

**Title 15. Natural Resources and Economic Development**  
**Chapter I. Arkansas Natural Resources Commission, Department of**  
**Agriculture**  
**Subchapter B. Water**  
**Part 24. Arkansas Water Resource Agricultural Cost-Share Program**

**Codification Notes.** This part as promulgated prior to codification into the Code of Arkansas Rules provided as follows:

"Enabling and pertinent legislation. Ark. Code Ann. § 15-22-913 through 914, Arkansas Groundwater Protection Act. Ark. Code Ann. § 15-22-507, Water Development Fund. Ark. Code Ann. § 15-20-201 through 207, Arkansas Natural Resources Commission. Ark. Code Ann. § 14-125-101 through 907, Conservation Districts Law."

**Subpart 1. General Provisions**

**15 CAR § 24-101. Purpose.**

(a) The purpose of this part is to establish the procedures for implementing the Arkansas Water Resource Agricultural Cost-Share Program.

(b) This part is applicable to both the Arkansas Natural Resources Commission and conservation districts, when receiving commission delegation to implement the program.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-102. Definitions.**

The following definitions shall apply to this part:

(1) "Agricultural cost-share program" means the program administered by the United States Department of Agriculture pursuant to 16 U.S.C. §§ 590g – q3, 7 C.F.R. pt. 701, and 1-AR(ACP)(Rev. 11) Part 2, as amended;

(2) "Commission" means the Arkansas Natural Resources Commission, as defined in Arkansas Code §§ 15-20-201 – 15-20-207;

(3)(A) "Conservation plan" means a set of decisions addressing resource use, development, and conservation on a unit of land or water.

(B) The decisions are formally recorded in the conservation plan document that describes the schedule of operations and activities needed to solve identified problems;

(4) "Cooperator" means a person who has entered into a cooperative agreement with a conservation district to work together in planning and carrying out resource use, development, and conservation on a specific land area;

(5) "Department" means the Department of Agriculture;

(6) "Director" means the Director of the Natural Resources Division of the Department of Agriculture;

(7) "District" means a conservation district created under the Conservation Districts Law, Arkansas Code §§ 14-125-101 – 14-125-907; and

(8)(A) "Water conservation and development project or practice" means a project or practice to preserve or protect water.

(B) This term includes projects that:

(i) Result in either water quantity or quality benefits; or

(ii) Substitute the use of surface water for groundwater such that the groundwater resource may be protected.

**Authority.** Arkansas Code § 15-22-804.

### **15 CAR § 24-103. District transfer of funds.**

(a) A district obtaining delegation under 15 CAR § 24-201 et seq., may by appropriate resolution of the board of directors transfer funds held for use under this part to the water conservation education and information fund created under 14 CAR § 1-2501 et seq.

(b) Notice of this transfer shall be properly noted in the district:

- (1) Permanent records; and
- (2) Accounting records.

**Authority.** Arkansas Code § 15-22-804.

## **Subpart 2. Procedure for Delegation of Agricultural Cost-Share Program to Conservation Districts**

### **15 CAR § 24-201. Memorandum of understanding.**

Any district wishing to obtain delegation of the agricultural cost-share program within its boundaries shall enter into a memorandum of understanding with the Arkansas Natural Resources Commission agreeing to abide by this part.

**Authority.** Arkansas Code § 15-22-804.

### **15 CAR § 24-202. Annual plan.**

(a) Upon delegation, a district shall develop an annual plan in which it prioritizes water conservation activities within the district.

(b) The district shall take this plan in account when considering applications for financial assistance under this program.

(c) This plan shall be reviewed and updated annually.

(d) This plan must be submitted to the Arkansas Natural Resources Commission at the time the district operating plan required under 14 CAR § 1-1702 is submitted.

**Authority.** Arkansas Code § 15-22-804.

### **15 CAR § 24-203. Report of activities.**

(a)(1) The district shall provide the Department of Agriculture a copy of the annual reports of cost-share activities within the district.

(2) These reports shall be in a form acceptable to the Director of the Natural Resources Division of the Department of Agriculture and may include, but are not limited to, the following information:

- (A) Number and type of applications received;
- (B) Number and type of projects or practices approved;
- (C) Benefits to be received from approved projects or practices and amount of cost-share funding approved;
- (D) Projects or practices completed, including:
  - (i) Cost-share funds disbursed; and
  - (ii) Estimated dollar value of projects or practices installed;
- (E) Benefits to be received from the installed project or practice, including estimated quantity of benefits received (e.g., acre-feet of groundwater use converted to surface water use); and
- (F) Projects pending.

