DATCP's Environmental Assessment

for the 2026 Joint Allocation Plan

Preliminary

August 2025

Soil and Water Resource Management Grant Program and Nonpoint Source Program

Contents

Signature Page and Final Determination

This assessment finds that the *2025 Preliminary Allocation Plan* will have no significant negative environmental impact and is not a major state action significantly affecting the quality of the human environment. No environmental impact statement is necessary under s. 1.11(2), Stats.

Date _____ By _____

Susan Mockert
Land and Water Resources Bureau
Agricultural Resource Management Division

The decision indicating that this document is in compliance with s. 1.11, Stats., is not final until certified by the Administrator of the Agricultural Resource Management Division.

Date _____ By _____

Timothy J. Anderson, Administrator
Agricultural Resource Management Division

I. The Nature and Purpose of the Proposed Action

Each year the Department of Agriculture, Trade and Consumer Protection (DATCP), together with the Department of Natural Resources (DNR), allocates grant funds to counties and others for the purpose of supporting county conservation staff, landowner cost-sharing, and other soil and water resource management (SWRM) activities. DATCP funds are allocated in accordance with chs. 92 and 281, Wis Stats. and ATCP 50, Wis. Adm. Code. Counties are required to have DATCP-approved land and water resource management (LWRM) plans as an eligibility condition for grants. The details of DATCP's proposed action are set forth in charts and tables in the 2026 Joint Allocation Plan that accompanies this Environmental Assessment.

II. The Environment Affected by the Proposed Action

As further explained in Section III.A., the DATCP grant program operates in every county, potentially covering all of Wisconsin's 34.8 million acres. While the program can fund a range of activities that protect surface and ground waters throughout the state, grant funds are primarily used to protect rural areas and install conservation practices on farms, which now account for less than 42% of Wisconsin's land base (14.3 million acres). Ultimately, each county's LWRM plan determines the nature and scope of conservation activities in the area and the natural resources impacted by DATCP funds.

III. Foreseeable Environmental Effects of the Proposed Action

A. Immediate Effects

The environmental effects of the proposed allocation plan are positive. Through support for conservation staff and landowner cost-sharing, the proposed allocation plan will result in actions on farms and other areas that reduce soil erosion, prevent farm runoff, improve soil health, increase nutrient management planning, and minimize pollution of surface and ground water.

County Staffing: For the 2025-2027 biennium, the annual funding for conservation staff increases from $11.2 million in 2025 to $14.6 million in 2026. Staffing grants enable counties to hire and retain conservation staff who have the experience and technical skills required to implement county resource management plans, including

- Supporting compliance with the state agricultural performance standards
- Facilitating landowner participation in state and federal cost-share programs
- Ensuring cross-compliance of producers in the farmland preservation program (FPP)
- Supporting the development of technical standards, nutrient management training, and coordination between the public and private sector.

The significant increase in staff and support grant funding will better enable counties to provide support for programs such as producer-led watershed councils, phosphorus and nitrate management, and creation of programming to address the persistence of intractable ground and surface water issues throughout the state.

Cost-sharing for conservation practices: Each year counties use cost-share funds to address state and local priorities identified in their local plans. In 2023 and 2024, counties spent a cumulative total of ~$5.2 million in DATCP funds to install cost-shared practices. Table A highlights the top conservation practices funded by DATCP cost-share and spent by counties in 2023 and 2024.

Table A: Cost-Share Expenditure Comparison

Conservation Practice	2023 Cost-Share Dollars Spent (in millions)	2023 Units of Practice Installed	2024 Cost-Share Dollars Spent (in millions)	2024 Units of Practice Installed
Barnyard Runoff Control	0.3	7 systems	0.15	10 systems
Manure Storage System	0.13	8 systems	0.26	7 systems
Manure storage Closure	0.43	49 systems	0.42	50 systems
Cover and Green Manure	0.46	17,381 acres	0.80	18,496 acres
Grade Stabilization	0.32	33 structures	0.39	45 structures
Livestock Watering Facilities	0.12	22 systems	0.12	25 systems
Nutrient Management Planning	1.0	25,902 acres	1.25	31,9612 acres
Prescribed Grazing /Permanent Fencing	0.09	84,583 feet	0.12	83,707 feet
Streambank Crossing	0.19	5,233 feet	0.18	1,688 feet
Streambank and Shoreline Protection	0.37	10,735 feet	0.35	10,386 feet
Waterway Systems	0.47	167 acres	0.47	2,073 acres

Notably, from 2023 to 2024 there was

- an increase in barnyard runoff control systems installed,
- an increase in cover and green manure practices installed, reflecting the multiple levels of cover crop support in ATCP 50, and
- continued significant grant funds to support nutrient management planning.

