

Action Required By: Friday, November 9, 2012

Purpose. Provide State Conservationists (STCs) with guidance to manage the Environmental Quality Incentives Program (EQIP) to support implementation of conservation activity plans (CAPs) during fiscal year (FY) 2013.

Expiration Date. September 30, 2013

Background. The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) provides authority to NRCS for financial assistance through EQIP to support development of CAPs. This bulletin provides guidance for support and management of CAPs during FY 2013.

Explanation. During FY 2013, the agency allows the use of the 16 approved CAPs to support priorities through EQIP in all States; however, many of the CAPs **must** be offered in specific States or to support priorities of the NRCS as indicated in attachment A. In addition, for FY 2013, to meet program requirements, all CAP applications will be ranked through appropriate ProTracts subaccounts and approved as funding is available. Refer to attachment A, which includes additional guidance regarding appropriate use of ProTracts subaccounts.

For each of the offered CAPs, EQIP payments will only be made to producers for development of plans by certified technical service providers (TSP). The NRCS national [TSP Web site](#) contains requirements for individuals wanting to be certified to develop approved CAPs. For FY 2013, National Headquarters (NHQ) will develop and post payment schedules, payment percentages, and practice payment rates for TSP services supported through EQIP. Establishment of national CAP payment schedules will help meet the agency goal for consistency and efficient delivery of program benefits to participants requesting these services. The Science and Technology Deputy Area will issue updated CAP criteria and requirements for FY 2013 under a separate Bulletin.

The following requirements must be met in order to support implementation of Conservation Activity Plans during FY 2013 and can be found in 440-CPM, [Part 512, Subpart D, 512.35 C](#). Additional requirements include:

- Conservation Activity Plans must meet the minimum requirements of the CAP planning criteria issued by the Science and Technology Deputy Area for inclusion in all State Field Office Technical Guides (FOTGs), Section III. States may not modify the CAP planning criteria. Note the planning requirements for the AgEMP plans for headquarters (122) requires that applications must address all lands in the producer's agricultural operation and include the producer's entire operation in the program contract. NRCS staff should advise all applicants for the 122 AgEMP must include all farm operations identified by the Farm Service Agency in the application. Separate applications for the 122 AgEMP from the same participant on different land units should not be approved as such contracts would not meet the technical requirements of the AgEMP planning criteria.
- To assist agency efforts in developing capacity for TSP services, States should market all offered CAPs to producers and provide assistance/training to potential TSPs in becoming certified. In support of memorandums of understanding with various service provider organizations, the national TSP team anticipates offering training to prospective TSPs during FY 2013, however States should also be providing training opportunities to TSPs. The National TSP Team will have training packets available for most CAPs in FY 2013. For additional information, contact the National TSP Team leader at (202) 720-6731. To meet Department or agency priorities and meet program requirements, note the following administrative changes to management of CAPs during FY 2013:
- All CAPs must be ranked. To meet the agency priority to fund all eligible CAPs, NHQ has established national ranking criteria for EQIP which will maximize the score assigned to CAP applications. States must also include the priority questions in State- and local-level ranking criteria to ensure that CAPs will always receive the maximum score and highest priority for available funding.
- All CAPs must be supported in a single stand-alone program contract, including the CAP for a comprehensive nutrient management plan (CNMP – 102). ProTracts will be adjusted to require that CNMP CAPs be managed in a single stand-alone contract.

STCs must complete the following by Friday, November 9, 2012:

