

**Agricultural Resources Conservation Fund (ARCF)
2019 Biennial Report**
Submitted to the Tennessee General Assembly

House Agriculture and Natural Resources Committee

Senate Energy, Agriculture and Natural Resources Committee



*Improving
Tennessee's
Natural Resources –
One Farm at a Time*



February 1, 2019

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On the Cover (clockwise, starting top left): Alternative livestock watering system and a heavy use area supporting a rotational grazing system in Wayne County, tillage radishes grown as part of a winter cover crop mix in Hardeman County, livestock exclusion fencing in Wayne County, and livestock exclusion fencing in Jefferson County.

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Introduction

In 1991 the 97th General Assembly established the Agricultural Nonpoint Water Pollution Control Fund [TCA §67-4-409(l)]. The purpose of the Fund was to implement a program for the abatement and prevention of nonpoint source pollution that may be caused by agricultural activities. Revenue for the program is derived from the Recordation Tax on the transfer of real property from which the Ag Nonpoint Fund receives 1.5 cents per \$100 of property value, or from appropriations of the General Assembly. Pursuant to TCA §67-4-409(m)(1)(C), the commissioner of agriculture is required to file a report every odd-numbered year that details the expenditures from this fund.

In 1997, the General Assembly enacted modifications to the Fund, by renaming it the Agricultural Resources Conservation Fund (ARCF), and by focusing the program to fund solutions to nonpoint water pollution from agriculture, to educate the landowners, producers, and managers about activities to eliminate nonpoint source pollution, and to fund projects associated with livestock production that may cause pollution. In FY 2003, the funding status of the program changed from being totally recurring to a mixture of recurring and non-recurring funding. In FY 2008, the funding status changed to totally non-recurring funding. In FY 2010, funding was restored to the original recurring status.

FIGURE 1: EXAMPLE OF A WINTER COVER CROP – HARDEMAN COUNTY



The ARCF provides funding to landowners in all 95 counties through partnerships with Tennessee's 95 Soil Conservation Districts to install needed Best Management Practices on their lands to lessen the impairment of the waters of Tennessee from excessive soil loss and livestock impacts, and associated pollutant transport. Funds are also available for a wide array of Information and Education projects, to educate landowners, producers and managers about how to best keep their operations from causing degradation of our streams, lakes, and rivers. Grants are also made to

purchase specialty equipment for the promotion of on-farm management activities which lessen soil erosion and impacts from runoff.

It is the responsibility of the Land and Water Stewardship Section within the Department's Administration and Grants Division to administer the ARCF. The ARCF is used by the Department as a programmatic non-federal matching fund for the 319 Nonpoint Source Water Pollution Grant Program, funded through the US Environmental Protection Agency.



FIGURE 2: ANIMAL TRAIL – POLK COUNTY

Program Components

Activities supported by the ARCF includes:

1. Best Management Practices (BMPs) that control soil erosion from cropland such as terraces, grade stabilization structures, diversions, water and sediment control basins, grassed waterways, field borders, riparian buffers, cover crop incentives and other practices that may be recommended by the United States Department of Agriculture, Natural Resources Conservation Service (USDA-NRCS).
2. BMPs that control and manage animal waste such as structural systems (lagoons, holding ponds), poultry composters, litter storage facilities, livestock exclusion systems, rotational grazing systems, alternative watering facilities, and other practices recommended by the USDA-NRCS.
3. Information and Education projects that promote the adoption of agricultural BMPs and create public awareness about such activities, such

as field days, workshops, events sponsored by Soil Conservation Districts, on-farm demonstrations conducted by institutions of higher education, and specialty equipment grants to encourage better management of resources.

Program Priorities

As stated in TCA §67-4-409 (l), "It is the intent of the general assembly that the highest priority of the agricultural resources conservation fund is to abate and prevent nonpoint source water pollution that may be associated with agricultural production." Further, the statute directs funds "to address point and nonpoint source water quality issues, as well as nuisance problems, including, but not limited to, odor, noise, dust and similar concerns". Therefore, the Department has developed guidelines for the program, to ensure that the BMPs installed across Tennessee will have a positive effect on the water resources of our state.

