

Natural Resources Conservation Program Highlights

Our mission is to conserve, protect, improve, and develop the natural resources of South Dakota. The division accomplishes this by providing advice and assistance to other state agencies and private landowners. This assistance is provided through state and federal programs.

Executive Summary

Coordinated Natural Resources Conservation Fund

The Coordinated Natural Resources Conservation Fund (Conservation Fund) was established by the State Legislature in 1992 to implement goals and objectives identified in the South Dakota Coordinated Plan for Natural Resources Conservation. The plan targets the reduction of soil erosion, the improvement of rangelands, and improved water quality.

The program is funded by revenues from the un-refunded portion of motor fuel taxes collected for non-highway (off-road) uses. The law stipulated that an amount equal to 35% of the claimed refunds will be deposited into the Conservation Fund each year.

The State Legislature capped deposits to the

Conservation Fund at \$1.5 million dollars per year. Appropriations have been limited to the same amount.

These funds are used to provide cost/share grants to South Dakota conservation districts. Grant applications are reviewed, approved, and awarded by the State Conservation Commission.



The Division of Resource Conservation and Forestry administers conservation programs on behalf of the State and the Conservation Commission.

The Division of Resource Conservation and

Forestry is permitted an annual appropriation from general funds to administer the state program.

Fund Trends

The use of gasoline has changed over the past decade. This has impacted the gasoline refund program. Consequently the funds available to the Conservation Fund are declining.

Trends in available funds from fuel tax:

Motor Fuel Tax Refunds

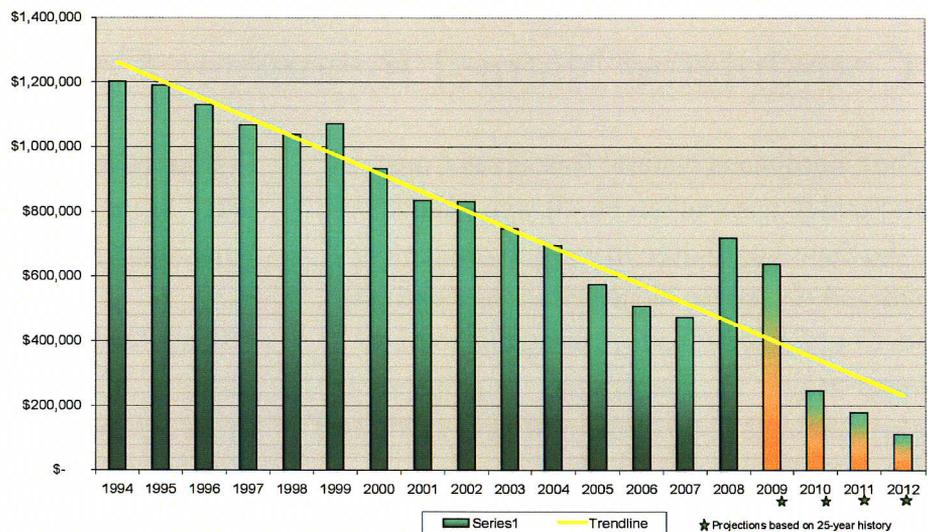
1980 \$6.2 million
 1985 \$5.0 million
 1990 \$4.4 million
 1995 \$3.2 million
 2000 \$2.3 million
 2005 \$1.5 million

First year (1993) funding for the current program was capped at \$850,000. The bar graph on the right shows funding for subsequent years which is based on a formula where an amount equal to 35% of the claimed refunds is deposited into the Conservation Fund.

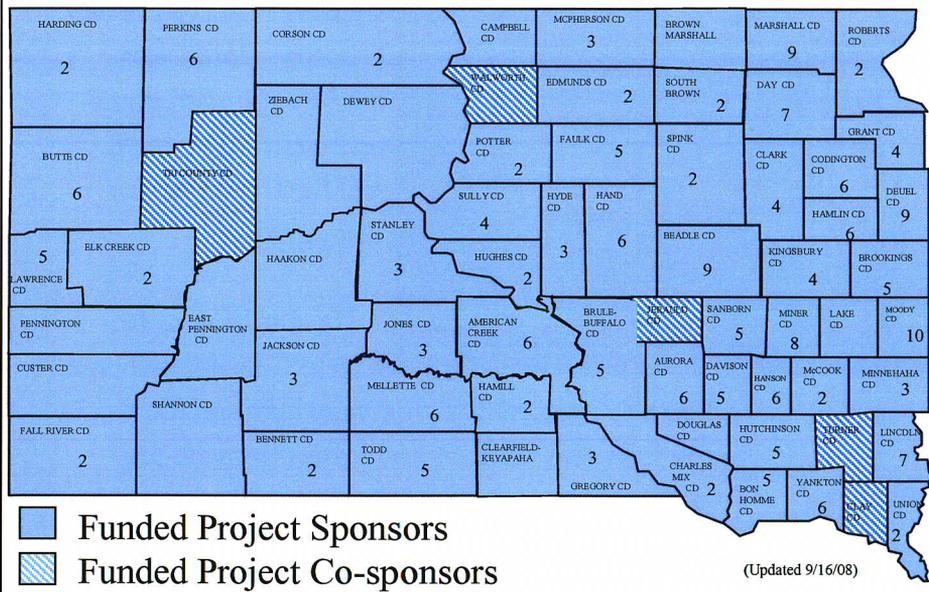
Total revenues deposited into the fund have steadily fallen from a high of \$1,201,852 in 1994 to \$473,035 in 2007. The increase in 2008 is a result of pesticide registration surcharge fees designated for the Conservation Fund. These funds are available for only two years. After that, the fund will return to the projected level depicted below.

As this fund level continues to decrease, there are worthy projects that cannot be funded.

