VACS BMP TAC

Nutrient Management Subcommittee Meeting

Date: June 27, 2019

Time: 9:30 AM - 10:45 AM

Location: Monacan SWCD, Old Central High School, Goochland, Virginia

Committee Members Present: Stephanie Drzal (Chair), Keith Burgess

Committee Members Not Present: Jim Riddle

Non-Voting Members Present: Tim Sexton, Scott Ambler, Blair Gordon, Seth Mullins

Call to Order:

Ms. Drzal called the meeting to order at 9:30 a.m. and noted that only 2 of 3 voting members are present.

Committee Business (all items correspond to the numbers in the matrix):

2N: This item suggests adding the word "funding" in front of "source," refer to the matrix for more details. Since this is a simple clarification addition, very little discussion was had. *The committee voted unanimously to support this change*.

3N: This matrix item was again seeking clarification for the NM-5N and NM-5P practices. Mr. Burgess suggested adding "nitrogen" in the NM-5N practice so that "nutrients" isn't used too vaguely. *The committee voted unanimously to support this change.*

Mr. Sexton commented on how DCR reports the NM-5N to the Bay program and suggests that DCR add a measurement in the tracking program so Districts can add more information about what type of nutrient management is being implemented. With this additional measurement, DCR can maximize the credit Virginia receives in the Bay model. The committee discussed that this is likely an administrative change in the tracking program, not an issue for the TAC. DCR staff will discuss internally to see if the changes can be made.

4N: This matrix item addresses the "double dipping" concern with VACS and NRCS practices. The committee discussed other issues regarding the DCR, SWCD, and NRCS relationship that complicate this matter. From a SWCD standpoint, especially for those not co-located with NRCS offices, obtaining NRCS program sign-up information is not likely. Unless the farmer tells you he has a 590C, the Districts have no way of knowing. The committee also discussed that this issue is already covered by the statement about "double dipping" in the NM-5 practice specifications. The committee feels that DCR can simply clarify for SWCD staff that it is the responsibility of the producer to make sure they are not double dipping. If the producer is caught double dipping, they would have to forfeit their VACS payment.

Further discussion lead to the fact that this is a manual wide problem not only a NM issue. The committee suggests a statement be added to the guidelines and possibly the contract part 1. The committee unanimously voted to send this suggestion to the Programmatic Subcommittee.

1N: SL-1 issue continued from PY2019 TAC about requiring nutrient management plans for the SL-1 practice. The committee started off by asking several questions: Do we want require a plan for the lifespan of the practice? What does that mean for SWCD verifications and workload on SWCD staff? Would this be a deterrent to the farmer signing up for the practice? How many of these practices actually get funded state wide? Is it too challenging to get a planner to plan the small acres that this practice is being implemented on usually? The committee was reminded of the discussion from the last full TAC meeting regarding this language. Many TAC members were strongly of the opinion that a plan should be required for the lifespan of the practice, others were strongly opposed to requiring a plan at all. The committee decided that the current language requiring a nutrient management plan only for the year of establishment really is the middle ground solution.

Mr. Sexton suggested that a grassland plan be required for a minimum of 5 years. These plans can be written for 5 years and would not need modification. Further discussion was had on this suggestion and the committee also wanted to clarify that the district staff is not responsible for verifying the implementation of the plan, only that the grass is well established. The intent is that the plan writer will verify the plan. However, the district does need to have a plan on file.

The committee also wanted to remove "test results must be part of the documentation" under section 9: Fertility. Cost of the grassland plan will also be added to the eligible components for the rate.

The committee voted unanimously to modify the SL-1 practice to require a Hayland or Grassland Nutrient Management Plan for a minimum of 5 years. The committee also unanimously supported the removal of the "test results" language from section 9 of the practice specification and the addition of the cost of the nutrient management plan to the eligible components under the Rates section.

Ms. Drzal ended the meeting at 10:45 a.m.

Name of Practice: LONG TERM VEGETATIVE COVER ON CROPLAND DCR Specifications for No. SL-1

This document specifies terms and conditions for the Virginia Department of Conservation and Recreation's long term vegetative cover on cropland best management practice, that are applicable to all contracts, entered into with respect to that practice.

