ENVIRONMENTAL

Overview

The federal government offers various programs to incentivize farmers to minimize any environmental harm they cause as a result of agricultural activity. These programs are offered through both the U.S. Department of Agriculture (USDA) and the Environmental Protection Agency (EPA).

USDA administers a number of voluntary conservation programs intended to protect a variety of natural resources on privately owned agricultural lands. The programs include, among others:

- working lands programs, such as the Environmental Quality Incentives Program (EQIP), the Conservation Stewardship Program (CSP), and the Agricultural Management Assistance Program (AMA), which permit enrolled private lands which implement certain conservation practices to remain in production;
- land retirement and easement programs, such as the Conservation Reserve Program (CRP), and the Agricultural Conservation Easement Program (ACEP), which provide federal payments to landowners in exchange for temporary, long-term, or permanent restrictions on private land use; and,
- technical assistance programs, such as the Conservation Technical Assistance Program (CTA), which provide landowners with conservation planning and implementation assistance.\(^1\)

While total dollars spent on these conservation programs has gone up in the past 60 years, major changes were made to USDA’s conservation programs in the 2014 Farm Bill.\(^2\) Prior to the passage of the 2014 Farm Bill, USDA oversaw 20 conservation programs with spending of over $5 billion per year. However, following the passage of the 2014 Farm Bill, many programs were repealed and others were consolidated.\(^3\)

EPA directs significant funding to the states for the protection of water quality under the Clean Water Act. Two of these funding streams, Section 319 funding and the Clean Water State Revolving Fund, may be available to animal agriculture in many states.

While many of these environmental programs have broad eligibility requirements that do not specifically contemplate large-scale industrial animal production, such as animal feeding operations (AFOs) and concentrated animal feeding operations (CAFOs), these entities benefit in several ways. These programs may allow industrial producers to avoid having to retain private consultants for technical assistance relating to the development of key operational plans, such

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\(^2\) Id. at 1, 3.
\(^3\) Id. at 4.
as nutrient management plans, or the identification of additional assistance programs that can help defray costs associated with implementing waste management systems, such as by offering cost-sharing assistance for the installation of waste storage facilities, conservation buffers, or rotational grazing systems. AFOs and CAFOs may also be able to receive payments in connection with land that would otherwise not be productive, and may receive financial assistance for installing conservation-related improvements such as livestock fencing, and cattle feeding and watering stations, which promote business interests in other ways, such as by doubling as risk-management tools and improving productivity. Lastly, AFOs and CAFOs may benefit from these programs by being paid for basic conservation activities they may need to undertake regardless for long-term viability.

**Environmental Quality Incentives Program (EQIP)**

The Farm Bill includes several conservation assistance programs funded through USDA’s Natural Resources Conservation Service (NRCS). Chief among these programs is the NRCS’s Environmental Quality Incentives Program (EQIP), which USDA describes as a “voluntary program that provides financial and technical assistance to agricultural producers to plan and implement conservation practices that improve soil, water, plant, animal, air and related natural resources on agricultural land and non-industrial private forestland.”

In 2016, EQIP awarded more than $1 billion in financial assistance to American farmers and ranchers to cover expenses associated with the implementation of various structural, vegetative, and management practices. Through EQIP, NRCS may reimburse up to 75% of the costs for these practices, and up to 90% of the costs for new, socially disadvantaged, and/or veteran farmers and ranchers. While EQIP does fund important agricultural conservation efforts, much of today’s EQIP funding benefits highly-polluting industrial livestock operations.

EQIP was first implemented as a part of the 1996 Farm Bill. Initially, the program prohibited the use of EQIP funds to construct animal waste storage facilities. Payments to individual farms were capped at $10,000 per year or $50,000 over a five year period.