Long-Term Effects

Over time DATCP's annual financial support of county staff and other project cooperators, including the University of Wisconsin System and Wisconsin Land and Water, has built and sustained a statewide conservation infrastructure that delivers the following reinforcing benefits:

- Conservation outreach and education
- Development of conservation technologies (such as SNAP Plus and the Manure Advisory System) and the training systems to effectively use these technologies
- Technical and engineering assistance that ensures proper design and installation of conservation practices
- Resource management planning that addresses local and state priorities with an emphasis on annual work planning and reporting
- Permitting and other regulation of livestock farms that requires properly designed manure storage and nutrient management plans
- Farmland Preservation Program (FPP) administration that protects valuable resources and promotes conservation compliance
- Producer-Led Watershed administration and technical assistance

With the increase to the staffing allocation for fiscal biennium 2025-2027, the amount of funding DATCP is able to give to support county conservation increased by $3,375,100 from the 2025 allocation for a total of $14.6 million. This level of funding covers the first and second positions fully and 71% of a third position (funded at 50%), the most funding ever available via SWRM staffing grants. Though this is a significant increase, the total staffing allocation required to meet the statutory goals for the program is $15,362,388 and the total staffing requests in the 2026 applications is $21,558,833.

DATCP cost-share grants are critical in helping landowners and other producers meet their individual needs and essential to make progress in achieving broader water quality goals. Most producers are not required to meet state runoff standards without cost-sharing. Long-term state commitment to farmer cost-sharing determines the extent to which conservation practices are installed and ultimately the degree to which water quality is improved. Installing conservation practices in a watershed or other area over time results in water quality improvement.

Fully assessing the long-term benefits, however, is complicated. The DATCP grant program operates within a collection of conservation and natural resource programs, and as such, other program priorities will affect DATCP funds. See Section III.E. for a more detailed discussion.

B. Direct Effects

DATCP cost-share grants result in the installation of conservation practices and capital improvements on rural and agricultural lands for the purpose of protecting water quality and improving soil health. Grants to counties and cooperators also secure access to technical or other assistance that supports conservation efforts, including conservation education and nutrient management planning.

C. Indirect Effects

Installed conservation practices not only improve resources in the immediate area, but also benefit surrounding areas, including resources located downstream from the installed practice. For example, nutrient management and cropping practices implemented on fields upstream from a lake reduce sediment and nutrients that would otherwise be deposited in surface waters and can provide additional protection for groundwater. Installed practices may have secondary benefits at a site, such as shoreline buffers, which not only serve to control runoff and impede erosion but also increase wildlife habitat.

DATCP policies and rules mitigate secondary impacts from the installation and maintenance of conservation practices. Prior to any land-disturbing activity, counties are required to evaluate impacts to cultural resources. To minimize erosion from excavation and construction projects, such as a manure storage facility or barnyard runoff control system, landowners are required to implement measures to manage sediment runoff from construction sites involving DATCP cost-shared practices. Adverse environmental impacts may result from improper design and installation of practices. DATCP rules help prevent this outcome by requiring the design and construction of cost-shared projects according to established technical standards. Improper maintenance can undermine the benefits of a long-term conservation practice. Requiring landowners to maintain conservation projects installed with DATCP cost-share dollars ensures DATCP that practices perform in the long-term as intended.

In rare cases, certain negative impacts are unavoidable. For example, unusual storm events can cause manure runoff from the best-designed barnyard. Unavoidable impacts may also arise if a cost-shared practice is not maintained or is improperly abandoned. Manure storage facilities that are not properly abandoned or emptied may present a water quality threat if they aren't closed in accordance with technical standards.

Overall, the positive benefits of reducing nonpoint runoff through conservation measures significantly outweigh the slight risks associated with the installation and maintenance of conservation practices.

