

County Agricultural Incentives Program 2025 STANDARD GUIDELINES



The **County Agricultural Incentives Program (CAIP)** offers 11 incentive areas that provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.

Direct questions concerning these guidelines to the Kentucky Office of Agricultural Policy at (502) 573-0282 or KOAP@ky.gov. Applications to administer this program must be directed through the local County Agricultural Development Council.

I. Application Guidelines

A. Organization Eligibility

1. The local agency, which may include regional agencies, must be:
 - a. Composed of three (3) or more individuals;
 - b. Registered and in good standing with the secretary of state's office (exceptions: conservation districts & fiscal courts);
 - c. Bonded;
 - d. Have a Federal Tax ID number; and,
 - e. Willing to administer the full responsibilities of the program, including random, periodic site visits, as outlined in Section II.A.5. Site Visits.
2. A copy of minutes or other documentation from the administrative entity that includes the following:
 - a. Specific individuals responsible for administering and reporting on the program;
 - b. Signatory authorization of the authorized representative to sign legal agreements on behalf of the administering entity; and,
 - c. Designated individuals on the scoring committee.
3. The administrative entity shall identify two co-signers for the purpose of signing checks and disbursing funds from the program's account. One identified signer shall be bonded and documentation of bonding or appropriate insurance shall be submitted with either the application or the signed Legal Agreement.
4. The organization must be in good standing with KOAP and not have been suspended from administering programs by KOAP within the last 12 months.

B. Requests to Administer CAIP

1. The *County Agricultural **Incentives** Program (CAIP)* application, including cover sheet and all other documents specified in the application, must be submitted for new program requests. Additionally, a *CAIP Prioritization Sheet* that has a minimum of five original signatures and a priority designated shall be submitted by the County Agricultural Development Council.

Requests for additional funds, within the terms of the original agreement, require the *Amendment Request Form*, the *CAIP Prioritization Sheet* and a *letter explaining the need for this request*.

2. All applications and amendment requests are due to the Kentucky Office of Agricultural Policy (KOAP) office by the last Friday of the month, unless otherwise noted due to office closings.
3. Agricultural Development Funds contributed to the CAIP cannot exceed the percent match denoted in the Incentive Area Guidelines.

II. Administrative Entity's Responsibilities

A. Administrator Requirements

1. An administrating entity shall be made up of three or more individuals, with at least two co-signers for the purpose of signing checks and disbursing funds from the program's account.
2. **Scoring Committee:** Each producer application shall be scored by three or more individuals.
 - a. County Agricultural Development Council members shall not score applications.
 - b. Cooperative extension agents shall not score applications.
 - c. Scoring Committee members and their households may not apply for CAIP funding.
3. One or more local agencies may combine administrative functions to create more efficient program administration.
4. **2025 Required Training:** The individuals of the administrating entity who are responsible for daily management of the program, including funds disbursement and reporting, shall participate in a training session with KOAP staff **prior to execution of a new legal agreement**. Training may include any one of the following hosted by KOAP:
 - a. Regional workshop, including virtual
 - b. One-on-One Consultation
 - c. Recipient Orientation
 - d. Other comparable training session, as approved by KOAP staff
5. **Site Visits:** The administrative entity shall ensure the following, in relation to site visits:
 - a. A minimum of 25% of approved applicants or 13 recipients, whichever is lesser, receive a site visit in the program year.
 - b. All capital construction projects shall receive a site visit.
This includes infrastructure/facilities available in any Incentive Area, especially *Innovative Agriculture Systems, Farm Infrastructure, Fencing & On-Farm Water*, and the "Certified/Commercial Kitchen" category in *Value-Added & Marketing*.