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The Food Security Act of 1985, as amended, states that the purposes of EQIP are to “promote agricultural production, forest management, and environmental quality as compatible goals, and to optimize environmental benefits” by (1) assisting producers in complying with regulatory requirements; (2) avoiding the need for resource and regulatory programs by helping producers to protect natural resources and meet established environmental quality criteria; (3) providing “flexible assistance” to producers to install and maintain conservation practices that sustain food and fiber production while conserving natural resources; and (4) assisting producers to make “beneficial, cost effective changes” to production systems, grazing management, and other agricultural practices. 16 U.S.C. § 3839aa (2018).

As part of the 2002 Farm Bill, Congress eliminated the annual payment cap and dramatically increased the overall cap, allowing for payments of up to $450,000 for a single individual or entity. The 2002 Farm Bill also eliminated the previous restriction on payments to industrial livestock operations and permitted the use of EQIP funds to finance construction of animal waste storage facilities.\(^7\) Perhaps most significantly, it imposed a requirement that at least 60% of EQIP funds be allocated to livestock-related practices.

Funding for EQIP expanded significantly beginning with the 2002 Farm Bill—for example, EQIP awarded more than $1 billion in assistance in 2016—but applications continue to dramatically exceed available funding.\(^8\) In FY 2015, for example, only 23% of eligible EQIP applications received funding; in FY 2016, that number was 26 percent.\(^9\) In order to select among applications for EQIP funding, NRCS develops a set of national priorities for the types of programs EQIP funding should be used to support.

When EQIP was first developed, NRCS considered the cost of a program when evaluating applications for EQIP funding.\(^10\) That changed to some extent with the 2002 Farm Bill, which incorporated the following language that remains in effect today: “If the Secretary determines that the environmental values of two or more applications for payments are comparable, the Secretary shall not assign a higher priority to the application only because it would present the least cost to the program.”\(^11\)

The current set of NRCS priorities includes:

- reducing nonpoint source pollution and point source pollution from agricultural operations,
- conserving ground and surface water resources,
- reducing on-farm emissions that contribute to violations of air quality standards,
- reducing soil erosion and sedimentation,
- conserving energy, and
- promoting at-risk species habitat conservation.\(^12\)

When determining how to allocate funds to achieve these priorities, NRCS must abide by the requirement that 60% of EQIP funds be allocated to livestock-related practices. In addition, 0.6% of available EQIP funds must be provided to each state. There is also a statutory mandate to fund organic practices, a minimum amount that must be devoted to air quality programs, and a number of other requirements.

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\(^7\) Id.
\(^10\) Starmer, supra note 6, at 6-7.
NRCS uses these criteria to allocate funds to state EQIP offices, which in turn have discretion to allocate funds consistent with statutory direction and national priorities. The Government Accountability Office recently issued a report critiquing states’ methods for allocating EQIP funds, arguing that their methodologies do not prioritize the most cost-effective programs and often fail to use environmental concerns as a primary factor when allocating EQIP funds.\textsuperscript{13} Instead, GAO argues, many states prioritize historical funding amounts over efficiency and environmental benefits, thereby weakening EQIP programs’ potential efficacy in achieving conservation objectives.\textsuperscript{14}

**Implications of EQIP**

EQIP provides significant economic support to farmers engaged in sustainable management practices, including, among others, cover crop conservation, conservation crop rotation, and prescribed grazing. These practices are critical components of a sustainable approach to farming, as they work to combat erosion, reduce water quality degradation, and improve soil health.\textsuperscript{15} In addition, farmers engaged in these practices typically graze their livestock, which means that EQIP’s financial support of these practices helps to promote farming techniques that generally go hand-in-hand with higher animal welfare.