D. Cumulative Effects

While it is difficult to accurately gauge the cumulative effects of delivery of this allocation plan, it is clear that SWRM grant funds play an integral part in supporting a comprehensive framework of federal, state, and local resource management programs. With the increase to the staffing allocation for the 2025-2027 biennium, DATCP can provide support for 117 of the 387 conservation employees in the state's 72 counties. This helps to secure the foundation necessary for delivering myriad conservation programs, which, among other accomplishments, achieved the following:

- In 2024 the Natural Resources Conservation Service (NRCS) provided $87.6 million for conservation programs, including $58.3 million in Environmental Quality Incentives (EQIP) payments to install conservation practices with the top five expenditures related

to cover crops ($15.9 million), fencing ($7.5 million), residue and tillage management ($7.3 million), and livestock pipeline ($6.9 million).

- The conservation reserve enhancement program (CREP) protects important soil and water resources while allowing landowners to make use of valuable adjacent agricultural lands. As of early 2025, there are 39,868 acres of water quality conservation practices currently under active agreements. During the 2024 federal fiscal year, the state processed and paid incentives for 118 CREP contracts totaling 1,160 acres. New enrollments account for 64 of the contracts on 407 acres with an additional reenrollment of 54 existing contracts on 753 acres that expired in 2024. Approximately 21.95 miles of stream or shoreline were buffered by CREP conservation practices (e.g. riparian buffers and filter strips) enrolled in federal fiscal year 2024. These practices have resulted in an estimated annual reduction of 2,355 pounds of phosphorus, 1,271 pounds of nitrogen, and 1,086 tons of sediment runoff.
- The DNR continued annual funding in 2024 for Targeted Runoff Management Projects (TRM), providing over $2.3 million to counties to cost-share six small-scale and three large-scale projects. The DNR set aside $1million for farms issued a notice of discharge. The DNR received two applications from counties for cost-sharing of Urban Nonpoint Source and Storm Water Planning Projects. The Urban Nonpoint Source and Storm Water Construction grants were not solicited for in 2024.

Table B: DNR Funding 2024		
Program	Number of Projects	Sum of Total Amount Awarded
Large-scale TRM	3	$1,392,950
Small-scale TRM	6	$1,068,357
Urban NPS & Storm Water Mgmt. Planning	2	$29,015

- In 2023, through the Producer-Led Watershed Protection grant program, DATCP offered support to forty-three producer-led groups around the State, encompassing 2,016 producers managing 782,674 farmland acres. DATCP has awarded over $5.2 million since the program's inception in 2016.

- In 2024 there were 67 fields with nitrogen rate trials across the state actively contributing to the data used to create nitrogen recommendations in Wisconsin.

IV. Persons, Groups, and Agencies Affected by the Activity

A. **Those Directly Affected**

County Conservation Programs and Cooperators: The proposed allocation plan provides funding to support 72 county conservation programs. The increase to the staffing grant allocation for the 2025-2027 biennium will enable DATCP to completely support two employees per program and 71% of the requests for the third position (funded at 50%). The DATCP awards fall short of funding three staff per county at the prescribed rates in s. 92.14(6)(b), Stats, but funding levels are the highest in the program's history.

Landowners and Producers: Producers and other landowners rely on many services, including technical assistance provided by conservation staff funded with DATCP grants. They also benefit from cost-share dollars to install conservation practices. Long-term use of some conservation practices, such as nutrient management planning and cover crops, may have a positive impact on the finances of landowners and producers by helping plan needed purchases to maximize the yield of a field while minimizing additional fertilizers and pesticides required.

Other county residents: County residents benefit from resource management planning, permitting, and other services provided by county conservation staff funded through DATCP grants. Through information and education efforts, for example, a county can help non-farm residents better manage lawn fertilizers, encourage diversity in lawns, improve backyard wildlife habitat, control invasive species, and minimize construction site erosion.

Farm-related businesses: Farm supply organizations, private agronomists, nutrient management planners, soil testing laboratories, agricultural engineers, and construction contractors benefit from state grants to counties. Landowners who receive cost-sharing purchase goods and services from these entities.

B. Those Significantly Affected

Landowners whose soil and water resources are improved or protected as a result of DATCP funded activities benefit from DATCP allocations. Benefits may include protection of drinking water and improved soil health and stability or reduction in upstream nutrient and sediment delivery runoff. Certain measures, such as nutrient management plans and protective cropping practices, can help protect drinking water wells that serve neighboring landowners and communities. The public benefits from conservation practices that protect water resources and promote natural resources.