(b) This report shall be submitted with the assessment of activities required to be submitted to the director pursuant to 14 CAR § 1-1702(5).

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-204. Financial records.**

(a) A district obtaining delegation under this program shall establish and maintain a system of management and accounting for cost-share funds that is acceptable to the Director of the Natural Resources Division of the Department of Agriculture.

(b) Funds provided under this program to a district shall be subject to the financial reporting requirements of 14 CAR § 1-1901 et seq.

**Authority.** Arkansas Code § 15-22-804.

**Subpart 3. Application Procedures — Generally**

**15 CAR § 24-301. Applicant in general.**

(a) An applicant may be:

- (1) An individual;
- (2) A partnership;
- (3) A corporation;
- (4) A limited liability company;
- (5) A joint venture;
- (6) A watershed improvement district;
- (7) A drainage district; or
- (8) A regional water distribution district.

(b) Except for drainage and watershed improvement districts, the applicant must:

- (1) Be the owner of the property where the project is to be constructed/installed; or
- (2) Have property rights to said land that equal or exceed the predetermined project life of the project for which funding is requested.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-302. Applicant must be cooperator.**

(a) An applicant must be a cooperator with the district in which the cost-share funds are to be expended.

(b) If applicant is a joint venture, then all individuals shall be cooperators.

(c) This section shall not be applicable to drainage or watershed improvement districts.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-303. Conservation plan on file.**

(a) The farm on which the proposed project is located must have a current conservation plan on file with the district.

(b) This conservation plan must identify the proposed practice or project as a solution to one (1) or more identified water conservation problems.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-304. Application period.**

Applications for agricultural cost-share funds shall be accepted during the months of October, November, December, and January, unless otherwise approved by the Director of the Natural Resources Division of the Department of Agriculture.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-305. Application procedure.**

(a) Applications shall be made on forms provided by the district or Department of Agriculture and approved by the department.

(b) Required information includes, but is not limited to, the following:

- (1) Name, address, and telephone number of the applicant;
- (2) Description of proposed practice or project:
  - (A) Location of project;
  - (B) Type of project; and
  - (C) Sketch showing the location of proposed practice or project; and
- (3) Benefits to be obtained from the proposed project.

**Authority.** Arkansas Code §§ 15-22-804, 15-22-806.

**15 CAR § 24-306. Application review.**

(a)(1) As soon as practicable after the close of the application period, the applications received shall be reviewed.

(2) In making a decision concerning an application, consideration shall be given to the proposed project furtherance of:

- (A) The local district's annual plan;
- (B) The Arkansas Water Plan developed by the Department of Agriculture;

and

(C) Any other applicable plan of the Department of Agriculture or the Department of Energy and Environment.

(b)(1) All applications shall be prioritized as to benefits to be received in accordance with subsection (a) of this section.

(2) Applications shall be approved based upon this prioritization.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-307. Additional technical information on highest-ranking applications.**

(a) The Director of the Natural Resources Division of the Department of Agriculture, for applications made to the Department of Agriculture, or the district board of directors, for applications made to a district, shall request that applicants with highest priority ranking applications submit additional technical information concerning their applications.

(b) The following information shall be completed in consultation with the United States Department of Agriculture, district or Department of Agriculture technical staff, or an Arkansas-licensed professional engineer and submitted to supplement the application:

- (1) Estimate of extent of work (e.g., number of acres, feet of pipe, cubic yards of dirt);
- (2) Estimated construction schedule;
- (3) Estimated cost of project or practice; and
- (4) Amount of cost-share funds requested.

(c) If the applicant does not provide the additional information within thirty (30) days, the application will lose its priority ranking.

(d) As additional cost-share funds become available, applicants with the next-highest ranking priority shall be requested to submit this additional information.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-308. Consideration of applications.**

(a) The Director of the Natural Resources Division of the Department of Agriculture, on applications made to the Department of Agriculture, or the district board of directors, on applications made to a district, may approve, disapprove, or approve subject to conditions or limitations any application received.

(b) An application may be approved for the current year and up to two (2) years into the future.

(c)(1) No application shall be approved for cost-share funds in excess of five thousand dollars (\$5,000) per year.

