



New Mexico Natural Resources Conservation Service Farm Bill Series

September 2008

Taking the 2008 Farm Bill a Bite at a Time – The Farm Bill Part I - EQIP

Like most new things, the 2008 Farm Bill has raised many questions.

How will the new Farm Bill work? There are more funds authorized, but what will that mean to me? Will I qualify, and what will I qualify for?

The rule-making process for this major piece of legislation is currently underway, and how its conservation provisions may apply to a specific situation, as always, is best answered by a visit to your local Natural Resources Conservation Service field office when information becomes available.

We do have some information at this time, however, and as one wise woman said, “It is best to take this in small bites.” Therefore, we wish to pass along what we know a piece at a time starting with the Environmental Quality Incentives Program.

Environmental Quality Incentives Program (EQIP)

- Authorized funding

Where EQIP was funded for \$4.92 billion for Fiscal Years 2002-07, funding for the 2008-2012 period is set at \$7.325 billion. That is \$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. Actual funding will depend on the money appropriated by Congress which may or may not be the total amount authorized each year.

- Payment limitations

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.

The 2008 Farm Bill limits payments for any practice to 75 percent of the practice costs and 100 percent of income foregone from practice installation. Actual payments are being calculated nationwide on a schedule.

- Increased payments for socially disadvantaged, beginning, and limited resource producers

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 for water savings

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.

- Includes forest management and energy conservation practices

The 2008 Farm Bill extends cost sharing to include land or forest management practices and development of conservation or comprehensive nutrient management plans.

- Includes organic production provisions

Conservation practices related to organic production and transition are now eligible, but payments to producers or entities are limited to \$20,000 annually and \$80,000 over the 6-year period.

To monitor the development of the rules guiding implementation of the 2008 Farm Bill conservation provisions, go to <http://www.nrcs.usda.gov/programs/farmbill/2008/index.html>