V. Significant Economic and Social Effects of the Proposed Action

DATCP grants support cost-sharing and technical assistance that enable producers and other landowners to meet their conservation goals and maintain eligibility for state program benefits. The economic impacts of installing conservation practices vary with each farmer and the type of practices involved. To receive cost-sharing, producers usually pay 30% of the costs (10% in the case of economic hardship) to install a practice. Non-agricultural practices are capped at 50% cost-share. By providing financial support to meet state runoff standards for farms, DATCP cost-sharing helps producers with the cost of compliance.

Producers often need to adjust their management routines when adopting conservation practices. With these changes, producers may face new risks, including potential for reduced productivity. However, producers implementing these practices may also see long-term benefits including savings on labor and fertilizer and improved soil health that may lead to yield gains and reduced liability for environmental problems.

From the standpoint of local economies, grant funds will generate demand for the purchase of goods and services to design, install, and maintain conservation practices. The farm-related businesses listed in IV.A. will directly profit from this increased demand.

Socially, DATCP allocations provide needed support for the farming community and others who take an active role in the protection and preservation of natural and agricultural resources. Through the increased adoption of conservation measures, producers and landowners showcase their role as responsible and conscientious neighbors in rural communities. Improved water quality enhances recreational opportunities and protects the scenic rural landscape, two things that are features essential to tourism.

VI. Controversial Issues Associated with the Proposed Action

For the 2025-2027 biennium, the SWRM grant program will monitor impacts of the increase in staffing funds.

The $7.0 million authorization for structural cost-sharing has not increased since 2002 and fails to meet current program needs. Over the last 20+ years, landowner costs for practices have increased for several reasons:

- Rising labor and material costs means construction costs of engineered practices in the last 5-10 years have increased significantly. (United States Construction Market Trends | CBRE).
- Expanded conservation responsibilities require producers to install more conservation practices. For example, DNR adopted new performance standards in 2011 and 2018, and DATCP tightened manure-spreading restrictions. These new requirements mean producers will have to adopt additional conservation practices to address conservation concerns. The Silurian bedrock standard will also influence the need for conservation practices in specific areas of the state.

The unmet needs for cost-sharing structural practices may call for creative solutions, including the expanded use of SEG funds to pay for these practices. Increases in conservation spending are much needed and long overdue. However, the main source of funding for these conservation activities is inadequate to support more spending. A better supported and more sustainable source of funding is necessary to tackle our conservation challenges.

VII. Possible Alternatives to the Proposed Action

A. **No Action**

Taking no action on the proposed allocations is inconsistent with legal requirements. DATCP and DNR are statutorily mandated to provide grant assistance for their respective programs through an annual allocation as long as the state appropriates the necessary funds.

B. **Delay Action**

DATCP is under legal obligation to make an annual allocation within a specific timetable. Furthermore, there is no financial justification for a delay since the funding is available. Delaying the grant allocation runs the risk of hampering counties in

meeting their legal responsibilities, including their contractual responsibilities to landowners, and undermines the significant environmental, economic, and social benefits of the program.

C. **Decrease the Level of Activity**

Decreasing the allocations would reduce environmental benefits, impede local program delivery, is not warranted based on the available funding for DATCP programs, and would be inconsistent with legislative intent to implement the nonpoint pollution control program.

D. **Increase the Level of Activity**

Available appropriations and authorizations determine the overall level of activity. However, subject to the factors discussed in E below, DATCP may increase the allocation in a given project category to better target spending to achieve desired conservation benefits and further legislative objectives.

E. **Change the Amounts Allocated to Some or All Recipients**

The awards made in the allocation plan are based on specific grant criteria and reflect the input and consensus of the counties on funding issues. The allocation plan implements ch. ATCP 50, Wis. Adm. Code and legislative directives regarding allocation of grant funds. It also reflects the input and consensus of the counties on funding issues.

VIII. Mitigation of Adverse Environmental Effects

The allocations are anticipated to have positive environmental effects. Any adverse environmental effects will be of a secondary and minor nature that can be mitigated. DATCP minimizes adverse impacts through construction runoff control requirements, outreach and training, and improvements in the technical standards.