B. Fiscal Requirements

1. The program administrator shall ensure that commingling of Kentucky Agricultural Development Funds (KADF) with other funds does not occur. The KADF program funds shall reside in a unique and separate bank account from any other account.
2. Administrators who are the fiscal agent for multiple counties shall keep one account per county.
3. If funds set forth in the agreement between the Agricultural Development Board and the administrator are not completely utilized within the term of the Legal Agreement, remaining funds including interest and unused administrative funds shall be returned to KOAP for redeposit into the county's account.

Checks shall be made payable to the **Kentucky State Treasurer** and mailed to the Kentucky Office of Agricultural Policy/107 Corporate Drive/Frankfort, KY 40601 (include application number in the memo section).

4. Reporting shall be submitted regarding funds expended according to section V. Reporting Requirements.

C. Legal Agreement

1. Legal Agreements between the administrative entity and the Agricultural Development Board shall be for a term no longer than 12 months from the execution date of the Legal Agreement. There will be no renewals or extensions of this Legal Agreement.
2. A Legal Agreement is executed once signed by an authorized representative of the Kentucky Agricultural Development Board.

D. Advertising & Promotion of Program Availability

1. Local CAIP advertising and producer sign-ups shall not occur prior to the execution of the Legal Agreement.
2. After receiving a copy of the executed Legal Agreement, there shall be a minimum of three consecutive weeks of advertising and promotion.

For example, when the administrator receives a copy of their executed Legal Agreement, they may begin advertising for sign-ups. If the first advertisement/announcement runs January 15, then advertising and promotion of the program continues through at least February 5.

3. Advertising/promotion is required for each sign-up period.
4. A minimum of two forms of promotion shall prominently display when and where producer sign-ups will occur. One form must be written (newspaper, extension newsletter, etc.). This may include, but not be limited to a newspaper advertisement, Facebook, extension newsletter, website, posted flyer, or other promotion method.
 - a. The methods chosen in each county should provide the broadest coverage to reach the most producers.
 - b. Proof of promotion shall be submitted with the 6-month report to KOAP.
 - c. Press releases sent by KOAP do not fulfill this advertising/promotion requirement.

E. Producer Application Availability

1. Following execution of the Legal Agreement, producer applications shall be made available to producers for a minimum of 15 business days.
2. The application period may coincide with the advertising and promotion period.
3. **Access to producer applications shall not be tied to attendance at a meeting.**
4. Anyone meeting eligibility requirements may apply for CAIP.

F. Fund Acknowledgement

1. There shall be an acknowledgement in any grants awarded, publications, brochures, articles, advertising, correspondence, or promotional material that a portion of the funding for this project was provided by the Kentucky Agricultural Development Fund. Copies of said publications, brochures, etc. shall be kept on file with the administrator.
2. The KADF logo is available for usage when advertising the County Agricultural Incentives Program (CAIP) - <https://www.kyagr.com/agpolicy/Kentucky-Agricultural-Development-Fund-Administrators.html>.

III. Administrative Expenses

1. All CAIPs shall have a 6% limit on all administrative funds based on the amount awarded.
 - a. Any remaining unused administrative funds shall be returned to KOAP and credited to the county account for future programs.
2. Administrative Funds are intended to pay expenses related to administering the CAIP. Funds shall not be used for unrelated expenses. A budget for administrative funds shall be submitted as part of the Application to Administer CAIP.
KOAP reserves the right to request proof of expenses.
3. CAIP administrative expenses may be used for:
 - a. Promotion of program availability;
 - b. Cost of bonding;
 - c. Processing of producer applications;
 - d. Processing of producer payments;
 - e. Program compliance activities;
 - f. Completion of reporting forms;
 - g. Opening and/or maintaining a checking account related to CAIP.

If you have questions concerning approved administrative expenses, please contact KOAP.

Note: If an administrative entity chooses to pay an individual for administrative services, it is highly recommended that a record of hours worked be kept with the administrative expenses file – even if a flat fee is paid.