Conservation Fund - Receipts



Conservation Districts Awarded Program Grants

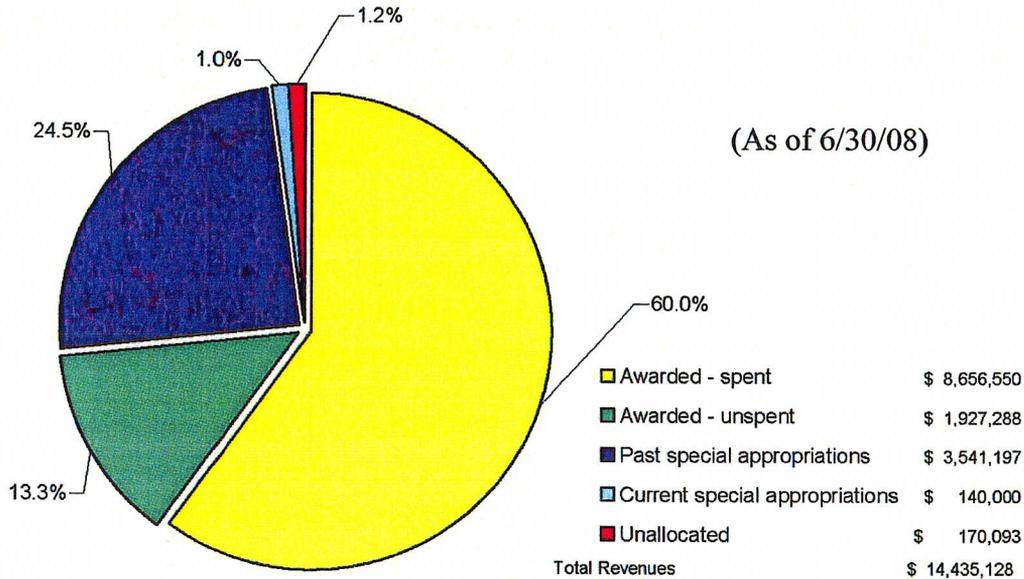


All conservation districts have taken advantage of these cost/share grants as either primary sponsors or co-sponsors.

(Updated 9/16/08)

Total Fund Disbursements and Revenue

- 248 projects funded since 1993
- \$12,507,021 awarded to 64 Conservation Districts
- Leveraged \$56,231,108 of other funds including Federal, local, and other
- Every \$1 of conservation funds was matched by \$4.49 of other funds

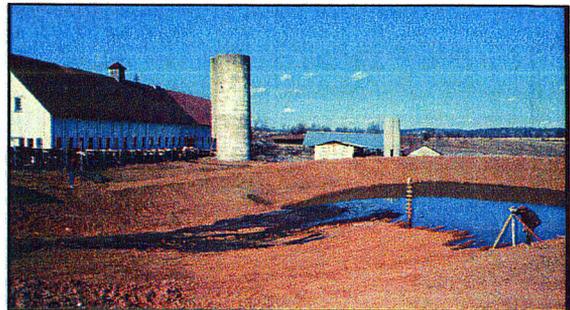


Accomplishments

29 Cropland projects funded: practices such as grassed waterways, terraces, field windbreaks, conservation tillage, no-till, and strip-cropping.

62 Rangeland projects funded: mostly multi-practice (rotational grazing, inter-seeding, deferred grazing, cross-fencing, water development and distribution, technical assistance, multi-purpose dams, grade stabilization, wildlife enhancement).

117 Water Quality projects funded: most of these are larger projects that impact an entire watershed and entail animal waste systems, sediment basins, shoreline/bank stabilization, filter strips, wetlands restoration, etc. The following surface water projects are included in this category: Shadehill, Sharpe, Mina, Richmond, Pickerel, Farley, Louise, Vermillion, Kampeska, Faulkton, Byron, Henry, Campbell (Brookings Co.), Ravine, Pelican, Redfield, Mitchell, Hendricks, Poinsett, Enemy Swim, Blue Dog, Herman, Madison, Brant, Cochrane, Oliver, Clear Lake, Jones, Cottonwood, Rose Hill, Hanson, Fish, Reliance, Wanalain, Red, Torrey, Francis Case, School, Bullhead, Round, Wigdale, Corsica, and Lewis & Clark lakes, Campbell and Pocasse reservoirs, and Fate, Byre, and Brakke dams.



(Continued on next page)

Accomplishments (cont.)

22 Information & Education projects funded: Riparian area management, west river area shelter-belts/windbreaks, riverbank stabilization, Bootstraps, outdoor classrooms featuring trees, wildlife food plots, wetlands and pasture, crop and rangeland Best Management Practice (BMP) demonstration projects.

13 Technical Assistance: District hired staff to assist with federal, state and local resource conservation projects.

5 Other projects: Big Sioux Nursery and Black Hills Fire Rehabilitation.



Resource affected*

- 3,866,035 acres of cropland with soil erosion improved to tolerable levels \implies
- 1,670,848 acres of rangeland in poor/fair condition improved one condition class \implies
- Topsoil erosion cut by 28 million tons
- Thirty five water bodies with improved water quality \implies

*According to final reports from conservation districts and reports from federal, state and local entities

Economic Effect**

- 5.5% increase in crop industry output
- 1769 new full and part time jobs- \$26 M wages
- \$213 M increase in state industrial output
- 0.72% increase in cattle production
- 478 new full and part time jobs- \$7.1 M wages
- \$53 M increase in state industrial output
- Assumed significant based on future sustainable productivity of the land and future availability of clean water for consumption and recreation

**According to South Dakota State University report "Impact of South Dakota Agriculture"

Bottom Line:

*Resource stewardship leads to
productive cropland and forests ..*

..rangeland..

..and communities..

*..with clean water,
abundant wildlife,
and quality of life
for all citizens.*

