

Is a water quality certainty program in your state's future?

A primer to help you decide

NACD supports state programs

NACD POSITIONS ON CERTAINTY

- Certainty programs provide an excellent way to work with producers to achieve water quality goals and to facilitate voluntary adoption of conservation plans, systems and practices.
- NACD supports locally-led solutions to conservation needs across the landscape. Certainty arrangements fit this objective in their flexibility and local focus.
- NACD supports state and local partnerships to explore whether certainty programs are a good fit as you address your conservation goals.

How this primer works

- □ It relies on advice from peers in states that have established certainty programs
- ☐ It focuses on several areas to help guide your efforts. They include:
- ✓ Program Development/Design
- ✓ Program Implementation
- ✓ Program Funding
- ✓ Program Standards
- √ Verification comparisons among programs
- ✓ Producer considerations
- ✓ Market Incentives and Ecosystem Trading

- Ideally receive legislative approval/endorsement
- Include farmers from the beginning. "The most important member is the farmer": Peer
- State agency should administer the program
- State agency often handles verification
- "NRCS is great, but state needs to be the authority"
- State agency in charge of the program should be the state's lead for abating, managing and preventing agricultural nonpoint pollution

- Agency that coordinates with local conservation districts may be the best fit
- It's helpful if the state agency has the responsibility to investigate water complaints that do not involve CAFOs
- If there is a complaint, the agency can address and correct it with producer outside of regulatory realm. Producer retains certification once corrected

- "Using the state regulatory agency would not do much for garnering participation": peer
- "But...the best course of action is to get all affected state agencies included in some way": peer





- Program must be easily adapted to multiple or single commodities/systems
- Farmsteads, cropping systems and livestock operations vary across the country
- One rigid program will not work
- What's best for you?



- State programs are voluntary, with a few exceptions
- TMDLs should encourage, not require, participation
- Most programs are locally driven and have heavy conservation district engagement
- Programs can address locally identified resource priorities
- Texas: Seventy-nine SWCDs have identified local water quality or quantity problems
- Texas districts set priority areas and administer the program, assisted by Soil and Water Conservation Board

- New York: Agricultural Environmental Management program carried out within the context of whole watershed planning whenever possible
- New York: Program, technical, and financial resources targeted to farms identified locally as having the greatest potential for impacting the environment
- New York: Takes into consideration natural resource and business conditions distinctive to each farm
- Minnesota piloting its state/federal program by watershed

- Transparency in program development, implementation and governance is primary
- Must be inclusive with no processes that are not public



PROGRAM IMPLEMENTATION

- Establish certainty requirements (conservation systems for water quality)
- Need extensive outreach and education to producers about what certainty is, including both benefits and requirements
- Accept applications, determine eligibility, and screen applications for conservation technical assistance (CTA)
- Develop conservation plan and approved conservation systems to meet certainty requirements
- Rank applications for CTA funding
- Deliver CTA and certify conservation systems implemented

PROGRAM IMPLEMENTATION

- Verify maintenance of conservation systems applied
- Incorporate adaptive management for continuous improvement and to maintain certification
- Evaluate program performance, including water quality improvements:
 - Performance metrics
 - Participation levels
 - Treatment levels
 - Environmental outcomes
 - Reductions in Nitrogen and Phosphorus loading @ edge of field
 - Increase in target fish populations
 - Related benefits

PROGRAM IMPLEMENTATION: Michigan example

Michigan Agriculture Environmental Assurance Program (MAEAP) standards for farmers:

- Complete MAEAP educational standards
- Perform applicable risk assessment(s)
- Develop and implement one or more MAEAP conservation plans based on the applicable risk assessment(s)
- Contact the Michigan Department of Agriculture & Rural Development (MDARD) to request a farm-specific inspection
- If MAEAP standards have been met, MAEAP verification is issued by MDARD and is valid for 3 years

PROGRAM IMPLEMENTATION: Michigan

MAEAP Re-Verification for Farmers:

- Complete one or more risk assessments
- Update & implement the corresponding MAEAP conservation plan as needed
- Contact Michigan Department of Agriculture and Resource Development (MDARD) to request a farm-specific inspection, by MDARD or its designee
- If MAEAP standards have been met, MAEAP re-verification is issued by MDARD and is valid for 3 years
- A farm that is not re-verified by the end of its third year of verification, and that has not requested re-verification, is considered lapsed

PROGRAM IMPLEMENTATION

Michigan MAEAP Revocation

MDARD may revoke verification of a MAEAP-verified farm if any of the following apply:

- In consultation with Michigan Department of Environmental Quality, MDARD determines with scientific evidence provided by water quality data that the MAEAP-verified farm has exceeded water quality standards as a result of nonconformance with MAEAP standards
- The MAEAP-verified farm fails to conform to MAEAP standards as a result of gross negligence

PROGRAM FUNDING

- Obviously needs to be a financial assistance component.
 "Inconvenient BMPs don't get implemented"
 "Or it won't work": peers
- EQIP, state funds, grants, foundation support (Michigan added 48 field technicians in SWCDs, supported by grants)
- Several states offer EQIP bonus points to participants. "At a minimum, ranking criteria for Farm Bill contracts should give people with a certainty plan a funding advantage": peer
- A blend of state general and restricted funds works well in some states

PROGRAM FUNDING

- State funds are important. There are limits to Farm Bill dollars based on past contract amounts and annual income. "The goal is to address nonpoint source pollution, not worry about means testing": peer
- Partner contributions and additional grants strengthen the program and enhance support
- Lots of variety is good because of budget constraints
- May need funding to train districts and/or TSPs, and state agency staff
- Funding needed for districts/TSPs writing plans...Could go to producers as cost-share. They would then pay for plan development

PROGRAM FUNDING: Partner example from Michigan

- The 2013 County Farm Bureau Farm Bill/MAEAP Educational Grant Program enabled the state's 67 county-level Farm Bureaus to compete for grant funds to underwrite cooperative efforts with local conservation district and NRCS offices aimed at educating farmers about available Farm Bill conservation programs and encourage MAEAP participation
- Proposed projects should be designed to promote conservation programming and facilitate access to local conservation district and NRCS staff
- All county Farm Bureaus eligible to apply for the grants of up to \$3,000 each, and only county Farm Bureaus may apply; payments cannot be made to individuals or other organizations.

