beginning development of new business tools that, through integration and automation, will reduce the time required for agreement negotiation, processing obligations and making payments to partners.

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