A. <u>Description and Purpose</u>

Grass and/or legume vegetation will be established on cropland with existing cover of less than 60% converting it to pasture or hay land to reduce soil erosion and enhance water quality.

State cost-share is intended to promote conversion of cropland to fields with a healthy, well-maintained sod.

B. <u>Policies and Specifications</u>

- 1. In order to be eligible for cost-share or tax credit, producers must be fully implementinghave a current 5 year grass and hay land Nutrient Management Plan (NMP) during the year of establishment on all agricultural acreage contained within theon all fields that this practice will be implemented on to ensure proper nutrient application for a successful practice installation. This plan must be prepared and signed by a Virginia Certified nutrient management planner and on file with the SWCD before a cost-share payment can be made. A nutrient management plan for the following years of practice lifespan is optional.
- 2. Soil loss rates must be computed for all applications for use in establishing priority considerations and reflect at minimum a 3-year cropping history.
- 3. This practice is not intended to be used to reseed or improve hay or pastureland.
- 4. Pastures and hay lands that are planted under this practice will be grazed or harvested and maintained in accordance with NRCS Standard 512 for the lifespan. Cost-share will be refunded if the cover is destroyed during the lifespan. This practice is subject to spot-check by the District throughout the life of the practice and failure to comply may result in the forfeiture of the funds.
- 5. State cost-share and tax credit will be provided only one time per field, while that field is under the same ownership.
- 6. State cost-share or tax credit will not be approved for fields with more than 60% cover with the exception of crop fields that have a row crop or small grain residue in which case cover in excess of 60% is permissible.
- 7. State Cost-share is allowable only for BMP installations that are not receiving cost-share from other sources.

- 8. Cost-share and tax credit are not authorized for obstruction removal, fencing, or watering facilities.
- 9. Fertility Lime and fertilizer can be applied for maintenance purposes but must be done in accordance with current soil test recommendations (at Virginia Tech Cooperative Extension maintenance rates for the appropriate sod species). Maintenance applications are the obligation of the participant. If biosolids or manure is used, the material must be properly sampled and tested for nutrient content and given credit in fertilizer recommendations. Test results must be part of practice documentation.
- 10. Cost-share and tax credit are not authorized for the planting of pure stands of alfalfa.
- 11. This practice is subject to NRCS Standard 512 Forage and Biomass Planting.
- 12. All practice components implemented must be maintained for a minimum of 5 years and a maximum of 15 years following the calendar year of certification of completion. The lifespan begins on Jan. 1 of the calendar year following the year of certification of completion. By accepting either a cost-share payment or a state tax credit for this practice the participant agrees to maintain all practice components for the specified lifespan. This practice is subject to spot check by the District throughout the lifespan of the practice and failure to maintain the practice may result in reimbursement of cost share and/or tax credits.

C. Rate(s)

The state cost-share rate is 75% of the eligible component costs, in addition to a one-time incentive payment of \$25 per acre for a 5 year contract, \$100 per acre for a 10 year contract, or \$150 per acre for a 15 year contract.

- 1. Eligible components are as follows:
 - i. Eligible seed
 - ii. Minerals (fertilizer, lime, manure*); *If manure (litter) is purchased from off farm, a bill and nutrient analysis must be presented.
 - iii. Herbicides
 - iv. Pesticides
 - v. Nutrient Management Planning
 - v.vi. Labor
- 2. As set forth by Virginia Code § 58.1-339.3 and §58.1-439.5, Virginia currently provides a tax credit for implementation of certain BMP practices. The current tax credit rate, which is subject to change in accordance with the Code of Virginia, is 25% of the total eligible cost not to exceed \$17,500.00.

3. If a participant receives cost-share, only the participant's eligible out-of-pocket share of the project cost is used to determine the tax credit.

