

SOIL AND WATER Resources

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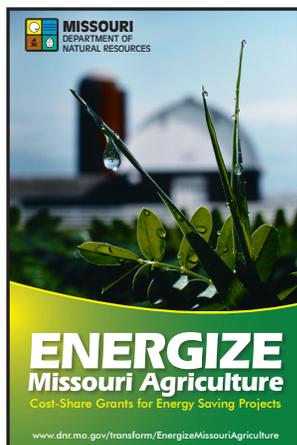
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“Energize Missouri Agriculture” Program Announced

At the Governor’s Conference on Agriculture in early January, Governor Jay Nixon announced the “Energize Missouri Agriculture” program, which is now being offered by the Department of Natural Resources’ Energy Center. The program will offer cost-share grants to agricultural operations for energy efficiency improvements and renewable energy equipment. The grants will fund up to 75 percent of the equipment and hardware cost of an energy saving project, with a limit of \$5,000 per applicant.

Soil and Water Conservation Program’s Director Bryan Hopkins feels this program is “a tremendous opportunity for farmers.” Brochures for the program have been sent to the Soil and Water Conservation District offices. In the brochure, it is suggested that interested participants contact their local Soil and Water Conservation District. Direct those inquiring to the department’s Web site at www.dnr.mo.gov/transform/EnergizeMissouriAgriculture or to the Energy Center at 573-751-2254. Applications to participate in the program are available online at the address above.



Eligible projects or systems include:

- Solar powered systems.
- Insulated waterers.
- Global Positioning System (GPS) guidance systems.
- Irrigation improvements.
- Dairy facility improvements.
- Swine and poultry facility improvements.
- Upgrade or new grain dryers.
- Lighting upgrades, motion sensors or timers.
- Conservation tillage equipment.
- High efficiency electric motors.
- Biomass furnaces/boilers for other than poultry houses.
- Equipment not on the list if appropriate energy savings can be demonstrated.

FY11 Advance Cost-Share Allocation Approved by Commission

At the Jan. 13 Soil and Water Districts Commission meeting, a \$4 million cap on advance allocations for FY11 was approved. This reflects 18 percent of the money allocated for cost-share in FY11. Each district can submit a one-time request by April 1 to receive up to 18 percent of their total FY11 allocation as an advance allocation to be placed in any resource concern. The advance allocation process allows districts to begin work on practices that will extend beyond the current fiscal year. It is vitally important that district contracts approved with advance allocation funds only include the expected state cost-share amount and will not routinely have change orders increasing the cost-share amount to the landowner. It is important to note that the governor has not actually signed the FY11 budget, so any significant changes in the cost-share appropriation would need to be reflected in new cost-share allocation amounts.