Financial History

Consistent with the requirements of TCA 67-4-409(m), the following is a summary of expenditures relative to implementation of the Agricultural Resources Conservation Fund. From FY 1992 to FY 2018, over \$84 million dollars have been directed and/or appropriated to this program, and to date, due to the voluntary participation of Tennessee farmers, over 45,000 conservation practices have been installed, positively impacting over 1.2 million acres of farmland and the adjacent and downstream water resources.

Summary of Activities of the ARCF

Fiscal Year	FY 1992-1999	FY 2000-2016	FY 2017	FY 2018
Revenues	\$18,489,629	\$65,434,358	\$6,660,002	\$7,282,701
Expenditures	\$16,767,331	\$54,863,669	\$7,691,544	\$5,434,051
Grants to Soil Conservation Districts	660	1,540	95	95
Grants to Other Qualifying Partners	139	223	10	6
Number of Practices Installed	11,275	28,157	3,618	1,978
Acres Treated/ Stabilized	340,624	763,007	105,498	76,297

FIGURE 3 (LEFT): DAIRY WASTE STORAGE FACILITY REHABILITATION – SULLIVAN COUNTY



FIGURE 4 (RIGHT): SINKHOLE PROTECTION – KNOX COUNTY

Documented Successes

To date, there have been 36 streams across Tennessee where water quality has measurably improved due to the implementation of conservation projects funded through the ARCF, along with other conservation partners. Full descriptions of these successes may be found online at:

<https://www.epa.gov/nps/nonpoint-source-success-stories-tennessee>
and
<https://www.tn.gov/agriculture/farms/conservation/nps-success-stories.html>

