



United States Department of Agriculture



Water Management Entities USDA- NRCS Farm Bill Opportunities

FARM PRODUCTION AND CONSERVATION
FSA | NRCS | RMA | Business Center



Farm Bill Funding Opportunities



The purposes of EQIP are to promote agricultural production, forest management, and environmental quality projects as compatible goals, and to optimize environmental benefits.

EQIP's financial and technical assistance helps producers comply with environmental regulations and enhance agricultural and forested lands in a cost-effective and environmentally beneficial manner to avoid the need for resource and regulatory programs.

Water Management Entities (WMEs)



A state, irrigation district, ground water management district, acequia, land grant-merced, or similar entity that has jurisdiction or responsibilities related to irrigation water delivery or management on eligible lands. These may be public or semi-public agencies or organizations with the purpose of assisting individual agricultural producers.



WMEs may be considered eligible for an EQIP contract if **all** the following criteria can be met:

- WME is a public or semi-public agency or organization
- WME's purpose is to assist private agricultural producers with managing water distribution or conservation systems
- Water conservation or irrigation practices support a water conservation project that will effectively conserve water, provide fish and wildlife habitat, or provide for drought-related environmental mitigation



WME Land Eligibility

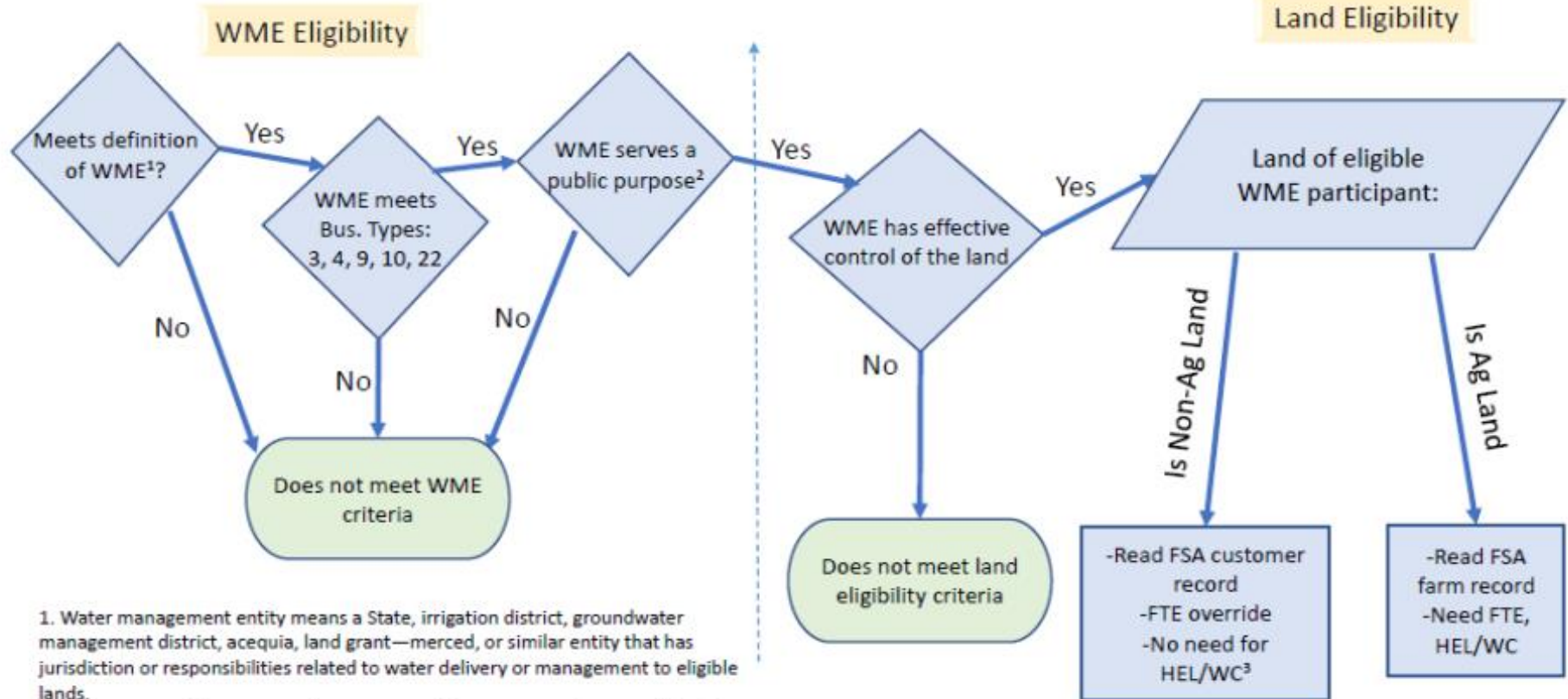
Water conservation or irrigation practices that are the subject of a water conservation project must be implemented—