While sustainable management practices and small- and mid-sized farms receive a sizable percentage of EQIP funding, much of current EQIP funding is allocated toward CAFO operations. Determining the exact proportion of EQIP funds allocated to CAFOs is exceedingly difficult because much of the necessary data to make these calculations has not been collected and/or has not been made publicly available. As part of the 2002 Farm Bill, Congress restricted USDA’s ability to release certain information regarding the contracts that producers receive through natural resource conservation programs, including EQIP. A 2008 report notes that some legal analysts believe this provision restricts only the release of specific information about the contract (i.e., exactly “what the money is actually being used for”) but does not prevent USDA from releasing information identifying individual contract recipients and the amounts they receive.\textsuperscript{16} Nonetheless, in practice, USDA has been unwilling to release this individualized information, making it difficult to assess the proportion of EQIP funds supporting industrial agricultural practices versus those funds used to support more sustainable systems.

One method of approximating the proportion of EQIP funds allocated to CAFOs is to use available data regarding EQIP payments by the type of practice awarded EQIP funding (referred to as a “practice suite”). The Environmental Working Group (EWG) has developed a helpful website containing a visual summary of this data from 1997-2015. Over that eighteen year period, the practice suites receiving the largest proportions of EQIP funding were Irrigation

\textsuperscript{13} See id.
\textsuperscript{14} See id.
\textsuperscript{15} Id.
\textsuperscript{16} Starmer, supra note 6, at 7.
The National Sustainable Agriculture Coalition (NSAC) has calculated that roughly $230 million of the total $861 million in EQIP financial assistance in FY 2015 and $250 million of the roughly $1 billion in EQIP financial assistance in FY 2016 went to support sustainable management practices like cover crops and prescribed grazing. Cover crop conservation projects received the largest percentage of this funding for sustainable management practices in 2016 (approximately $90 million, more than double the amount dedicated to cover crop projects in 2015). Prescribed grazing projects received approximately $13 million in EQIP funding in 2016. Prescribed grazing—that is, using livestock grazing to accomplish specific vegetation management goals—“confers many of the same benefits to livestock producers as cover crops do for crop growers.”

Well-executed prescribed grazing programs can improve soil, land, and vegetation quality, and consequently also improve the quality of food available for livestock.

Although total funding for prescribed grazing remained level from 2015 to 2016, according to the NSAC that same period saw an 8% decrease in the number of acres managed using prescribed grazing techniques. The decrease in acres devoted to prescribed grazing is a concerning trend, and EQIP should prioritize programs that incentivize prescribed grazing techniques, since these methods are critical to sustainable and productive animal agriculture.

During these same two years, NSAC estimates that roughly 11% of EQIP funds ($113 million) were allocated toward CAFO operations in 2016, and roughly 12% in 2015. Specifically, EQIP funds were allocated to the following CAFO-specific conservation projects: waste storage facilities ($51 million in 2016); waste facility covers ($33 million in 2016); animal mortality facilities ($8.8 million in 2016); and manure transfer ($7.8 million in 2016).

These numbers were most likely derived from available practice suite data, by totalling funds dedicated to practices that are primarily CAFO-specific. As such, these figures are likely under-representative of the proportion of funding going to CAFOs, because CAFOs undoubtedly receive a substantial portion of funds for practices engaged in by CAFOs and non-industrial farmers alike (for example, the “technical assistance” practice suite likely includes contracts with CAFOs and non-CAFOs, as does the “water management” practice suite, among others).

A 2008 study by Elanor Starmer takes a different approach to evaluating the proportion of EQIP contracts awarded to CAFOs. Using data from 2004 and 2005 regarding the proportion of hog and dairy farms of various sizes awarded EQIP contracts, Starmer estimates

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20 Id.
21 Id.
22 Id.
23 Id. In order to receive EQIP funds for animal waste storage facilities, CAFOs must develop and implement a Comprehensive Nutrient Management Plan (CMNP) by the end of the EQIP contract period. 81 Fed. Reg. 29471, Commodity Credit Corporation (May 12, 2016) (codified at 7 C.F.R. pt. 1466).
24 Starmer, *supra* note 6, at 11-12.
that while “industrial dairies” made up less than 4% of all dairy operations in the U.S. during that
time, they received 54% of all EQIP dairy contracts, and that “industrial hog operations”, which
comprised just 10.7% of all U.S. hog operations, received more than 37% of the total EQIP
funding awarded to hog operations. These estimates suggest that, particularly within the 60%
of EQIP funding that must be allocated to animal agriculture, CAFOs receive financial support
that vastly exceeds their representation, at least within the hog and dairy industries.