FIGURE 5: MAP OF TENNESSEE'S NONPOINT SOURCE SUCCESS STORY WATERSHEDS

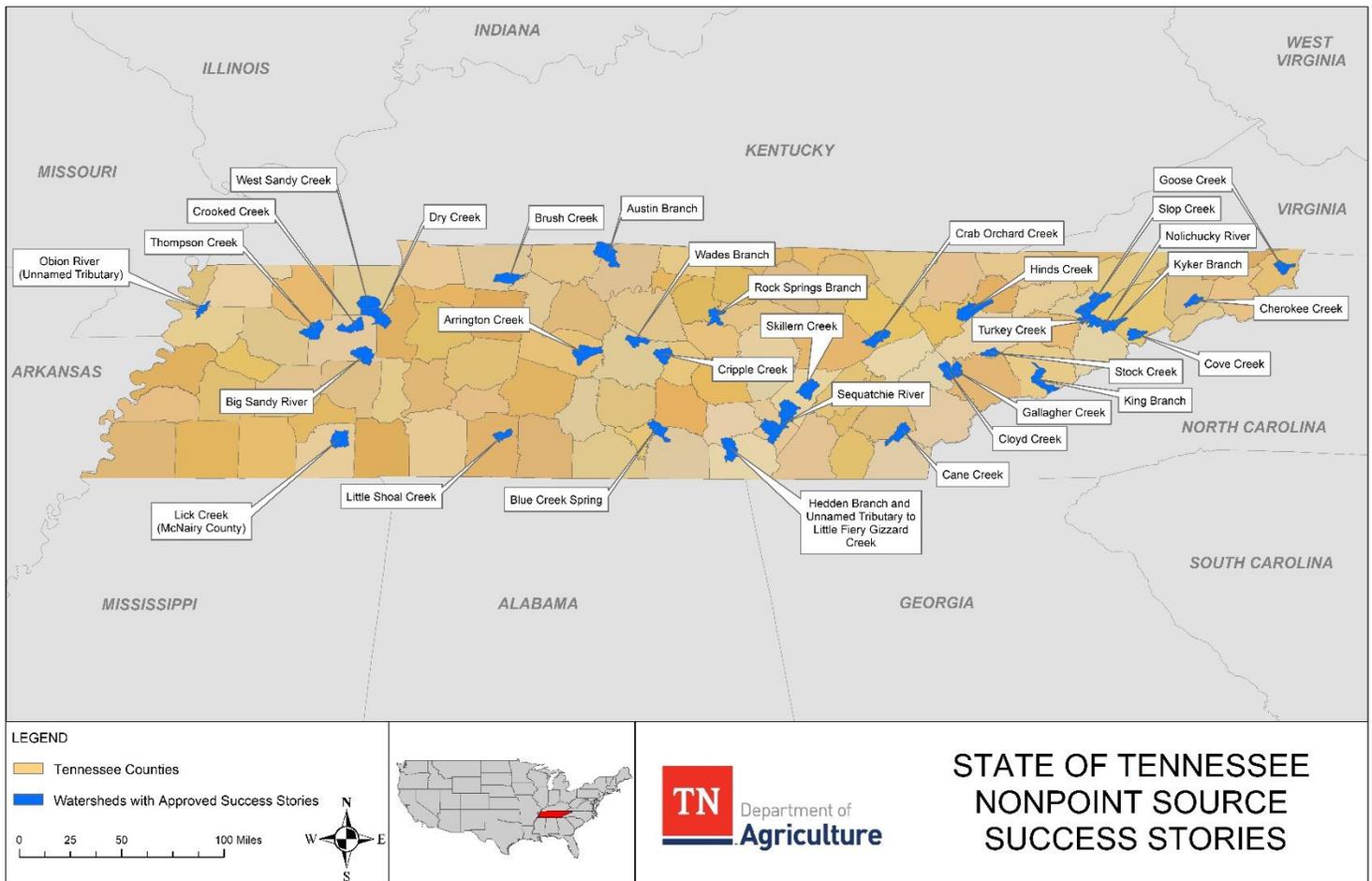


FIGURE 6 (LEFT):
STREAMBANK
STABILIZATION —
HICKMAN COUNTY



FIGURE 7 (ABOVE): BEFORE AND AFTER CLEARING A SNAGGED CREEK – KNOX COUNTY

FIGURE 8 (BELOW): INFORMATION AND EDUCATION ACTIVITIES – FARM TOURS, FIELD DAYS, AND EQUIPMENT INSTRUCTION



Summary of Expenditures

The table below is a report of Soil Conservation District expenditures for Fiscal Years 2017 and 2018 for the Agricultural Resources Conservation Fund, including administrative charges and equipment/field day grants.

County SCD	FY 2017		FY 2018		Totals	
	Conservation Practices Installed	Expenditures for Practices	Conservation Practices Installed	Expenditures for Practices	Total Conservation Practices	Total Expenditures (Including Conservation Practices, Administrative Costs, Education and Outreach, etc.)
Anderson	38	\$36,491.00	5	\$5,713.00	43	\$89,261.00
Bedford	65	\$114,263.75	9	\$41,910.34	74	\$186,887.56
Benton	8	\$19,709.64	6	\$15,399.68	14	\$89,227.20
Bledsoe	58	\$57,354.09	7	\$4,447.40	65	\$115,329.19
Blount	41	\$67,999.14	9	\$13,020.43	50	\$84,897.46
Bradley	50	\$86,789.20	24	\$56,992.92	74	\$104,826.90
Campbell	12	\$14,949.00	3	\$6,424.00	15	\$45,231.00
Cannon	28	\$69,294.90	18	\$46,117.33	46	\$124,771.32
Carroll	45	\$75,463.07	47	\$71,262.89	92	\$169,119.77
Carter	14	\$25,799.00	0	\$0.00	14	\$44,655.00
Cheatham	18	\$65,399.62	22	\$51,422.77	40	\$141,967.26
Chester	11	\$12,726.08	0	\$0.00	11	\$35,654.10
Claiborne	102	\$247,429.00	73	\$191,847.00	175	\$421,293.00
Clay	60	\$84,793.86	44	\$73,516.02	104	\$182,753.65
Cocke	25	\$72,391.00	15	\$20,629.00	40	\$100,839.00
Coffee	84	\$126,593.64	39	\$108,337.85	123	\$284,721.30
Crockett	27	\$21,983.85	7	\$16,988.84	34	\$58,222.44
Cumberland	27	\$32,190.20	9	\$20,562.30	36	\$84,104.75
Davidson	11	\$15,135.26	3	\$8,375.42	14	\$30,770.68
Decatur	92	\$86,557.30	37	\$68,592.92	129	\$165,750.93
DeKalb	59	\$48,960.94	33	\$47,016.20	92	\$103,324.21
Dickson	45	\$100,900.55	14	\$31,013.02	59	\$124,371.23
Dyer	9	\$25,276.20	12	\$21,500.00	21	\$93,174.66
Fayette	29	\$66,529.19	46	\$90,652.26	75	\$168,814.64