- **Conservation Activity Plans (CAP).**—States must offer CAPs through EQIP in the State programs listed per the requirements of the table in attachment A of this bulletin.
- **Conservation Practice Standards (CPS) Database.**—The national data steward has made practice payment codes available in the CPS database. State data stewards must also make the practice code "active" in the State CPS database for each of the conservation plan activities approved for use. The practice lifespan for each of the 16 CAPs is 1 year.
- **EQIP Financial Assistance Support.**—Each approved CAP is supported by a single, stand-alone program contract with plan development scheduled during the first 12 calendar months after obligation. The expectation is that these agreements will be completed within the first year. Modification of CAP program contracts to reschedule and allow completion of the conservation plan beyond the first year is strongly discouraged.
- **ProTracts.**—The ProTracts application type of "planning" or "plan-organic" must be associated with each EQIP CAP application and ranking of these applications is required for FY 2013 ProTracts will not allow the application to be approved or obligated without a ranking score for applications for CAPS. Eligible EQIP applications for CAPs may be approved on a continuous basis, as funds are available. Refer to attachment A, which provides guidance for which program subaccounts are appropriate to rank and fund CAPs.
- **One CAP Per Land Unit Restriction.**—Eligible producers may submit applications for development of multiple CAPs; however, only one CAP contract may be developed on an eligible land unit (e.g., field) at the same time. Contracting of multiple CAP contracts on the same land unit is prohibited except for CNMP and AgEMP CAPs, where multiple CAP plans may be approved and implemented on the same land unit.

State Conservationists must ensure that approved EQIP contracts will not allow duplication of payments for the same planning services in program contracts (i.e., contracts with both 100-series practice payments financial assistance (FA) and 900-series TA payments for the same planning services on the same land).

CAP Payment Schedules for FY 2013.—NHQ will provide approved payment schedules to States for all CAPs and will post these FY 2013 rates to the national EQIP CAP Web site by November 1, 2012. Guidance on payment schedules can be found at [CPM-440, 512, Subpart D](#). For national consistency, all CAP payment schedules include a standard program percentage rate of 75 percent, and historically underserved participants will be eligible for a payment rate of 90 percent. The program payment percentage rates may not be changed by States and practice payment caps are not allowed for CAPs. If a CAP is required or will be offered in a State, STCs must include all scenarios and associated payment rates for that CAP in the payment schedules.

Contact. If you have any questions, contact the EQIP Team Leader, Financial Assistance Programs Division (FAPD), at (202) 690-2621.

/s/
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Deputy Chief for Programs

[Attachment1](#)

Attachment A – Approved CAPs and associated ProTracts Subaccounts.

Practice Code	Conservation Activity Plan Name	Required to be offered	Required ranking in EQIP program subaccounts
102	Comprehensive Nutrient Management Plan	All States	Rank in any appropriate EQIP subaccount.
104	Nutrient Management Plan	All States	Rank in national Organic Initiative subaccount or other appropriate EQIP subaccount.
106	Forest Management Plan	All States	Rank in any appropriate EQIP subaccount.
110	Grazing Management Plan	All States	Rank in any appropriate EQIP subaccount.
114	Integrated Pest Management	All States	Rank in any appropriate EQIP subaccount.
118	Irrigation Water Management Plan	All States	Rank in any appropriate EQIP subaccount.
122	Agricultural Energy Management Plan - Headquarters	All States	Rank <u>only</u> in the EQIP On-Farm Energy Initiative subaccount.
124	Agricultural Energy Management Plan - Landscape	All States	Rank <u>only</u> in the EQIP On-Farm Energy Initiative subaccount.
126	Comprehensive Air Quality Management Plan	Required in Air Quality States. Optional other States	Rank <u>only</u> in a subaccount with account type of "Air Quality National" or "Air Quality State"
130	Drainage Water Management Plan	All States	Rank in any appropriate EQIP subaccount.
134	Conservation Plan Supporting Transition from Irrigation to Dryland Farming Plan	Required in AWEF States. Optional other States.	Rank in any appropriate EQIP subaccount, including AWEF.
138	Conservation Plan Supporting Organic Transition	All States	Rank <u>only</u> in EQIP Organic Transition subaccount.
142	Fish and Wildlife Habitat Management Plan	All States	Rank in any appropriate EQIP subaccount.
146	Pollinator Habitat Enhancement Plan	All States	Rank in any appropriate EQIP subaccount.
150	Oil Spill, Prevention, Control, and Countermeasure	Required in pilot States. Optional in other States.	Rank <u>only</u> in SPCC subaccount with account type "Spill Prevention".
154	Integrated Pest Management Herbicide Resistant Weed Conservation Plan	Optional all States	Rank in any appropriate EQIP subaccount.