

Financial Resources for Livestock Producers

Livestock and crop producers have several options for financial assistance to make improvements on their farms. At this time, there are three available sources of funds. Additional sources of funds are available if the producer or landowner is located in specific watersheds that have special water quality projects. Be sure to check with your local Soil and Water Conservation District (SWCD) or your local Natural Resources Conservation Service (NRCS) field office for local sources of help and funds.

Iowa State Revolving Fund (SRF)

The Iowa Water Quality Loan Fund which is part of the SRF is a source of low cost financing for farmers and landowners, livestock producers, businesses, homeowners, community groups, watershed organizations, and others. The SRF program is administered by the Iowa Department of Natural Resources (IDNR) under an agreement with the United States Environmental Protection Agency (EPA). The Iowa Water Quality Loan Fund is made up of four different programs. Two of the four programs are specific to livestock producers and are discussed below.

The Local Water Protection Program (LWPP) can be used to fund practices such as grassed waterways, terraces, grade stabilization structures, riparian buffers, windbreaks, pasture and hay plantings, water and sediment control basins, and waste (manure) storage structures. The loan applicant must be the owner of the land where the practice will take

place. The loan may be for 100% of the project as long as the amount loaned is between \$5,000 and \$50,000. The length of the loan may be up to 10 years and there is no pre-payment penalty on these loans. This program works with the Iowa Finance Authority (IFA) and local private lending institutions using a "Linked Deposit Loan" to provide assistance for water quality practices. The IFA agrees to accept a 0% rate of return on an investment, usually a certificate of deposit, and the lender agrees to provide the loan to eligible borrowers at a rate less than or equal to 3%. The local Soil and Water Conservation District (SWCD) must approve the project, and your lender must qualify you for the financing. For more information and how to apply contact your local SWCD or visit <http://www.iowasrf.com/lwp.html> or <http://www.agriculture.state.ia.us/lwpp.htm>.

The Livestock Water Quality Facilities Program (LWQFP) is another source of low-interest loans. Practices eligible for this program include lagoons, manure management structures and equipment, processing equipment, vegetative filters and other practices designed to prevent non-point source runoff related to animal feeding operations. These funds are available to feeding operations without National Pollution Discharge Elimination System permits (NPDES). To qualify, the animal feeding operation has to be under 1,000 animal units and the applicant must have legal control of the property and (or) be the operator of record. Applicants must have a Manure Management Plan (MMP) with the Phosphorus Index or develop a plan as part of the proposed project.

Contributors

- Natural Resource Conservation Service
- Agribusiness Assoc. of Iowa
- Iowa Farm Bureau Federation
- Iowa Poultry Association
- Iowa Turkey Federation
- Iowa Pork Industry Center
- Iowa Beef Center
- Iowa Pork Producers Assoc.
- Iowa Department of Natural Resources
- Iowa Cattlemen's Assoc.
- Division of Soil Conservation, Iowa Department of Agriculture and Land Stewardship
- Iowa State Dairy Association
- Iowa Commercial Nutrient Applicators Assoc.
- Coalition to Support Iowa's Farmers
- Iowa Corn Growers Assoc.
- Iowa Soybean Association
- Iowa State University, University Extension
- Iowa State University, College of Agriculture

Iowa Manure Manager Series

The primary purpose of the LWQFP is to assist livestock producers in improving the environmental management of their existing facilities and the state's water quality. This source of funding is operated by the Iowa Agricultural Development Authority (IADA) in cooperation with IDNR and the Iowa Finance Authority. These loans are similar to the LWPP with cooperation with private lending institutions through the linked deposit structure. More information can be found at the following websites: www.iada.state.ia.us or <http://www.iowasrf.com/lwq.html>.

Environmental Quality Incentives Program

The 2002 Farm Bill brought about an emphasis of providing technical and financial assistance to Animal Feeding Operations (AFOs). This assistance comes through the Environmental Quality Incentives Program (EQIP). EQIP has two objectives with regard to AFOs and regulatory issues. The first objective is to help producers comply with local, state, and federal requirements. The second objective is to help producers address natural resource concerns in a manner that makes regulatory action unnecessary.

EQIP is a voluntary program that provides assistance to farmers and ranchers who face threats to soil, water, air, and related natural resources on their land. EQIP assistance is provided to agricultural producers by the NRCS.

Agricultural producers, individuals, or entities that engage in livestock or agricultural production may participate in EQIP. Applicants must be in compliance with highly erodible land and wetland conservation provisions.

To apply for EQIP there are five steps in the process;

1. A landowner submits an application to the

local USDA Service Center, NRCS office, conservation district office, or office of a designated cooperating entity.

2. The NRCS State Conservationist or designee works with the applicant to develop an EQIP plan of operation.

3. The State Conservationist or designated conservationist ranks each application using the locally developed ranking process.

4. When funds are allocated, the State Conservationist or designated conservationist commits allocated funds to high ranking landowner offers and enters into contracts with selected participants.

5. Following contract signature by NRCS and the selected entity, funds are obligated to the project and the participant may begin to implement the EQIP plan of operations.

Several practices or structures that typically receive assistance in Iowa include: handling and containment structures, composting and mortality facilities, and roof structures that divert clean water. The use of EQIP dollars for these types of practices requires the development and implementation of a Comprehensive Nutrient Management Plan (CNMP).

EQIP is a locally led process to adapt NRCS national priorities to address local resource concerns. The locally led process starts with your county's Soil Water Conservation District Commissioners. These commissioners evaluate and determine priorities on their allotment of EQIP funds. Because this process is locally led, differences between counties exist. For specific information and how to utilize these funds, contact your local NRCS field office.

Written by: Steve Brinkman, Nutrient Management Specialist, USDA-NRCS—Des Moines IA

...and justice for all

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964. Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Jack M. Payne, director, Cooperative Extension Service, Iowa State University of Science and Technology, Ames, Iowa.