County SCD	FY2017		FY2018		Totals	
	Conservation Practices Installed	Expenditures for Practices	Conservation Practices Installed	Expenditures for Practices	Total Conservation Practices	Total Expenditures (Including Conservation Practices, Administrative Costs, Education and Outreach, etc.)
Fentress	73	\$94,716.81	44	\$98,618.76	117	\$246,540.08
Franklin	18	\$33,894.14	13	\$35,235.20	31	\$105,051.54
Gibson	56	\$116,250.91	44	\$89,695.19	100	\$256,916.73
Giles	49	\$73,963.59	43	\$97,664.32	92	\$179,633.91
Grainger	92	\$126,154.00	101	\$152,764.0 0	193	\$297,048.00
Greene	60	\$115,167.00	18	\$41,339.00	78	\$158,406.00
Grundy	1	\$1,823.30	5	\$6,888.30	6	\$15,581.60
Hamblen	42	\$70,550.00	29	\$72,446.89	71	\$171,893.00
Hamilton	18	\$31,837.58	11	\$24,645.26	29	\$67,448.42
Hancock	27	\$47,713.00	12	\$23,528.00	39	\$83,915.00
Hardeman	42	\$60,500.49	8	\$14,018.25	50	\$104,863.99
Hardin	21	\$46,396.95	22	\$94,557.84	43	\$146,422.04
Hawkins	47	\$116,474.00	17	\$65,884.00	64	\$171,466.00
Haywood	54	\$95,165.51	8	\$35,347.84	62	\$110,154.70
Henderson	76	\$84,605.50	37	\$80,123.20	113	\$169,828.32
Henry	49	\$84,728.69	22	\$43,270.01	71	\$135,893.20
Hickman	17	\$56,795.32	10	\$22,350.25	27	\$88,530.01
Houston	15	\$28,955.56	3	\$4,673.01	18	\$46,204.41
Humphreys	20	\$51,945.28	19	\$29,964.45	39	\$116,563.82
Jackson	56	\$60,651.35	48	\$86,690.69	104	\$162,381.08
Jefferson	78	\$108,384.00	49	\$80,917.00	127	\$215,523.00
Johnson	15	\$50,206.00	2	\$12,000.00	17	\$69,166.00
Knox	54	\$75,027.00	19	\$28,593.00	73	\$148,358.00
Lake	14	\$28,435.93	9	\$15,000.00	23	\$64,445.93
Lauderdale	153	\$257,429.46	84	\$117,251.8 1	237	\$264,010.79
Lawrence	33	\$55,891.22	11	\$38,919.45	44	\$115,611.03
Lewis	8	\$17,542.02	1	\$735.00	9	\$25,984.52
Lincoln	51	\$101,623.38	3	\$3,970.87	54	\$139,614.12
Loudon	19	\$28,088.33	16	\$25,435.82	35	\$69,376.24