(2) For joint venture applications, the limitation under this subsection shall be applicable to each individual joint venture participant.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-309. Limitation of cost-share participation.**

(a) Cost-share participation under this program is limited to sixty percent (60%) of allowable costs.

(b) Total cost-share participation from all contributing sources, including federal, state, and local sources, is limited to seventy-five percent (75%) of allowable costs.

**Authority.** Arkansas Code § 15-22-804.

**Subpart 4. Projects and Practices — Generally**

**15 CAR § 24-401. Project design criteria.**

All projects or practices shall be designed and installed in compliance with:

- (1) Current standards and technical specifications of the United States Department of Agriculture; or
- (2) Other standards and specifications approved by the Director of the Natural Resources Division of the Department of Agriculture.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-402. Project design.**

All projects or practices shall be designed by an:

- (1) Employee of the:
  - (A) United States Department of Agriculture;
  - (B) District; or
  - (C) Department of Agriculture; or
- (2) Arkansas-licensed professional engineer.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-403. Final inspection.**

(a) Upon completion of the installation of a project or practice, an inspection shall be conducted by a representative of the district, Department of Agriculture, or United States Department of Agriculture to ensure the projects are installed in compliance with applicable standards.

(b) Any deficiency found must be corrected prior to the disbursement of cost-share funds.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-404. Project maintained for project life.**

(a)(1) All projects or practices constructed or installed under this program shall be properly maintained for the predetermined project life.

(2) Project maintenance shall be the responsibility of the applicant.

(b) If a project or practice funded under this program is removed prior to the end of its predetermined life, the applicant shall repay to the Department of Agriculture or district the pro rata share of the remaining life of the project or practice.

**Example:** A project with a ten-year predetermined life is removed four (4) years after being installed, then  $(10 - 4)/10$  or sixty percent (60%) of the cost-share funds must be returned to the district or department.

(c) The district and department reserve the right to make periodic inspections of the project or practice during the predetermined life of the project or practice.

**Authority.** Arkansas Code § 15-22-804.

## **Subpart 5. Approved Projects and Practices**

### **15 CAR § 24-501. Projects and practices approved by the United States Department of Agriculture.**

All projects and practices approved for Arkansas by the United States Department of Agriculture shall:

- (1) Qualify as an approved water conservation and development project; and
- (2) Be eligible for cost-share assistance under this program.

**Authority.** Arkansas Code § 15-22-804.

### **15 CAR § 24-502. Projects and practices approved by the director.**

The Director of the Natural Resources Division of the Department of Agriculture may approve certain classes of projects and practices as water conservation and development projects eligible for cost-sharing under this program.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-503. Specific project approval.**

(a) An applicant wishing to develop a project or practice not being approved under 15 CAR § 24-501 or 15 CAR § 24-502 may request approval of the project from the Director of the Natural Resources Division of the Department of Agriculture.

(b) Upon approval by the director as an approved water conservation and development practice, the project or practice shall be eligible for cost-share funding under this program.

**Authority.** Arkansas Code § 15-22-804.

**Subpart 6. Agreements and Payments**

**15 CAR § 24-601. Cost-share agreement.**

(a) Within sixty (60) days after approval of an application, or if application is approved subject to availability of funds sixty (60) days after applicant is notified that funds are available, the applicant must enter into a cost-share agreement with the:

- (1) District; or
- (2) Department of Agriculture.

(b) The form of the agreement must be approved by the Director of the Natural Resources Division of the Department of Agriculture.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-602. Supplemental design, construction, or operation information.**

The district or Department of Agriculture may require additional information concerning design, construction, or operation of the project or practice at any time.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-603. Payment request and certification.**

(a) Upon final inspection and approval of the project or practice by the Department of Agriculture or district, the applicant may request payment of cost-share funds.

(b) This request shall be in a form approved by the Director of the Natural Resources Division of the Department of Agriculture and at a minimum contain:

(1) An accounting of expenses incurred in the installation of the project or practice;

(2) The allowed cost-share expenses; and

(3) Certification by the applicant that the project or practice was installed in compliance with approved specifications.

**Authority.** Arkansas Code § 15-22-804.

**15 CAR § 24-604. Payment of cost-share funds.**

Upon satisfactory review and approval, the Department of Agriculture or district shall make the proper payment to the applicant.

**Authority.** Arkansas Code § 15-22-804.