D. <u>Technical Responsibility</u>

Technical and administrative responsibility is assigned to qualified technical DCR and District staff in consultation, where appropriate and based on the controlling standard, with DCR, Virginia Certified Nutrient Management Planner(s), NRCS, DOF, and VCE. Individuals certifying technical need and technical practice installation shall have appropriate certifications as identified above and/or Engineering Job Approval Authority (EJAA) for the designed and installed component(s). All practices are subject to spot check procedures and any other quality control measures.

Revised June 2019 April 2019

	MATRIX OF NUTRIENT MANAGEMENT RECOMMENDATIONS FOR PROGRAM YEAR 2020						
Item#	Ag. BMP	Suggestion to the TAC	TAC Recommendations DCR Supports	FY2021/2022			
1N	SL-1	As part of the 2018 TAC cycle, the TAC was given the following suggestion: "The NMP requirement for SL-1 practice is overkill". The SL-1 specification language was revised (as follows here), but the TAC only voted to support the language change on a one year trial basis. The Subcommittee should further consider the issue and bring language back to the TAC for a vote. B.1. In order to be eligible for cost-share or tax credit, producers must be fully implementing a current Nutrient Management Plan (NMP) during the year of establishment on all agricultural production acreage contained within the field that this practice will be implemented on to ensure proper nutrient application for successful practice installation. A Nutrient Management Plan for the following years of practice lifespan is optional. B.9. Fertility - Lime and fertilizer can be applied for maintenance purposes but must be done in accordance with current soil test recommendations using Virginia Tech Cooperative Extension maintenance rates for the appropriate sod species. Maintenance applications are the obligation of the participant. If biosolids or manure is used, the material must be properly sampled and tested for nutrient content and given credit in fertilizer recommendations. Test results must be part of practice documentation.					

	MATRIX OF NUTRIENT MANAGEMENT RECOMMENDATIONS FOR PROGRAM YEAR 2020						
Item #	Ag. BMP	Suggestion to the TAC	TAC Recommendations	CR ports	FY2021/2022		
2N	NM-5N NM-5P	For NM-5N and NM-5P, in the Rates section, add the word "funding" before the word "source" to clarify that each spec is talking about the funding source and not the nutrient source. There has been confusion in the field regarding whether the word "source" refers to the nutrient source or source of money.					
3N	NM-5N NM-5P	For NM-5N and NM-5P, standardize the language under the Rates section. NM-5N currently uses the terminology of "nutrients" (C1) whereas NM-5P uses the terminology of "phosphorus" (C2). It should be either "nutrients" for both specs OR "nitrogen" and "phosphorus", respectively.					
4N	NM-5N NM-5P	The TAC needs to decide how it wants to handle the new NRCS 590C enhanced nutrient management program issue as a whole. Currently a farmer can sign up for 590C with NRCS as well as NM-5N and/or NM-5P with their local District. NRCS is okay with this and there isn't anything in the VACS manual to prevent this as long as the 590C scenario chosen is not a precision nitrogen or phosphorus application. It would be against NRCS guidance and against VACS manual guidance for the same farmer to be paid for the same precision nitrogen or phosphorus application on the same acres. In any case, Districts seem to have mixed feelings on this and formal guidance would be appreciated.					

	MATRIX OF TABLED NUTRIENT MANAGEMENT RECOMMENDATIONS				
Item#	Ag. BMP	Suggestion to the TAC	Reason for Tabling		
1N	SL-1	The nutrient management subcommittee voted to require a Hayland or Gassland Nutrient Management Plan for a minimum of 5 years, to remove the "test results" language from section 9 of the spec, and to add the cost of the NMP to the eligible components under the Rates section. See meeting minutes and the revised spec for more details.			
2N	NM-5N NM-5P	The nutrient management subcommittee supports this change.			
3N	NM-5N NM-5P	The nutrient management subcommittee decided to add the word "nitrogen" into the NM-5N practice.			
4N	NM-5N NM-5P	The nutrient management subcommittee suggests that this is a larger issue that affects all practices, not just nutrient management. They suggest adding language in the guidelines section and to the contract part 1 to hold the participant accountable. Sent this suggestion to the programmatic committee.			