In March 2018, Senators Cory Booker (D-NJ) and Mike Lee (R-UT) introduced a
bipartisan bill, the “EQIP Improvement Act,” aimed at reducing the overall cost of EQIP and
making it more effective at encouraging environmental conservation. Booker and Lee estimate
that 20% of EQIP funding currently finances projects of “relatively little environmental benefit.”
If passed, the Act would eliminate the requirement that 60% of EQIP funds be allocated to
livestock-related practices, thereby giving greater discretion to states to prioritize other practices
that may be of greater environmental benefit. In addition, the Act would reduce the annual
on-farm payment cap to $150,000, which Booker and Lee, along with EWG, argue would free up
more EQIP funding to support small family farmers. The Act would also require that EQIP
assistance be “based on practices the USDA has decided are beneficial to air, water, and soil
quality” and would reduce from 75% to 40% the maximum federal cost-share for 25 particular
practices that the act’s proponents contend would produce little environmental benefit (including,
for example the installation and maintenance of animal mortality facilities and waste storage
facilities, land clearing practices, and the installation and maintenance of certain irrigation
drains, reservoirs, and pipelines).

Opportunities for reform

The Agricultural Management Assistance (AMA) program encourages farmers to incorporate
conservation measures into their operations by providing financial assistance of up 75% (or
higher in the case of “historically underserved producers”) for the cost of implementing such
measures. Supported conservation measures may include construction or improvement of
water management and irrigation structures, or the planting of vegetation to control soil erosion.

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25 Id. at 10-11.
26 S. 2624, 115th Cong. (2018), available at
27 See, e.g., Dan Nosowitz, Bipartisan Bill Introduced to Fix EQIP, a Broken Farm Conservation Program,
28 Press Release, Senators Cory Booker & Mike Lee, Ahead of Farm Bill Debate, Booker, Lee Introduce
   Bipartisan Bill to Improve Conservation Program (Mar. 20, 2018), available at
AMA assistance may also help farmers obtain techniAdvocate for Passage of the EQIP Improvement Act.

The EQIP Improvement Act presents a promising avenue for reform. In its current form, its passage would achieve a substantial shift away from EQIP funding for CAFOs and toward funding for smaller and more sustainable operations. Eliminating the requirement that 60% of EQIP funds be allocated to livestock-related practices would empower state EQIP offices to redirect funds to producers engaged in more sustainable practices, and the lower on-farm income eligibility cap would effectively eliminate the current funding of many CAFO “conservation” efforts.

The Act would also require the USDA Secretary to conduct “conservation effects assessments” and to use those assessments to direct funds to programs that optimize environmental benefits, and further would require states to use data regarding environmental concerns as a primary factor in allocating funds for projects. These requirements that EQIP assistance be based on practices that the USDA has determined to be environmentally beneficial could be a further boon for animal welfare and environmental conservation, but advocates should push for transparency and specificity regarding the methods and standards used to assess “conservation effects” and “environmental benefits.” Advocates should also consider incorporating a specific requirement that an operation meet certain minimum animal welfare standards in order to be eligible for EQIP funding.

Eliminate EQIP Funding to CAFOs.

Under the 1996 Farm Bill, animal waste storage structures for CAFOs were ineligible for EQIP funding. The 2002 Farm Bill removed the restriction on providing financial assistance to CAFOs for animal waste management. Reimposing these restrictions would eliminate the bulk of EQIP funding currently funneled toward CAFOs.

Require key data regarding EQIP funding to be made publicly available.

