

Funding Assistance Programs for Irrigation Development in North Dakota



Financial incentives
for irrigators and
irrigation districts



Tom Scherer
Agricultural Engineer
NDSU Extension Service

Milt Lindvig
Field Representative
North Dakota Irrigation Association

Jerry Schaack
Field Representative
North Dakota Irrigation Association



Programs for Individual Irrigators . . .

■ Bank of North Dakota (BND) Programs

AgPACE (Agricultural Partnership in Assisting Community Expansion) Program

- The AgPACE program is an interest rate buy-down program available to farmers to create an on-farm business integrated into the farm operation.
- The producer initiates the loan through a local lender, who requests the participation of the BND.
- The interest rate buy-down is up to 4 percent below yield rate. The maximum buy-down per borrower may not exceed \$20,000 per biennium, with a lifetime cap of \$60,000.
- To receive buy-down funds in excess of \$20,000, the applicant must have a net worth of less than \$1 million.
- For irrigation development, an additional \$20,000 is available from the North Dakota State Water Commission through the BND for a total buy-down of \$40,000 for the first-time borrower.
- The program may be used only for new irrigated acres.
- The AgPACE program is limited to the interest buy-down maximums, whether it is through one or more loans.

■ For more information, contact:

Rod Anheluk
(701) 328-5780
or visit the Bank of North Dakota website:
www.banknd.com

U.S. Department of Agriculture

■ Natural Resources Conservation Service

Environmental Quality Incentives Program (EQIP)

- EQIP is a voluntary program that offers farmers and ranchers a tool to address their natural resource concerns while achieving environmental benefits.
- Owners of land or people who are engaged in livestock, agricultural or forest production and have a natural resource concern may participate in the EQIP program.
 - *To be eligible, land must have been irrigated at least two of the last five years and meet Natural Resources Conservation Service soil/water quality compatibility standards and hold a current water permit.*
- EQIP offers a suite of irrigation water management and structural conservation practices with financial and technical assistance. Assistance is available for practices that result in a net water savings in the current water application method or for conversion to a more efficient water application method.
- Financial assistance is based on a payment schedule that accounts for a typical irrigation installation cost.
 - *Limited-resource and beginning farmers may be eligible for a higher rate of financial assistance.*
- Program participants will be required to implement an irrigation water management plan.
- The program also offers technical assistance in the design of the system.
- Applications are accepted on a continual basis for the program. The NRCS established application deadlines for evaluation and ranking of eligible applications. Please check the NRCS website or contact your local NRCS Service Center for a list of application deadlines.

■ For more information, contact your local NRCS Service Center.

More information also is available at
www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/financial/eqip/?&cid=stelprdb1044009.

Programs for Irrigation Districts . . .

■ State Water Commission

State Water Commission Cost-share Program for Irrigation Development

- The program is available only to political subdivisions, such as irrigation districts.
- The State Water Commission's cost-share is up to 50 percent for eligible items, depending on the availability of funds.
- Eligible items are those associated with new central supply works, such as pump intakes, pumps, power units, conveyance facilities, electric power facilities, other related facilities and engineering.
- Maintenance costs are not eligible.
- Plans and cost estimates, along with an economic feasibility determination, are required for a new project.

■ **For more information,**
contact the director of the
Water Appropriations Division,
State Water Commission, at
(701) 328-2754.

■ Capital Financing Program

Irrigation and Related Facilities Program

- The program is available to qualifying organizations, including irrigation districts.
- The program may be used for equipment and water supply infrastructure that the irrigation district owns, as well as storage facilities for commodities produced under irrigation.
- The North Dakota Public Finance Authority issues the bonds.
- The program requires that the irrigation district have 20 percent equity in the project.
- The U.S. Department of Agriculture, through the Guaranteed Business and Industry Loan Program, guarantees the bonds for up to 80 percent of the project cost on qualifying projects.

■ **For more information, contact:**
DeAnn Ament
North Dakota Public Finance Authority
(701) 426-5723
email: ndpfa@nd.gov

**For information about
irrigation development,
contact:**

Jerry Schaack

Field Representative
North Dakota Irrigation Association
Bismarck
(701) 223-4615
ndirrigation@btinet.net

Milt Lindvig

Field Representative
North Dakota Irrigation Association
Bismarck
(701) 223-4615
ndirrigation@btinet.net

Tom Scherer

Agricultural Engineer
Water Quality/Irrigation
NDSU Extension Service
Fargo
(701) 231-7239
thomas.scherer@ndsu.edu

■ Cover photos by Tom Scherer ■

For more information on this and other topics, see www.ag.ndsu.edu

NDSU encourages you to use and share this content, but please do so under the conditions of our Creative Commons license. You may copy, distribute, transmit and adapt this work as long as you give full attribution, don't use the work for commercial purposes and share your resulting work similarly. For more information, visit www.ag.ndsu.edu/agcomm/creative-commons.

North Dakota State University does not discriminate on the basis of age, color, disability, gender expression/identity, genetic information, marital status, national origin, public assistance status, sex, sexual orientation, status as a U.S. veteran, race or religion. Direct inquiries to the Vice President for Equity, Diversity and Global Outreach, 205 Old Main, (701) 231-7708.

County Commissions, NDSU and U.S. Department of Agriculture Cooperating.
This publication will be made available in alternative formats for people with disabilities upon request, (701) 231-7881.