IV. Producer Application and Reimbursement Procedures

A. Producer Application

1. The Universal Producer Application developed by the Kentucky Agricultural Development Board shall be used by all CAIP administrators. The Universal Producer Application will be emailed with the executed Legal Agreement.
2. The Administrative Entity chooses one of the following options:
 - a. Each approved applicant is automatically awarded the full amount (producer maximum), or
 - b. Applicants may request less funding than the producer maximum, to allow more awards to be made; this will be reflected on the producer application.
3. The Universal Producer Application must be signed and dated by the producer and include the initials of the person accepting the application.
4. A Universal Producer Application from an individual without a Social Security Number (SSN), Farm Serial Number (FSN), and signature shall be considered incomplete.

Prior to approval, tenant farmers or those leasing land where capital construction improvements will be located must provide the Tenant/Owner Acknowledgement Form, an FSA-578, or a redacted copy of their Schedule F and written approval from the landowner, giving permission to use the owner's FSN and granting access to the cost-share item(s) for a minimum of five (5) years.

5. A statement regarding the understanding of requirements by the producer and verification of the producer's total cost-share awarded under this program shall be included with the application.

B. Application Submission

1. Deadlines shall be established for Universal Producer Application submission and reimbursement of eligible expenses, so that producers have a timeframe to implement their projects. Should a producer fail to meet the reimbursement deadlines, cost-share funds shall not be provided.
2. The Universal Producer Application shall be submitted to, scored, and approved by the program administrator before a producer may receive reimbursement for any costs incurred.
3. All administrators/administrative entities shall use the scoring system and must establish a minimum score*, submitting that minimum score on the *CAIP Prioritization Sheet*. All applicants requesting funds shall complete the CAIP Producer Application and receive a score.

Counties that choose to pro-rate all approved applications must use the minimum score submitted on the *CAIP Prioritization Sheet*. Only the number of applications that are at or above the minimum score shall be used to calculate the pro-rated amount to award.

**The statewide minimum score is 44 but may be raised if a county so chooses.*

4. In the event that an additional tie breaker is needed – the following are not eligible to use in “breaking ties”: alphabetical; date/time stamp; first come, first served; lottery drawing.

The most common method of breaking ties is to pre-select one or more questions that will be used to rank individuals at the same score.

Another option is to pro-rate the remaining funds across all individuals at a given score. Administrative entities that choose to pro-rate tied applications should establish procedures prior to accepting applications.

Please contact the KOAP if you have questions regarding how and when to break ties, and how to pro-rate ties.

5. The program shall be open to all county producers and shall not be tied to participation in any organization.
6. An application shall not be rejected based on the applicant's county residency. An application shall be accepted if the applicant's farm is located in the county and the cost-share will be used in the county, even if the Farm Serial Number (FSN) is registered in another county.
7. Counties may choose to limit eligible producers to receive funding every other year. This rule applies to anyone within the same household; members of the same household are excluded from receiving funds in the program year following a funding approval.
 - a. This decision must be indicated at time of application and included in the Legal Agreement with the KADB.
 - b. All producers must be notified of this county policy at the time of application.
 - c. It is the administrative entity's responsibility to verify eligibility and monitor compliance if this policy is adopted by the county.

C. Decision Notification

1. After scoring is completed and any necessary verifications made, administering entities shall notify all applicants, in writing, if their submitted applications were approved, denied, or put on a waiting list.
2. The KADF letterhead template shall be used when communicating with all applicants.
3. A copy of all decision correspondence sent shall be kept on file.

D. Disbursement of Funds

1. Funds disbursed to producers will be on a reimbursement basis, upon completion of the project.
2. Approved producers shall submit the **Producer Report & Certification Form** before reimbursement funds are received.

The *Producer Report & Certification Forms* are for the Administrator to use in filling out the reports for the program and to maintain on file.

3. Site visits prior to disbursement of funds for new capital construction projects are encouraged.
4. Each producer who receives \$600 or more shall be supplied an IRS form 1099 or equivalent tax accounting documentation. The program administrator is responsible for distributing the necessary tax information.