As discussed above, assessing EQIP’s economic assistance to CAFOs is difficult because key data has not been made publicly available. Advocates should therefore push for lawmakers to dispense with the restrictions on USDA that prevent them from releasing detailed information regarding EQIP contracts, and should push USDA, through FOIA and similar mechanisms, to release all such data it is currently able to legally disclose.

Make improving animal welfare standards a NRCS national priority.

Another option is to add to or modify existing EQIP funding priorities. For example, making achievement of minimum animal welfare standards and/or environmental standards an explicit funding priority would boost EQIP funding to farmers and ranchers committed to higher welfare practices. Similarly, the funding priorities could be retooled to explicitly prioritize pasture-based systems over confinement operations. These modifications would be consistent with the stated purpose for EQIP, namely to “promote agricultural production ... and environmental quality as compatible goals, and to optimize environmental benefits.”

Conservation Reserve Program
The Conservation Reserve Program (CRP) is an FSA-administered land conservation program that provides annual payments to agricultural producers for 10-15 year terms when they agree to remove cropland from production and plant resource-conserving vegetative species. In addition to annual "rental" payments, producers may receive various incentive payments, such as signing incentives, cost-sharing assistance for establishing conservation practices, and performance incentives for participants who undertake certain CRP practices. The objective of the program is to reduce soil erosion, sedimentation in streams and lakes, improve water quality, establish wildlife habitat, and enhance forest and wetland resources. CRP's total obligations in 2017 were $2.13 billion.

AFOs and CAFOs are eligible to participate in CRP, and may benefit from CRP because it offers an alternative revenue stream for land that may be unsuitable for production due to environmental restrictions stemming from nutrient runoff in nearby waterways or other limitations. A subprogram of CRP authorized by the 2014 Farm Bill, CRP Grasslands, also permits smaller, non-CAFO livestock operations (defined as having up to 100 head of cattle, 666 goats, 625 sheep, or the equivalent) to enroll up to 200 acres of land while maintaining the area for grazing or haying. CRP Grasslands enrollees receive rental payments of up to 75% of the grazing value of the land covered by the agreement, and cost-sharing assistance of up to 50% of costs in connection with establishing approved practices on their land.

Similarly, another subprogram of CRP, the Conservation Reserve Enhancement Program (CREP), uses supplemental state funds to offer higher per-acre rates for certain environmentally-sensitive areas. In addition, landowners enrolled in CREP may be reimbursed for costs associated with enhancements which prevent animal access to grazing or watering.
areas to promote conservation, such as livestock exclusion fencing, livestock watering facilities, and livestock crossings, which also double as farmer risk management tools. USDA’s Natural Resources Conservation Service (NRCS) offers AMA in 16 states where crop insurance participation is historically low: Connecticut, Delaware, Hawaii, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming. Eligible land includes pastureland, rangeland, and grasslands on which livestock are produced. USDA granted over $4.7 million in AMA funding in 2017, covering over 2,000 acres.

CAFOs and other animal operations can use AMA funds to develop and implement their Comprehensive Nutrient Management Plans (CNMP), which deal with the environmental harms of manure and other organic by-products. Such projects might include the building and maintenance of waste management facilities and storage areas. AMA funds can also be used to help farmers transition to organic practices. Payments to any participant cannot exceed $50,000 a year.

Conservation Technical Assistance Program (CTA)

Administered by NRCS, CTA provides technical assistance services, such as resource assessment, practice design, resource monitoring, and post-implementation follow-up to any land owner or manager interested in conserving natural resources on their agricultural land. CTA services help agricultural landowners implement better land management technologies, improve water quality, enhance recreational opportunities, improve land aesthetics, develop and apply sustainable agricultural systems, and facilitate enrollment in other Federal, state, and local

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38 See Stubbs, supra note 1, at 7.
39 See Agricultural Management Assistance, supra note 36. These states are likely targeted because producers in these states have historically low rates of participation in other conservation opportunities. See, e.g., Agricultural Management Assistance Program, 68 Fed. Reg. 17272 (Apr. 9, 2003) (codified at 7 C.F.R. pt. 1465).
40 See Stubbs, supra note 1, at 7.
42 Id.
44 Id.
conservation programs. Technical assistance may be provided by NRCS employees, or by contracted Technical Service Providers (TSPs) under the technical supervision of NRCS. In 2017, NRCS provided $764 million of technical assistance through CTA.