PROGRAM FUNDING

- New York: State nonpoint source program funding. EQIP funds can be used as a match for state funds
- Texas: Producers can receive both federal (EQIP) and state funds, but not on the same practice
- Michigan a blend of federal program dollars, and state general funds and segregated accounts, including the state's ground water fund, and grants
- Minnesota Legislature in 2013 created a \$3 million line item from state funding sources...Also \$3 million annually from NRCS from EQIP, above and beyond normal EQIP

PROGRAM STANDARDS

- Set high standards and have consensus on standards from state and federal agencies, university and partners
- Rely on practices and systems that are scientifically sound to achieve verifiable water quality gains
- Coordinate with NRCS practice standards. Make sure everyone agrees if you vary from these standards
- In Louisiana, producers have two options for development of a plan: a state resource conservation plan through the LSU AgCenter or a resource management system plan through NRCS and local SWCDs
- Make sure to account for all voluntary BMPs in place, including those not funded with cost-share

VERIFICATION FOR HOW LONG?

Louisiana: Five years

Michigan: Three years

Minnesota: 10 years

Texas: "Subject to annual status reviews."

Virginia: Nine years; spot check minimum of every three years

PRODUCER CONSIDERATIONS

- Producers must be the winners in these programs
- Producers must be part of the program from the beginning for them to believe the program is worth their efforts and participation
- All others must aggressively support producers' efforts to complete the program
- Confidentiality for producers in development and implementation of conservation plans is important, but if they want to "stand out," all the better
- "Today's producer is very busy, more educated, wants to work with individuals who know their role and area of expertise.
 They want personal and no-nonsense support, and are quickly turned off when their time is being wasted": peer

Michigan farmers



Jim Benne, Max Benne, Doug Pagels, Sturgis, MI

MAX: "My advice is to participate. Even though some of the things you need to do look expensive or difficult, my experience was well worth the time, effort and money . They were things we should have done."

PARTNER CONSIDERATIONS

- Get industry buy-in, ownership
- Some groups on both ends of spectrum may oppose certainty
- You need groups that represent agricultural producers
- Michigan, Virginia and other programs championed by Farm Bureau
- Find respected environmental group that can get behind the program. In Chesapeake Bay, programs being developed have support of Chesapeake Bay Foundation (VA and MD)

PARTNER CONSIDERATIONS

- Michigan Farm Bureau added a staff person whose primary responsibility is MAEAP support, working especially with the various MAEAP committees and with local county Farm Bureaus
- Michigan Farm Bureau provides a monthly page in its newspaper, the Michigan Farm News, to promote an aspect of MAEAP or a partner group's involvement, at no cost. MFB print shop also prints brochures and other materials at inhouse cost
- Partners such as Farm Bureau might be willing to sponsor early educational meetings

PARTNER CONSIDERATIONS

- SWCDs may also be logical outreach sponsors and reach a broad array of customers with their outreach abilities
- There are costs involved with educational meetings, including speakers, room rent, refreshments, materials
- Partners may also help develop and host a web site. Can house important documents there
- Partners may provide cost-sharing on signs for farmers who are willing to promote their involvement
- Partners may help develop promotional materials, logo use and other outreach tools

POWER OF PARTNERSHIPS: LA Master Farmer

- LSU AgCenter
- United States Department of Agriculture
- Natural Resources
 Conservation Service
- Louisiana Department of Agriculture and Forestry
- National Oceanic and Atmosphere Administration
- Louisiana Department of Natural Resources
- Louisiana Department of Environmental Quality
- Louisiana Soy Association
- Louisiana Cattleman's Association

- Louisiana Rice Growers Association
- Louisiana Farm Bureau
- Potash & Phosphate Institute
- American Sugar Cane League
- National Association of Conservation Districts
- Louisiana Forage and Grassland Council
- Louisiana Cotton Producers Association
- Louisiana Crawfish Association
- Louisiana Soybean Association

POWER OF PARTNERSHIPS: Michigan's MAEAP



MARKET INCENTIVES

- Don't overlook the potential
- Louisiana Master Rice Farmers receive 20 percent crop premium from Kellogg's
- Michigan blueberry, potato and wine producers use extensively in marketing
- "Stewardship" is a powerful word



TRADING POTENTIAL?

- Virginia's program will closely tie certainty and nutrient trading. The Resource Management Plan for certainty will be the baseline for nutrient trading regulations
- Maryland has a nutrient trading tool that allows producers to determine where they are in a watershed and TMDL...Hoping that if producer meets that TMDL, will be able to trade
- Regional programs like Ohio River Basin Trading Program (Ohio, Indiana, Kentucky) and Willamette Partnership (Oregon and other northwest states) offer avenues for convergence



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