

United States Department of Agriculture



Natural Resources Conservation Service  
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To Be Sent Via Electronic Mail

March 25, 2004

MINNESOTA BULLETIN NO. 300-4-22

SUBJECT: LTP – EQIP – CONTRACT TERMINATION

Purpose. To provide review of the process for voluntary termination of EQIP contracts.

Expiration Date. September 30, 2004.

Per National EQIP Program Policy the NRCS Designated Conservationist, in consultation with the SWCD, may terminate a contract if requested by the producer in writing and the termination is justified. Justification includes, but is not limited to:

- Natural disasters
- Other documented hardships
- In the public interest.

It would not be routinely justified nor generally in the public interest to terminate a contract in order for the participant to re-apply for the same practice(s) at a current, higher cost-share or incentive payment rate.

The 2003 version of the CCC-1200 Appendix includes a provision for recovery of cost equal to 20 percent of the total financial and technical assistance obligated to the participant. To date, Minnesota NRCS has not requested a recovery of costs beyond those cost-share dollars expended for incomplete practices. Any person whose contract is terminated would compete in any future application period based on the then current scoring procedure and is not guaranteed any future acceptance nor funding.

For 2004 scoring, EQIP contracts terminated in FY 2004 will be scored as low-priority applications if they apply for any EQIP practices in FY 2004. Low-priority applications will not receive funding at this time.

The Designated Conservationist should forward all requests for termination or cancellation, along with the DC's recommendation, through the area office to the State Office for review.

Questions should be directed to your ASTC(FO) or through your area office to Tim Koehler, Assistant State Conservationist.

WILLIAM HUNT  
State Conservationist

DIST: AC  
DC  
ARC  
EQIP State Office Team