- (i) On the eligible land of a producer;
- (ii) On land that is under the effective control of the water management entity; or
- (iii) Adjacent to the eligible land of a producer, provided the state conservationist determines the adjacent land is necessary to support the installation of a conservation practice or system on eligible land.

Note: Land that is under the effective control of a WME may be eligible even if it is not agricultural land or nonindustrial private forest land.

WME and Eligibility

Eligibility Flow Chart for Water Management Entities

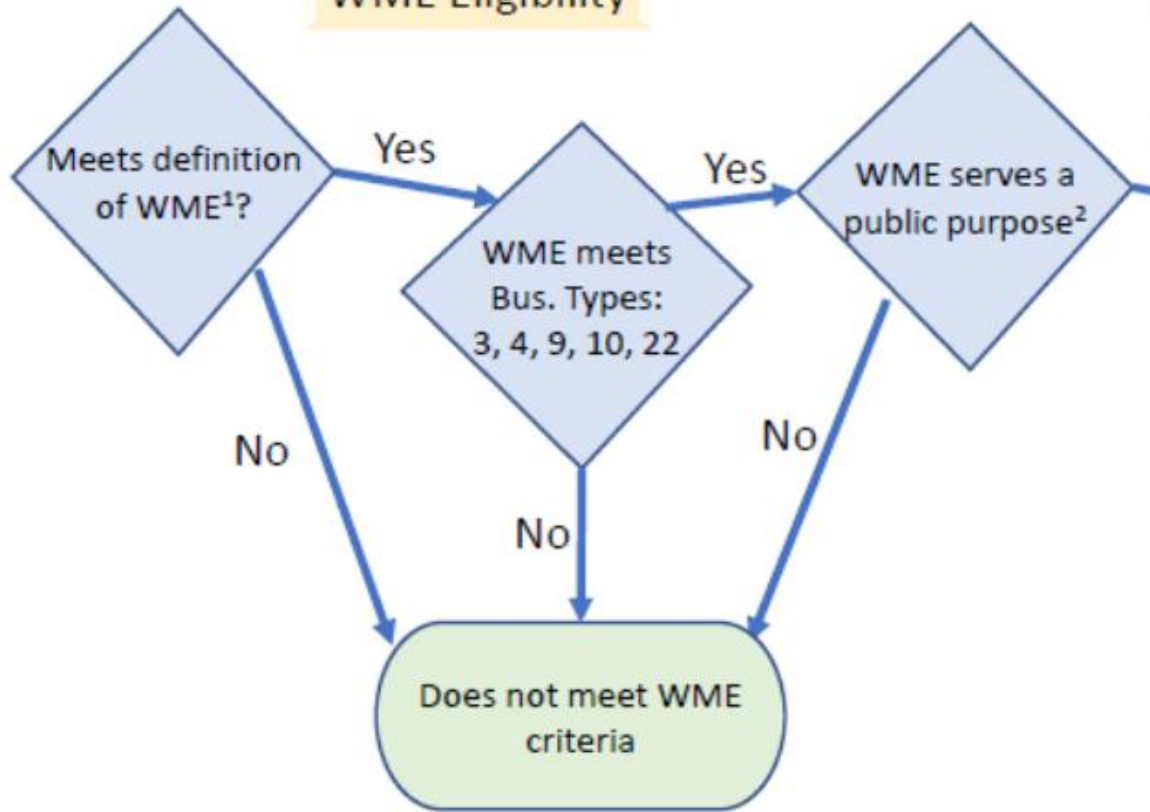


1. Water management entity means a State, irrigation district, groundwater management district, acequia, land grant—merced, or similar entity that has jurisdiction or responsibilities related to water delivery or management to eligible lands.

