

The EQIP Improvement Act of 2023

Lead Sponsors: Senators Cory Booker (D-NJ) and Mike Lee (R-UT)

The Environmental Quality Incentive Program (EQIP) Improvement Act will reduce the overall payment cap on EQIP contracts, reduce federal cost-sharing for practices that provide little or no environmental benefits, and eliminate a requirement that 50% of EQIP funding flow to livestock operators.

To make the Environmental Quality Incentive Program more effective, this bill would re-focus support towards farmers and ranchers that need it the most by targeting funding to more producers and prioritizing conservation practices with significantly greater environmental and water quality benefits. This bill will eliminate wasteful spending and give states more control over conservation efforts.

Currently, we spend more than \$800 million of EQIP funds on infrastructure practices that often support the largest operations and produce relatively little environmental benefit. Adjusting the cost-share for those practices would have allowed USDA to reinvest \$376 million into other practices between 2018 and 2021, or \$94 million per year.

USDA currently [turns away](#) two out of every three farmers seeking conservation assistance. The savings from this bill will ensure that more farmers and ranchers have access to the most beneficial practices covered by EQIP. Analysis of EQIP contracts shows that between 2018 and 2021 just 23% of all EQIP funding went towards conservation practices with the most significant environmental benefits.

Supporting More Farmers and Ranchers – In 2021, more than 87,000 farmers were turned away from EQIP due to a lack of funding. This has created an unfunded annual backlog for EQIP of more than \$2 billion. The EQIP Improvement Act will reduce the overall five-year EQIP payment cap per grant award from \$450,000 to \$150,000 – which will free up EQIP funds to serve more farmers. The bill would also end an arbitrary requirement that 50 percent of EQIP funds - over \$1.8 billion between 2017 and 2020 - flow to livestock operators and would instead allow each state to determine the best distribution of funding for itself.

Supporting Most Effective Conservation Practices – [According to USDA data](#), several EQIP conservation practices produce significantly more environmental benefits, including drinking water protection. These practices include cover crops, no-till, crop rotations, nutrient management, and streamside buffers. The EQIP Improvement Act would allow states to have greater flexibility in funding these practices by reducing payments to practices that have little benefit to the environment.

Reduce Support for Least Effective Conservation Practices – [According to USDA data](#), several costly and structural EQIP practices (Table 1) provide very little benefit to taxpayers or the environment. Between 2018 and 2021, taxpayers provided more than \$812 million to support these practices, which include cost-sharing for roads, fish ponds, stock ponds, dams, animal waste pits, pipelines, and land clearing. The bill would reduce maximum cost-sharing from 75 percent to 40 percent for these practices.

Structural Practices With Reduced Payments Under EQIP Improvement Act

PRACTICE NAME	TOTAL PAYMENTS 2018-2021
Land Clearing (460)	\$1,252,989.00
Aquaculture Pond (397)	\$216,878.00
Vertical Drain (630)	\$53,888.00
Clearing and Snagging (326)	\$3,037,366.00
Obstruction Removal (500)	\$35,310,162.00
Waste Transfer (634)	\$24,781,315.00
Dike or Levee (356)	\$16,391,539.00
Spoil Disposal (572)	\$713,797.00
Livestock Pipeline (516)	\$133,902,140.00
Animal Mortality Facility (316)	\$41,814,220.00
Waste Facility Closure (360)	\$16,154,373.00
Dam, Diversion (348)	\$856,952.00
Irrigation Reservoir (436)	\$18,739,160.00
Surface Drain, Main or Lateral (608)	\$423,874.00
Waste Storage Facility (313)	\$198,601,642.00
Surface Drain, Field Ditch (607)	\$230,799.00
Dam (402)	\$131,619.00
Access Road (560)	\$1,154,557.00
Waste Treatment Lagoon (359)*	\$448,837.00
Irrigation Pipeline (430)	\$190,501,725.00
Pond (378)	\$22,052,880.00
Precision Land Forming and Smoothing (462)	\$13,049,570.00
Pumping Plant (533)	\$92,392,959.00
Fish raceway or tank (398)	\$0.00
Total	\$812,213,241.00