5. The County Agricultural Development Council may choose to approve eligible cost-share expenses for reimbursement on a retroactive basis. However, this retroactive date shall not exceed six (6) months prior to the execution of the Legal Agreement for this program.
6. CAIP funds received shall be used for improvements on the land assigned to the Farm Serial Number (FSN) provided on the producer's application, independent of the county in which the FSN is registered.
7. CAIP funds received shall be used for improvements in the county in which funds are awarded, regardless of the counties the FSN may span.
If the FSN spans multiple counties, then the producer shall provide verification that all projects are located in the county in which funds are awarded. There are no exceptions to this policy.

V. Reporting Requirements & Compliance

1. KOAP will conduct compliance visits throughout the state to ensure that proper procedures and guidelines are being followed.
2. Incentive Area guideline compliance and reporting of expenditures are essential to gauging the impact and continuity of the program. Therefore, CAIPs may be reviewed on a random basis. The administrator/administrative entity shall be asked to produce all documents pertaining to individual producers who participate in this program, as well as other appropriate financial documents.
3. **Reporting: Semi-annual reporting**, which includes the **CAIP Summary** and **Producer Detail Report**, is required of the program administrator six (6) months after the execution date of the Legal Agreement and again at the 12-month anniversary of the agreement.
The reporting workbook may be downloaded from <https://www.kyagr.com/agpolicy/Kentucky-Agricultural-Development-Fund-Report.html>. The reporting workbook shall be completed in its entirety and uploaded to the secure submission site at <https://www.kyagr.com:442/login> with username: KADF.Upload, password: UploadMyReport#1.

Program **Close-Out** is due 60 days after the final report is submitted or the term of the Legal Agreement has expired, whichever comes first. This includes submitting copies of cancelled checks issued to producers and returning unused funds. Administrators shall maintain all administrative records for this program for a period of seven (7) years.
4. The **Completion** of this agreement may occur when the above reporting and close-out are completed and verified. A completion letter and a summary of expenditures will be emailed to the administrative representative and to the chairman of the County Agricultural Development Council.
5. The 12-month Semi-Annual Reports and any unused funds shall be submitted prior to execution of a new Legal Agreement for subsequent CAIPs in the county/by the administrator.
(Submittal of cancelled checks will not delay execution of a new Legal Agreement, unless past close-out deadline.)
6. Administrators/administrative entities that fail to comply with the program guidelines, or who are delinquent in reporting, may be placed on a "watch list," "probation," or "suspended."
Administrators who are "suspended" will no longer be eligible to administer Kentucky Agricultural Development Fund programs/projects. KOAP Compliance & Monitoring Policies are available online at <https://www.kyagr.com/agpolicy/Kentucky-Agricultural-Development-Fund-Report.html>.

**THE FOLLOWING SECTION IS PROVIDED TO ALL PRODUCERS APPLYING FOR CAIP FUNDS AS
PART OF THE UNIVERSAL PRODUCER APPLICATION**

VI. Producer Guidelines & Responsibilities

Funded participants shall adhere to all local, state, and federal rules and regulations.

Any application that does not meet eligibility requirements will not be scored.

The County Administrative Entity and/or the County Program Administrator reserves the right to request or require additional documentation to verify information provided in producer's application.

Confirmation of fraudulent responses shall result in disqualification for participation in this year's CAIP.

*Applicants are only eligible to receive funds in **one** of the following programs per program year: **CAIP, Next Generation Beginning Farmer, Youth Agricultural Incentives Program***

A. Eligibility Requirements

Only one application per household will be considered for funding. A household for the purpose of this program is defined as follows:

1. HOUSEHOLD

- a. Only **one** individual per household, regardless of county, is eligible to **apply for** CAIP funds within a program year. Proof of residency is required to verify that multiple individuals within the same household are not applying.
- b. **Additionally**, all applicants must be a resident of Kentucky.
- c. Residency is determined by a valid Kentucky driver's license or photo ID and one utility bill. The address on both the ID and utility bill must match the address provided on the CAIP application. A copy of both shall be submitted and placed in the file with the application.