Among those who receive CTA services are AFO and CAFO owners and operators. Two primary ways that CTA assists AFOs and CAFOs is by helping to develop a Comprehensive Nutrient Management Plan (CNMP), a plan to manage manure and organic by-products to mitigate water quality degradation and soil erosion, and by identifying other Federal, state, and local assistance that may be available.

Agricultural Conservation Easement Program

The Agricultural Easement Program (ACEP) is a new conservation program that is the result of consolidating three programs repealed by the 2014 Farm Bill—the Wetlands Reserve Program, the Grasslands Reserve Program, and the Farmlands Protection Program. Administered by NRCS, ACEP promotes conservation by making one-time payments to landowners in exchange for Agricultural Land Easements (ALE) and Wetlands Reserve Easements (WRE). Unlike conservation programs that require participants to retire their land from production, ACEP allows continued agricultural activity—ALEs and WREs promote conservation by permanently preventing enrolled land from being converted to non-agricultural uses such as for residential or commercial developments. Land eligible for ACEP easements includes cropland, rangeland, grassland, pastureland, nonindustrial private forest land, and wetlands.

For ALEs, NRCS may contribute up to 75% of the fair market value of the easement. Compensation for ALE easements range from $216 per acre for grassland easements to $13,670 per acre for cropland easements, with an average cost of $2,790 per acre. For WREs, NRCS may pay up to 100% of the easement value, and compensation amounts range from $1,200 per acre to $13,000 per acre, with an average cost of $2,600 per acre. Total ACEP

51 Id.
obligations in 2017 were $536 million, of which approximately 20% were technical assistance expenses ($104 million). Additionally, conservation easement come with significant tax benefits, including the ability to write off the difference in the value of enrolled land before and after an easement restriction as a charitable tax deductions.

Large animal agriculture operations, including CAFOs, may be eligible for financial and technical assistance under ACEP. In its final rule, NRCS declined to deem CAFOs ineligible for ALEs, and instead indicated it would make a case-by-case determination of whether any proposed easement containing a CAFO meets the land eligibility criteria. Examples of large recent ALE purchases include one worth $4.2 million from a dairy producer, one worth approximately $2.2 million from a beef producer, and another worth approximately $2.1 from an Ohio dairy producer.

Conservation Stewardship Program

The Conservation Stewardship Program (CSP), administered by NRCS, is the largest conservation program in the United States by volume of enrolled land. CSP is a voluntary program that provides financial and technical assistance to eligible producers to conserve soil, water, air, and related natural resources. Eligible lands include cropland, grassland, prairie land, pastureland, rangeland, private forest lands, and other agricultural land, including that used for the production of livestock.

CSP financial assistance consists of annual payments made to landowners for installing and adopting new conservation activities, and improving, maintaining, and managing existing activities, and supplemental payments made if a landowner adopts resource-conserving crop

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rotations.\textsuperscript{58} Total CSP obligations in 2017 were $1.13 billion, and about 20\% of expenses were technical assistance obligations ($239 million).\textsuperscript{59}