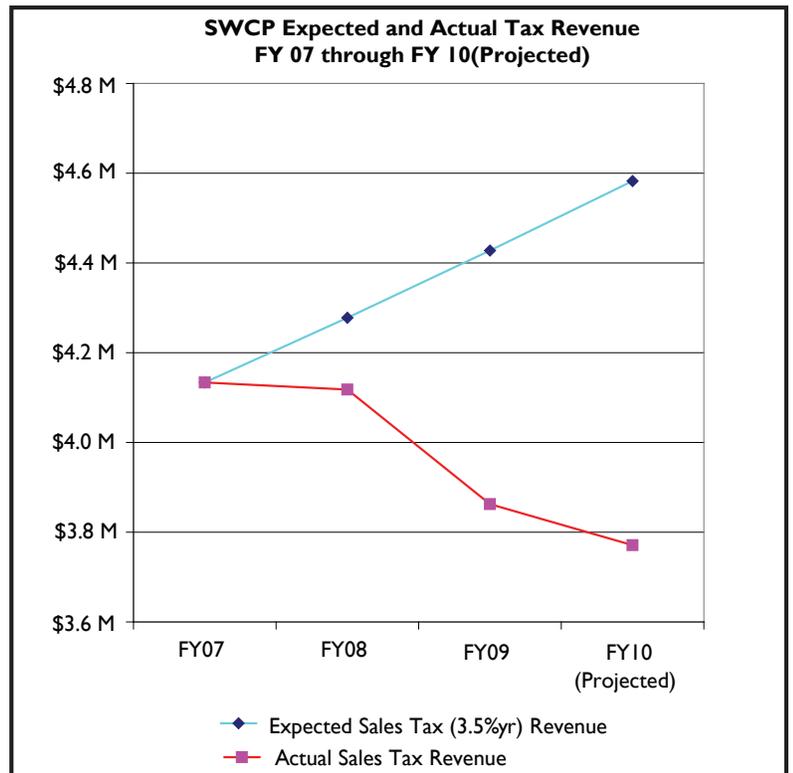


**Missouri Department
of Natural Resources**
Soil and Water Conservation Program

Nutrient and Pest Management and Waste Utilization Update and Policy Review

At their Jan. 13 meeting, the Soil and Water Districts Commission approved funding for transitional payments in order to offer landowners/operators the opportunity to enroll in the N590 Nutrient, N595 Pest Management and N633 Waste Utilization incentive practices for an additional year under the current rates/policies. Producers must enroll in FY10 (by June 30) to receive incentives for FY11 at the current rates. All landowners that receive a board-approved contract for these incentive practices before June 30, 2010, will be eligible for the transitional payments to allow the landowner to be signed up in FY11 under current rates and policies. Those landowners signing up for incentive practices for the first time will be eligible to apply for these practices under new policy to be developed for FY11.

In addition, the commission approved a practice policy review for these three practices. The policy review is an opportunity for districts to share ideas on how incentive rates and policies can be enhanced for particular practices. The commission would like to see incentive rates closer to federal programs, therefore reducing competition. District boards are encouraged to submit new technology and innovative methods to be offered as part of the incentive program for these practices. Districts can submit comments to kurt.boeckmann@dnr.mo.gov by e-mail or a board letter by March 31, 2010. New policy will be implemented and the opportunity will be offered for districts to revisit the 2011 Needs Assessment for landowners who are first-time sign-ups for the Nutrient and Pest Management programs.



First Half of FY10 Soil and Water Sales Tax Revenues Down from FY09

The tax revenues for the first six months (July to December) of FY10 reflect a 5.53 percent decrease from the same period in FY09. From July through December 2009, the sales tax deposits totaled \$18,855,156, which is \$1,104,051 less than the same time last year, and the interest deposits for July through December totaled \$214,814, which is \$331,951 less than the same time last year.

The chart shows actual sales tax revenues vs. expected revenues. The expected sales tax revenues show what reasonable expectations for sales tax percentage growth rates from FY07 to FY10 would be at 3.5 percent per year. The bottom line is the actual revenue from the years FY07 to FY09 revenues. FY10 rates are projected using mid year revenue numbers.

Fund Status Reports as of Feb. 3

Resource Concern	Allocated	Obligated	Obligated %	Claimed	Claimed %
Animal Waste Management	\$416,497	\$249,866	60%	\$89,552	22%
Groundwater Management	\$562,358	\$286,542	51%	\$79,043	14%
Irrigation Management	\$747,666	\$386,894	52%	\$84,436	11%
Sensitive Areas	\$1,283,683	\$525,680	41%	\$133,908	10%
Sheet and Rill/Gully	\$18,300,992	\$13,106,957	72%	\$6,476,841	35%
Streambank Erosion	\$170,694	\$0	0%	\$0	0%
Woodland Erosion	\$758,265	\$435,700	57%	\$115,576	15%
Targeted Watersheds	\$157,369	\$46,496	30%	\$13,582	9%
Rollover from FY09	\$2,209,332	\$2,174,698	99%	\$1,576,279	71%
TOTAL	\$28,852,894	\$19,645,626	68%	\$9,257,819	32%

