



COMMONWEALTH of VIRGINIA
DEPARTMENT OF CONSERVATION AND RECREATION

600 East Main Street, 24th Floor
Richmond, Virginia 23219
(804) 786-6124

December 13, 2013

The Honorable Walter A. Stosch
Chairman, Senate Finance Committee
Innsbrook Centre, 4551 Cox Road, Suite 110
Glen Allen, VA 23060-6740

The Honorable Lacey E. Putney
Chairman, House Appropriations Committee
P.O. Box 127
Bedford, VA 24523

SUBJECT: Federal Conservation Innovation Grants Report

Dear Senator Stosch and Delegate Putney,

This correspondence on Conservation Innovation Grants is being submitted to satisfy the requirements of Item 360 P. of Chapter 806 of the 2013 Virginia Acts of Assembly:

“P. The Department of Conservation and Recreation [Department] shall report on the number of Conservation Innovation Grants provided to Virginia farmers or other entities by the U.S. Department of Agriculture, the assistance provided by the department in support of Conservation Innovation Grant applications, the financial assistance the department provides to farmers and other entities who have been awarded Conservation Innovation Grants, how farmers and other entities awarded Conservation Innovation Grants are notified about the department's financial assistance or the rescission of such financial assistance, and the technical assistance the department provides to farmers and other entities awarded Conservation Innovation Grants. The Department of Conservation and Recreation shall provide this report to the Chairmen of the House Appropriations and Senate Finance Committees by October 15, 2013.”

Federal Conservation Innovation Grants (CIG) have been awarded by USDA's Natural Resources Conservation Service (NRCS) to entities across the nation to help develop and demonstrate cutting-edge ideas to improve conservation on private lands since 2004. The grant winners are required to demonstrate innovative approaches to improving soil health, conserving energy, managing nutrients and enhancing wildlife habitat. Under CIG, federal Environmental Quality Incentives Program (EQIP)

funds are used to award competitive grants to non-Federal governmental or non-governmental organizations, federally-recognized Tribes, or individuals. CIG is authorized under EQIP.

Through these grants, CIG enables NRCS to accelerate technology transfer and adoption of promising technologies and approaches to address some of the Nation's most pressing natural resource concerns. CIG benefits agricultural producers by providing more options for environmental enhancement and compliance with Federal, State, and local regulations.

Federal funding for CIG is announced each year and funds for single- or multi-year projects, not to exceed three years, are awarded through a nationwide competitive grants process. At least 50 percent of the total cost of the project must come from non-Federal matching funds (cash and in-kind contributions) provided by the grantee. The grantee also is responsible for providing the technical assistance required to successfully complete the project. NRCS provides technical oversight for each project receiving an award. In addition to the nationwide grants competition, a State NRCS component of CIG is available in select States each year. A state component does exist in Virginia.

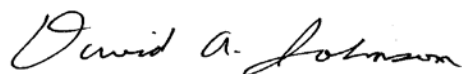
The Department is not a participant in this federal grant process. There has only been one grant in the recent history of the program where NRCS asked the Department of Conservation and Recreation to consider providing state Water Quality Improvement Act cost-share as in-kind match funding against a grant award. Although the federal project changed in scope and location, Virginia remained committed to providing a \$50,000 FY11 non-cash in-kind match as part of a litter to energy system project. It is also possible that on occasion a farmer that receives Department allocated cost-share dollars for a project may be participating in a CIG program. Such participation would be unknown to the Department except through possible notations in the Virginia Agricultural Cost-Share tracking program as "other" funds. It is also likely that Department and Soil and Water Conservation District staff have been periodically consulted by potential CIG grant applicants to provide technical assistance in areas related to Virginia agricultural best management practices, specifications and standards, or cost-share funding.

The NRCS website contains a host of information regarding the CIG program including program background materials, fact sheets, grants notices, press releases, and grant award reports (back to 2004). The primary website for the program is: <http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/cig/>. A detailed list of projects receiving national funding awards may be found at: <http://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/financial/cig/?cid=stelprdb1186125>. Additionally, a September 2013 NRCS press release regarding Virginia national and state projects [three national projects (~\$2.2 M) and seven state projects (~\$406 K)] may be found at: <http://www.nrcs.usda.gov/wps/portal/nrcs/detail/va/newsroom/releases/?cid=STELPRDB1186423>.

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We hope this letter provides you with useful information regarding this federally administered program.

Respectfully submitted,

A handwritten signature in black ink that reads "David A. Johnson". The signature is written in a cursive style with a large, stylized 'D' and 'J'.

David A. Johnson

cc: Clyde Cristman, Legislative Analyst, Senate Finance Committee
Paul Van Lenten, Jr., Legislative Fiscal Analyst, House Appropriations Committee