2. A private or public company that serves a public purpose such as a public utility (i.e., has a public governing board) and assists private agricultural producers with managing water distribution or conservation systems

3. As this is non-ag land, HEL and wetland compliance not required

WME Eligibility



FSA Business Types

- 3: Joint Venture
- 4: Corporation
- 9: State/ Local Government
- 10: Non-profit or Tax-Exempt Organizations
- 22: Limited Liability Company

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Adjusted Gross Income (AGI) Requirements

The following business types **are not** AGI exempt

- Type 4 – Corporation
- Type 10 – Churches, Charities & Nonprofit Organizations
- Type 22 – Limited Liability Company

Note: AGI is established from the average of the 3 years preceding application of reported AGI submitted to the IRS



Adjusted Gross Income (AGI) Waivers

NRCS may waive the applicability of the AGI provisions if NRCS determines that the waiver is necessary to fulfill the objectives of a water conservation project implemented through an EQIP contract with a water management entity.

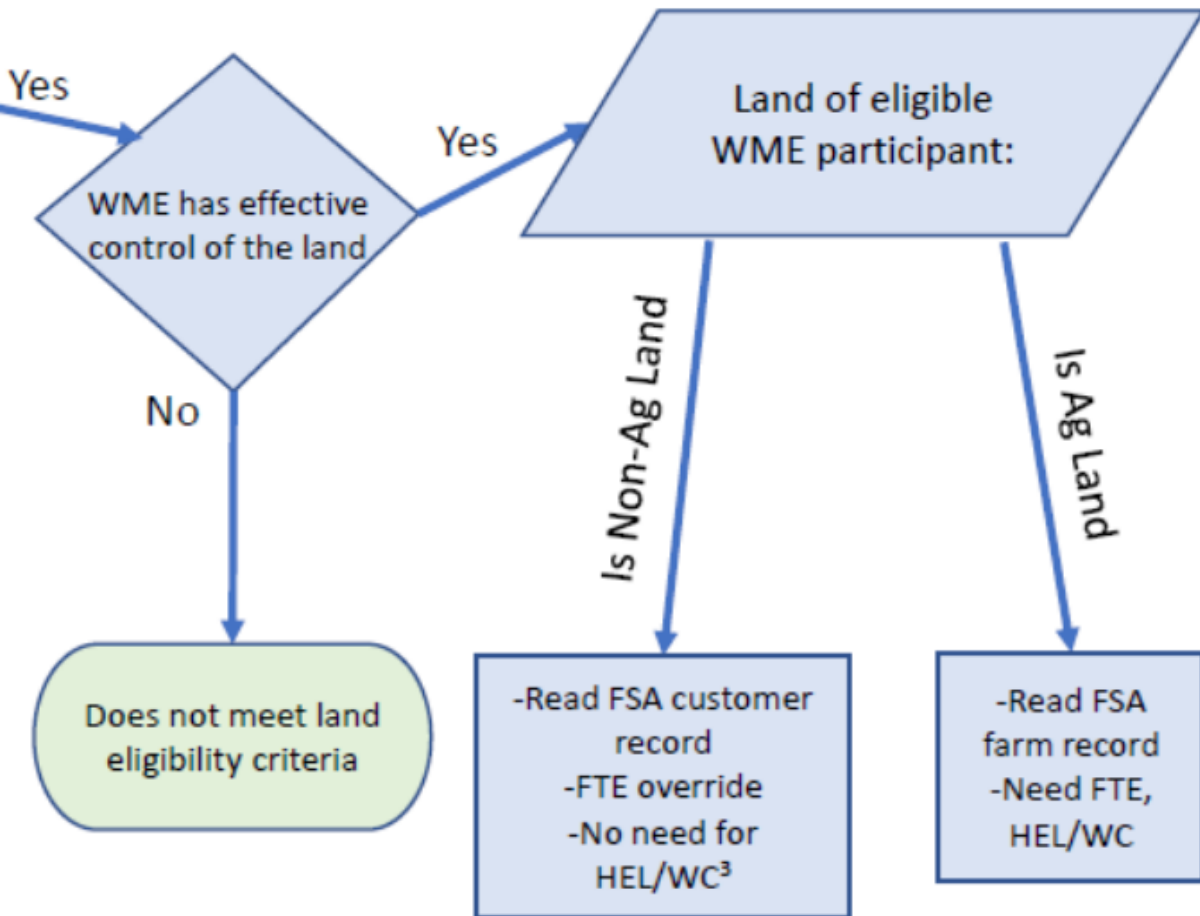
Under this specific authority, NRCS **will not** require a water management entity that receives this waiver to file Form CCC-941 or have AGI determinations made by FSA.



