

Conservation Reserve Program State Incentives Pilot Program Policy

From the Board of Water and Soil Resources, State of Minnesota

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Policy Statement

This policy provides expectations for implementation activities conducted via the Board of Water and Soil Resources (BWSR) Conservation Reserve Program State Incentives Pilot Program as defined in the appropriation under Laws of Minnesota 2022, Chapter 94, Section 2, Subdivision 10e. This grant program is made possible through an appropriation from the Environment and Natural Resources Trust Fund (ENRTF).

Reason for the Policy

The purpose of this policy is to provide specific requirements for the implementation of the Conservation Reserve Program State Incentives Pilot Program as defined in the appropriation under Laws of Minnesota 2022, Chapter 94, Section 2, Subdivision 10e.

BWSR will use grant agreements for assurance of deliverables and compliance with appropriate statutes, rules and established policies. Willful or negligent disregard of relevant statutes, rules and policies may lead to imposition of financial penalties or future sanctions on the grant recipient. [BWSR's Grants Administration Manual](https://bwsr.state.mn.us/gam) (<https://bwsr.state.mn.us/gam>) provides the primary framework for local management of all state grants administered by BWSR.

Eligible Activities and Program Requirements

1. Local Governmental Unit Eligibility Criteria

To be eligible, local governments must have a current state approved and locally adopted comprehensive watershed management plan authorized under Minnesota statutes §103B.801 and have entered into an implementation agreement with other members of the planning partnership. If a local government within the geographic area of the plan has not adopted the plan, these funds can still be spent on implementation in that area by another eligible local government.

2. Eligible and Ineligible Activities

Conservation Reserve Program State Incentives Pilot Program provides eligible local government units with funds to incentivize landowner enrollment and re-enrollment into the federal Continuous Conservation Reserve Program (CCRP) and associated administrative and project development responsibilities. Funds used from this policy for cost share must follow the BWSR Watershed-Based Implementation Funding Policy (FY22-23) with the following exceptions.

- 2.1 **Administrative and Project Development Expenses.** A maximum of up to 10 percent (10%) of the total grant may be used for administrative and project development expenses.
Billing rates charged to these grants may only include the employee's base hourly rate plus benefits.
- 2.2 **Eligible Activities.** Incentive payments are only allowed for practices available through a Continuous CRP enrollment period.
- 2.3 **Effective Life.** Conservation practice lifespan must be equal to the length of the Continuous CRP contract.
- 2.4 **Practice Standards.** All practices must be consistent with the NRCS Field Office Technical Guide (FOTG). Vegetative practices must follow the BWSR Board adopted [Native Vegetation Establishment and Enhancement Guidelines](https://bwsr.state.mn.us/node/8806) (<https://bwsr.state.mn.us/node/8806>).
- 2.5 **Incentive Payments to Land Occupiers.** Incentives to install or adopt CCRP practices that improve or protect water quality and/or provide pollinator and wildlife benefits are an eligible use of funds. Incentive payments should be reasonable and justifiable, supported by grant recipient policy, consistent with prevailing local conditions, and must be based on established FOTG standards. BWSR reserves the right to review and approve incentive payment rates established by grant recipient policy.
- 2.6 **Failure to Maintain Practices.** Funds repaid to a district from a landowner who has failed to maintain a practice, must be reallocated to the local cost share program according to this policy, less the administrative cost of the district.
- 2.7 **Ineligible Activities.** The following is considered ineligible:
 - a. Equipment purchases.
 - b. Facilities Expenses.
 - Environment and Natural Resources Trust Fund (ENRTF) funding cannot be used to pay for space and other associated overhead costs. Billing rates charged to these grants may include the employee's base hourly rate plus benefits.

3. Match Requirements

Match is not required.

4. Grant Work Plan

Work Plans are required for the Conservation Reserve Program State Incentives Pilot Program. Work plans shall be developed in eLINK and must be approved before execution of the grant agreement and before work can begin or grant funds spent. Work plans shall reflect each eligible activity that will be implemented, a description of the anticipated activity outcomes or accomplishments, how the activity achieves the goals of the comprehensive watershed management plan authorized under Minnesota statutes §103B.801 and grant funding amounts to accomplish each of the activities.