

02 NCAC 59D .0103 AGRICULTURE COST SHARE PROGRAM FINANCIAL ASSISTANCE ALLOCATION GUIDELINES AND PROCEDURES

(a) The Commission shall allocate cost share funds to districts for cost share payments and cost share incentive payments. In order to receive fund allocations, each district shall submit an annual strategic plan to the Commission by June 1 of each year.

(b) Funds shall be allocated to the districts at the beginning of the fiscal year and whenever the Commission determines that sufficient funds are available to justify a reallocation. District allocations shall be based on the identified level of agricultural nonpoint source pollution problems, the respective district's BMP installation goals as demonstrated in the district's annual strategic plan, and the district's record of performance to affect BMP installation by participating farmers. The allocation method used for disbursement of funds shall be based on the relative position of each respective district for those parameters approved by the Commission pursuant to Paragraph (g) of this Rule. Each district shall be assigned points for each parameter, and the points shall be totaled and proportioned to the total dollars available under the current program year funding according to the following formula:

$$\begin{array}{rclcl}
 (1) & \text{Sum of Parameter Points} & = & \text{Total Points} & \\
 (2) & \text{Percentage Total} & & \text{Total} & \text{Dollars Available} \\
 & \text{Points Each} & \times & \text{Dollars} & \text{to} \\
 & \text{District} & & \text{Available} & \text{Each District}
 \end{array}$$

(3) The minimum allocated to a district shall be twenty thousand dollars (\$20,000) per program year, unless the district requests less than twenty thousand dollars (\$20,000).

(4) If a district requests less than the dollars available to that district in Subparagraph (b)(2) of this Rule, then the excess funds shall be allocated to the districts who did not receive their full requested allocation using the same methodology described in Subparagraph (b)(2) of this Rule.

(c) In the initial allocation, 95 percent of the annual appropriation shall be allocated to district accounts administered by the Division. The Division shall retain five percent of the annual appropriation as a contingency to be used to respond to an emergency or natural disaster. If the contingency funds are not needed to respond to an emergency, then they shall be available for allocation after March 1.

(d) The Commission may recall funds allocated to a district that have not been encumbered to an agreement at any time if it determines the recalled funds are needed to respond to an emergency or natural disaster.

(e) At any time a district may submit a revised strategic plan to request additional funds from the Commission.

(f) Agreements that encumber funds under the current fiscal year shall be submitted to the Division by 5:00 p.m. on June 30.

(g) For the Agriculture Cost Share Program for Nonpoint Source Pollution Control, districts shall be allocated funds based on their respective data for each of the following parameters:

(1) Percentage of total acres of agricultural land in North Carolina that are in the respective district as reported in the most recent edition of the North Carolina Census of Agriculture. This report is incorporated by reference with all subsequent amendments and editions and may be accessed at no charge at www.agcensus.usda.gov. The actual percentage shall be normalized to a 1-100 scale. (20%)

(2) Percentage of total number of animal units in North Carolina that are in the respective district as reported in the most recent edition of the North Carolina Census of Agriculture and converted to animal units using the conversion factors approved by the USDA-Natural Resources Conservation Service. The actual percentage shall be normalized to a 1-100 scale. (20%)

(3) Relative rank of the percentage of the county outside of municipal boundaries as defined by North Carolina Department of Transportation at https://gis11.services.ncdot.gov/arcgis/rest/services/NCDOT_CityBdy_Poly/MapServer/0, draining to waters identified as impaired or impacted on the most recent Integrated Report a produced by the North Carolina Division Water Resources. This report is incorporated by reference with subsequent amendments and editions, and may be accessed at no charge at <https://deq.nc.gov/about/divisions/water-resources/planning/classification-standards/classifications>. (20%)

(4) Relative rank of the percentage of the county draining to waters classified as Primary Nursery Areas, Outstanding Resource Waters, High Quality Waters, Trout Waters on the current schedule of Water Quality Standards and Classifications, Shellfish Harvesting Areas (open) as determined by the Division of Marine Fisheries, and North Carolina Drinking Water Assessment Areas as determined by the Division of Water Resources. . All documents incorporated by reference may be

accessed at no charge. The Classifications are incorporated by reference with subsequent amendments and editions, and may be accessed at no charge at <http://ncdenr.maps.arcgis.com/apps/webappviewer/index.html>. The Shellfish Harvesting Areas may be accessed at <http://portal.ncdenr.org/web/mf/shellfish-closure-maps>. The Drinking Water Assessment Areas may be accessed at <http://deq.nc.gov/about/divisions/water-resources/drinking-water/drinking-water-protection-program/mapping-applications>. (10%)

- (5) Percentage of program funds allocated to a district that are expended for installed BMPs in the highest three of the most recent seven-year period as reported in the NC Cost Share Contracting System. . (20%)
- (6) Relative rank of the number of acres of highly erodible land in the county as reported by the United States Department of Agriculture Farm Service Agency, unless the State Conservationist of the Natural Resources Conservation Service specifies that another information source would be more current and accurate. (10%)

History Note: Authority G.S. 106-840; 106-850; 106-860;139-4; 139-8;139-60;
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