Business Type Code	Business Type	SCIMS Tax ID Type	Individual or Entity			Entity Members		
			FTE Eligibility Required 1/	AGI Eligibility Required 2/, 10/	\$450,000 Contract and Payment Limits Apply 3/, 4/	Members Required 5/	Member's AGI Affect \$450,000 Limitation and Payment 6/	Impact FTE Eligibility
1	Individual	SSN	Yes	Yes	Yes			
2	General Partnership	EIN	Yes 11/	Exempt 7/	Yes 7/	Yes	Yes	Yes
3	Joint Venture 15/	EIN 8/	Yes 11/	Exempt 7/	Yes 7/	Yes	Yes	Yes
4	Corporation 15/	EIN	Yes	Yes	Yes	Yes	Yes	No
5	Limited Partnership	EIN	Yes	Yes	Yes	Yes	Yes	No
6	Estate	EIN	Yes	Yes	Yes	Yes	Yes	No
7	Trust - Revocable	SSN	Yes	Yes	Yes	No	No	No
7	Trust - Revocable	EIN	Yes	Yes	Yes	Yes	Yes	No
9	State/ Local Government 12/ 15/	EIN	Yes	Exempt	Yes	No	No	No
10	Nonprofit and Tax-Exempt Organizations 13/ 15/	EIN	Yes	Yes	Yes	No	No	No
15	Indians Represented by Bureau of Indian Affairs	EIN	No	Exempt	Exempt	No	No	No
17	Trust - Irrevocable	EIN	Yes	Yes	Yes	Yes	Yes	No
18	Individual Operating as a Business	EIN	Yes	Yes	Yes	Yes	Yes	No
20	Indian Tribal Venture 14/	EIN	Yes	Exempt	Exempt	No	No	No
22	Limited Liability Company 15/	EIN	Yes	Yes	Yes	Yes	Yes	No
22	Limited Liability Company	SSN 9/	Yes	Yes	Yes	No	No	No

Eligibility Records

Land Eligibility



Two Considerations for WMEs:

- Farm Tract Eligibility (FTE) does not apply to contracts with water management entities
- HEL and WC may not apply on non-ag land

Funding Limitations for WMEs

- **Payment limitations** are not applicable to contracts obligated during FY 2025.
- **Contract limitations:** Contracts obligated in FY 2025 for WMEs have a contract limit of up to \$900,000. A request to waive this limit up to \$1,800,000 may be considered if the following conditions are met:
 - The project **complies with environmental evaluation** requirements and does not require a site-specific environmental assessment (EA) or environmental impact statement (EIS).
 - The **state has the ability to support one or more large water management entity projects** and still meet EQIP funding targets.
 - The **state has the ability to support the project's engineering workload.**



Applications from a WMEs for an EQIP contract may be determined ineligible if the state conservationist determines that the conservation practices encompassed by the proposed EQIP contract are better suited under the RCPP or Public Law 566.

When making this determination, the state conservationist may consider the following factors:

- I. Whether the estimated contract cost for the minimum area required for the EQIP contract greatly exceeds the EQIP payment limitation for water conservation projects.
- II. Whether the project requires a site-specific EA or EIS because its potential adverse impacts have not been adequately analyzed under a NEPA review, or the proposed contract practices have not been adequately analyzed in the EQIP programmatic EA or other existing NEPA document prepared or adopted by NRCS.



Comparison Summary Table

Requirements	Individual EQIP Applicant	Water Management Entity Applicant
Irrigation Project Location	On-Farm Projects	Off-Farm and Farm Delivery Projects
Common Practices (Not Exclusive)	Irrigation Systems, Irrigation Water Management	Pipelines, Structures for Water Control
Eligible Business Type	Many	Limited to Type 3, 4, 9, 10 or 22
Required to Serve a Public Purpose	No	Yes
Contract Limit Without Waiver	\$450,000	\$900,000
Contract Limit With Approved Waiver	\$450,000	\$1,800,000
Highly Erodible Land (HEL) and Wetland Compliance (WC) Required?	Yes	If implemented on non-ag land HEL & WC may not apply (talk with your local office), otherwise it is required



FY2025 Application Deadlines

October 18, 2024	December 13, 2024	March 7, 2025	June 1, 2025
General EQIP Sign up Announcement	EQIP Application deadline for irrigation related (non- ACT NOW) fund pools	Ranking deadline for all EQIP fund pools	EQIP obligation deadline



United States Department of Agriculture

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