County SCD	FY2017		FY2018		Totals	
	Conservation Practices Installed	Expenditures for Practices	Conservation Practices Installed	Expenditures for Practices	Total Conservation Practices	Total Expenditures (Including Conservation Practices, Administrative Costs, Education and Outreach, etc.)
Macon	61	\$47,708.63	34	\$42,557.40	95	\$95,133.12
Madison	18	\$39,060.62	15	\$63,283.84	33	\$110,640.32
Marion	14	\$11,001.57	4	\$12,705.25	18	\$30,126.82
Marshall	29	\$49,456.36	43	\$36,812.55	72	\$94,568.97
Maury	59	\$73,989.81	30	\$65,942.14	89	\$177,602.23
McMinn	18	\$120,747.26	10	\$11,229.76	28	\$139,233.29
McNairy	1	\$312.00	3	\$8,615.77	4	\$63,461.99
Meigs	29	\$25,046.46	14	\$23,171.17	43	\$66,154.63
Monroe	107	\$171,034.43	10	\$32,446.00	117	\$209,594.83
Montgomery	37	\$36,490.74	15	\$31,016.64	52	\$79,542.38
Moore	24	\$37,269.61	3	\$9,612.66	27	\$53,014.64
Morgan	15	\$73,987.00	14	\$12,631.00	29	\$134,521.00
Obion	40	\$74,871.38	46	\$99,464.83	86	\$194,224.80
Overton	34	\$57,721.02	47	\$112,399.92	81	\$234,758.00
Perry	11	\$22,344.32	6	\$14,442.76	17	\$45,456.03
Pickett	38	\$22,458.56	25	\$28,920.50	63	\$78,277.06
Polk	30	\$82,782.95	17	\$48,612.37	47	\$200,830.85
Putnam	41	\$61,538.33	19	\$22,143.78	60	\$72,046.15
Rhea	5	\$2,623.13	0	\$0.00	5	\$32,751.43
Roane	19	\$39,803.24	8	\$12,021.66	27	\$63,935.71
Robertson	45	\$79,128.87	37	\$58,384.26	82	\$202,712.35
Rutherford	30	\$40,797.74	9	\$28,933.08	39	\$79,217.54
Scott	27	\$37,685.29	5	\$11,489.78	32	\$57,715.04
Sequatchie	10	\$10,441.25	4	\$12,987.55	14	\$37,505.52
Sevier	50	\$64,620.00	3	\$7,308.00	53	\$80,598.00
Shelby	4	\$22,495.90	8	\$9,257.46	12	\$36,103.36
Smith	73	\$88,701.47	29	\$62,647.92	102	\$182,180.35
Stewart	13	\$21,925.76	5	\$1,315.00	18	\$46,740.76
Sullivan	30	\$63,877.00	20	\$62,126.00	50	\$153,143.00

County SCD	FY 2017		FY2018		Totals	
	Conservation Practices Installed	Expenditures for Practices	Conservation Practices Installed	Expenditures for Practices	Total Conservation Practices	Total Expenditures (Including Conservation Practices, Administrative Costs, Education and Outreach, etc.)
Sumner	19	\$58,020.82	17	\$50,000.00	36	\$129,249.53
Tipton	67	\$164,334.06	82	\$139,347.64	149	\$338,537.31
Trousdale	10	\$10,771.57	4	\$3,696.75	14	\$25,625.97
Unicoi	2	\$10,796.00	0	\$0.00	2	\$47,256.00
Union	122	\$271,754.82	33	\$49,310.00	155	\$343,399.62
Van Buren	20	\$42,086.04	7	\$28,971.07	27	\$122,260.39
Warren	46	\$86,214.55	21	\$31,694.66	67	\$125,409.21
Washington	18	\$51,699.00	3	\$6,740.00	21	\$71,190.00
Wayne	25	\$64,244.20	25	\$48,264.85	50	\$133,431.69
Weakley	22	\$38,830.28	34	\$17,300.09	56	\$103,783.59
White	38	\$51,351.20	35	\$53,620.13	73	\$99,098.30
Williamson	21	\$38,100.54	11	\$28,050.01	32	\$74,280.62
Wilson	80	\$99,736.01	33	\$67,448.60	113	\$196,430.64

List of Partners

- Tennessee's 95 Soil Conservation Districts
- US Department of Agriculture, Natural Resources Conservation Service
- County Governments
- State Soil Conservation Committee
- UT Institute of Agriculture
- Tennessee Association of Conservation Districts
- Tennessee Conservation District Employees Association
- Tennessee Department of Environment and Conservation