2. TENANT/OWNER

If applying as a tenant/landowner, then the following also apply:

- a. Tenant farmers are required to obtain written permission from the landowner to use the landowner's FSN on a CAIP application. Written permission must be submitted with the application to be eligible. The tenant farmer must submit either an FSA-578 form **or** a redacted copy of the tenant's schedule F and written approval from the landowner, giving permission to use the owner's FSN and granting access to the cost-share item(s) for a minimum of five (5) years.
- b. **Additionally**, the tenant farmer must submit the "Tenant/Owner Acknowledgement Form" prior to approval.
- c. **Limitations** for Tenant/Owners that both apply for CAIP:
 - i. A tenant farmer and a landowner are both eligible to apply with separate FSNs; however, both may not receive funds within the same Incentive Area.
 - ii. In the event a tenant secures written permission from the landowner and both apply for CAIP, the tenant farmer and landowner are prohibited from applying for funds **within the same Incentive Area** in the same program year.

3. PRODUCER DEFINITION

- a. A producer is defined by use of **Social Security Number (SSN) and Farm Serial Number (FSN)**. **Both shall be provided when applying.** Once the Social Security Number (SSN) or Farm Serial Number (FSN) is used, neither are eligible to be used again once the annual limit is reached.

[Example: SSN – 123-45-6789 combined with FSN – 4567, would discontinue the eligibility of both the SSN and FSN.]

- b. Producers who intend to take part in the program shall supply a Social Security Number (SSN) and Farm Serial Number (FSN) to receive payment. Both of these numbers must be supplied to the Kentucky Agricultural Development Board.

The Kentucky Agricultural Development Board recognizes every applicant's right to privacy and understands its obligation to keep applicant/producer information confidential. Any information provided to the Kentucky Agricultural Development Board or Program Administrator on individual producer applications for CAIP, such as the applicant's Social Security Number and Farm Serial Number, will be kept confidential by authority of the Kentucky Agricultural Development Board as granted in KRS 248.701 to 248.727 and by KRS 61.878. The Kentucky Agricultural Development Board does not disclose any nonpublic personal information regarding applicants/producers, past or present, except as permitted or required by the Kentucky Open Records Act, KRS 61.870 to 61.884 or other law(s).

- c. Producers must be 18 years of age or older at the time of application to apply for CAIP funds.
 - d. Counties may choose to limit eligible producers to receive funding every other year. If a county has adopted this policy, it will be printed in bold on the front page of the county's Universal Producer Application.
4. Applicants shall have completed a Kentucky Agriculture Water Quality Act (AWQA) Plan with either the complete plan or a self-certification form the farm for which CAIP funding is requested and provide verification or documentation with application.
 5. Applicants may submit a **voluntary** third-party information request form for the Farm Service Agency (FSA) with their application to allow the program administrator to request information directly from FSA, with the producer's permission.
 6. EXCLUSIONS
The following individuals are ineligible to apply for CAIP funding:
 - a. Members of the Scoring Committee (see II.A.2.) and their households.
 - b. **Beginning in 2020**, the program administrator (*individual(s) managing the program*) and members of his/her household will be ineligible to apply for CAIP.

B. Cost-Share Reimbursement

1. Funds disbursed to producers shall be on a reimbursement basis, **upon completion of the project**.
2. CAIP funds received shall be used for improvements on the land assigned to the Farm Serial Number (FSN) provided on the producer's application, independent of the county in which the FSN is registered.
3. A producer is eligible for up to the county's maximum cost-share per producer limit not to exceed \$5,000. Producers shall not receive more than \$5,000 statewide per producer per program year (program year is defined by the year the application is approved by the Kentucky Agricultural Development Board).
4. In the event that it is determined that a producer has received more than \$5,000 in a program year, then the producer will be asked to return the amount over \$5,000 to the last county that reimbursed the producer.