Due to the breadth of CSP's eligibility,\textsuperscript{60} its compatibility with other USDA assistance programs such as EQIP, and the ability to continue agricultural production during enrollment, many animal agriculture operations, including livestock, dairy, poultry, and pork producers, are enrolled.\textsuperscript{61} Some of these producers are CAFOs, as reflected by NRCS's CSP “Conservation Activity Evaluation Tool,” which includes numerous evaluation criteria for CAFOs.\textsuperscript{62} One CSP “success story” noted the participation of a Wisconsin dairy operation with 700 cows and 700 replacement heifers, which meets both the Federal and state definition of a CAFO.\textsuperscript{63} Such producers may receive payment in exchange for activities such as restricting animal access to streams, ditches, and other waterbodies.\textsuperscript{64}

The Clean Water Act and Animal Agriculture

The EPA gives federal funding to states to help promote clean water projects under the Clean Water Act (CWA) under a variety of programs. Agricultural operators, including small producers as well as CAFOs and AFOs, can benefit from this federal funding when it is passed through the states through programs like Section 319 funding or a Clean Water State Revolving Fund. The total impact of these federal programs on animal agriculture is difficult to track, since each state sets unique terms for funding projects through both of these programs.

\textsuperscript{60} 7 C.F.R. § 1470.6 (2018) (reflecting that CAFOs are not ineligible for CSP).
Section 319 Funds

Under the Clean Water Act (CWA), water pollution sources are divided into two categories: “point” and “nonpoint.” Point sources are defined in the statute specifically by name or type, such as industrial energy plants or wastewater treatment facilities; CAFOs are included as point sources. Point sources are required to obtain a National Pollutant Discharge Elimination System (NPDES) permit, which outlines the limits on what the source can discharge, includes monitoring and reporting plans, and other such requirements intended to minimize the harm of the pollution. Nonpoint sources are all other sources of water pollution which are not point sources. Animal agriculture operations that pollute into waterways but do not reach the threshold of a CAFO fall under the category of nonpoint sources.

Authorized by CWA Section 319, EPA gives federal funding to any state that implements a management program for all their nonpoint source pollution, which can include agricultural runoff or other water pollution. EPA gives this nonspecific federal funding to the states administering such a management program, and then the states themselves can allocate this money to individuals or organizations which actually implement the water management program in the state. For example, some states have suggested including so-called “agricultural best management practices” as part of their nonpoint source management programs. Such projects might include using manure spreaders and injectors, building manure containment structures, and operating other waste management systems. Agricultural operators, including AFOs and other animal producers, then may be able to access the state’s 319 grants to help pay for the implementation of these best management practices, and therefore benefit indirectly from federal funding.

Clean Water State Revolving Funds

Under the Clean Water State Revolving Fund program (CWSRF), EPA gives federal grants to the states to fund low interest loans for clean water infrastructure projects, such as livestock facilities.
waste management systems, manure spreaders, and irrigation systems.  
States also contribute additional funds for these loans. States can set their own specific requirements in addition to federal requirements, including customizing loans types for certain communities or projects. As the loans are repaid, money becomes available for new applicants (hence, the program name “revolving funds”). These loans must have interest rates at or below market rate, including zero or negative interest rates, and can include additional subsidization such as grants and loan forgiveness.

These loans are available to small livestock operations and AFOs under one set of requirements and to CAFOs under another. AFO and smaller animal operations can use CWSRF loans to implement agricultural best management practices or other section 319 management plans, as authorized under Section 319 of the Clean Water Act. CAFOs are not eligible for CWSRF loans to implement Section 319 nonpoint source state management programs, as they are defined as point sources. However, a CAFO may be eligible for a CWSRF loan if that CAFO contributes to the implementation of a Comprehensive Conservation and Management Plan under the National Estuary Program. Currently, there are 28 designated estuaries throughout the U.S. that have such management plans.

By October 2017, CWSRF had funded over $700M in agricultural best management projects.

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72 Learn about the Clean Water State Revolving Fund (CWSRF), supra note 66.
73 Id.
74 Id.
75 Id.
77 Id.
79 Funding Agricultural Best Management Practices with the Clean Water State Revolving Fund, supra note 72.