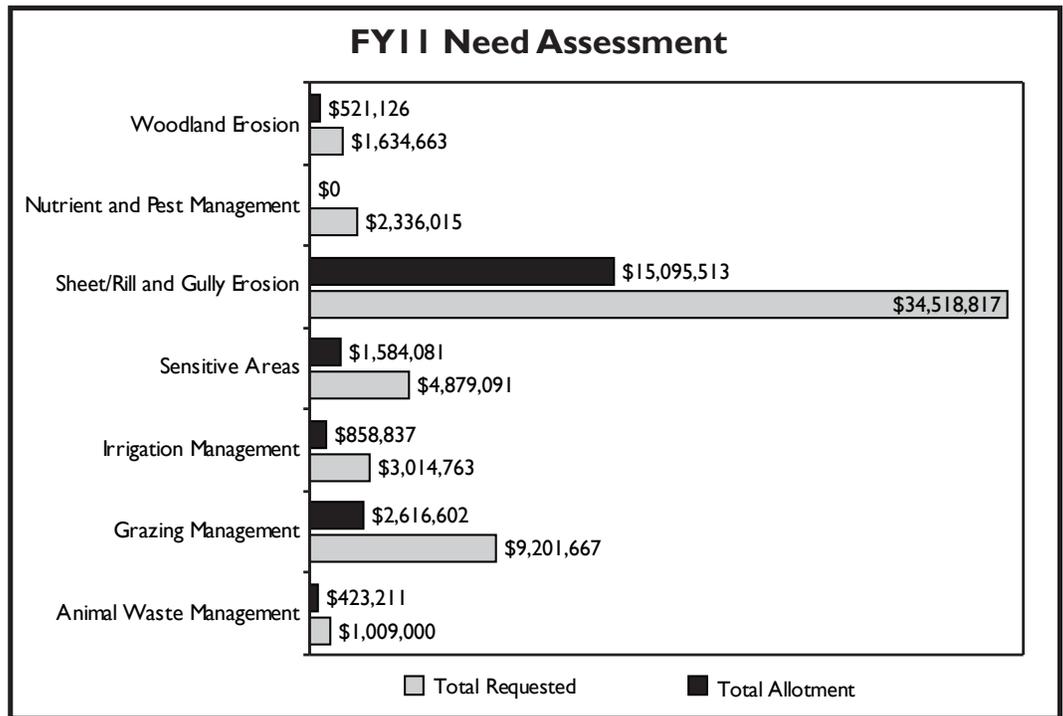
FY11 Cost-Share Allocations Approved

The Soil and Water Districts Commission approved the FY11 cost-share allocations at the Jan. 13 meeting. Recently, each district received the amounts of their cost-share allocations for FY11. The allocation process used information submitted by districts in their needs assessment, as well as past cost-share usage.

Due to significant revenue decline, the governor has proposed a FY11 cost-share budget appropriation of \$24 million compared to a \$26 million appropriation in FY10. Of that \$24 million, the commission set aside \$2 million for mid-year allocation adjustments and \$900,000 for nutrient and pest management practices.

The remaining \$21.1 million was distributed to the other six resource concerns, which include Animal Waste Management, Grazing Management, Irrigation Management, Sensitive Areas, Sheet/Rill and Gully Erosion and Woodland Erosion. Approximately \$15 million, or 69 percent, was allocated to sheet/rill and gully erosion practices, which are implemented in all 114 districts. The other resource concerns were allocated the remaining \$6 million, which is 30 percent of the amount requested through the needs assessment.

In addition, districts were provided up to a 20 percent increase in a resource concern when compared to the FY10 cost-share allocations. An increase of 20 percent would allow a district to continue progress in a resource concern where increased landowner interest was experienced from FY10. The chart above shows the amount requested and the amount allotted to each resource concern. The amount allotted to the 114 districts in six resource concerns is \$21 million dollars. These allocations are contingent on the FY 11 budget appropriation process being completed and having sufficient revenues to fund the programs.



Updates to the Field Border Policy

In December, a policy review was done on the N386 Field Border Policy. District staff and partner agencies were given the opportunity to submit comments or suggestions on the policy. The policy rule was initiated by several inquiries on the ability to graze field borders. As a result of the review, some changes were approved by the Soil and Water Districts Commission at the Jan. 13 meeting. Comments addressed are summarized below:

- Field Borders can be hayed, mowed or grazed according to Forage Harvest Management Standard (511). Limited grazing is allowed for incidental use when crop residue is being grazed after harvest.
- Only SALT projects can offer partnership incentives with Conservation Reserve Program (CRP) payments.
- Only the Critical Area Seeding group component can be utilized for seeding.
- Policy states that only fields that currently contain small grain/row crops are eligible. Land coming out of CRP is not eligible.
- Assistance is only authorized for the portion of the field actively being farmed.
- Policy states where field slopes exceed 5 percent, end rows shall be eliminated and crops planted on the contour.
- The minimum width of a field border is 30 feet to coincide with Natural Resources Conservation Service specifications as additional criteria to protect soil and water quality.
- The field border cannot encompass more than 25 percent of the entire acreage contained in the applied field.
- Field Borders can be utilized for minimal equipment use when conditions allow.
- The one time out-of-production incentive remains at \$600. The incentive rate was not increased because the landowner can still hay or graze the area.



SOIL AND WATER *Resources*

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