If the producer fails to reimburse the amount over \$5,000, then the producer is ineligible to receive further CAIP funding (statewide) until repayment is made.

5. The producer shall supply a dated receipt indicating buyer and seller information, along with a description of the item(s) purchased in order to be eligible for payment. **Payment shall only be made for eligible cost-share items.**
6. **NO CASH PURCHASES** are allowed for reimbursement.
7. **Beginning in 2020**, producers shall submit proof of payment before reimbursement funds are received – either a cancelled check, copy of relevant credit/debit card statement, financing paperwork, or other method of payment, excluding cash.
8. Approved producers shall submit the *Producer Report & Certification* form completing the sections for the program/incentives being cost-shared, **before** reimbursement funds are received.
9. **Deadlines:** Should the producer fail to use approved funds by the program administrator's reimbursement deadline, said funds shall be reallocated to the next eligible applicant time permitting.

C. Exclusions

1. Reimbursements for purchases, including labor, from the producer's immediate family (e.g. father/mother, son/daughter, brother/sister, aunt/uncle, niece/nephew), including in-laws and stepfamily, are not eligible.
2. Cost-share shall not be provided for items traded or sold between producers who share interest in a farm operation. This includes the use of a third party to buy/sell the same items amongst the producers.
3. Documented hired labor is an eligible cost-share item; however, reimbursement will not be awarded for labor provided by the producer and/or the producer's immediate family (e.g. father/mother, son/daughter, brother/sister, aunt/uncle, niece/nephew), including in-laws and stepfamily.
4. **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all Incentive Areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.
5. **Beginning in 2012**, all fertilizer, pesticide, herbicide, and soil amendments were removed as eligible cost-share items from all Incentive Areas.

D. Educational Requirement

1. Participation in CAIP requires the applicant to complete a minimum of one (1) educational component prior to the disbursement of funds related to farm management, production, best management practices or marketing. Eligible sessions include extension-sanctioned activities, such as workshops, seminars, field days, online courses, webinars, etc.
 - a. Documentation of attendance is required, and the session must not have been submitted to meet the CAIP education requirement for a prior year.
 - b. A county extension agent must approve all educational components by signing an individual producer's "Certification for Educational Requirement" form.
In special circumstances, Agents may use discretion on who completes the educational requirement with prior notification to KOAP.
 - c. Cost-share payments shall not be issued to producers before the educational requirement has been met. *The educational component may be attained any time prior to disbursement of funds, but no more than 6-months prior to the execution of the Legal Agreement.*

2. **Educational Videos:** The following Incentive Areas have an optional educational video component. The videos may fulfill the educational requirement referenced in D.1. above. Producers who wish to complete one of the following videos or an online course, webinar, etc. must have **prior approval** from county extension agent.

- a. Large Animal – “Cattle Genetics”
- b. Farm Infrastructure – “Commodity Storage & Livestock Handling”
- c. Fencing & On-Farm Water – “Installation & Regulations”
- d. Forage & Grain Improvement – “Farm Practices & Recommendations”
- e. AgTech & Leadership Development – “Farm Safety”

All educational videos are available through the County Cooperative Extension Service.

3. **Exclusion:** Attendance at an informational meeting to review updated guideline changes and discuss the producer application **does not** satisfy this requirement.

E. Capital Improvements – Equipment, Fencing, Farm Structures

1. CAIP funds received shall be used for improvements in the county in which funds are awarded, regardless of the counties the FSN may span.

If the FSN spans multiple counties, then the producer shall provide verification that all projects are located in the county in which funds are awarded. There are no exceptions to this policy.

2. Producers shall maintain ownership of the property for five (5) years past the participation date in the program.
 - a. Should a producer fail to maintain ownership of property for the entire 5-year period, administrators shall request a return of funds on a pro-rated basis.
 - b. Emergency early release is possible in the case of death, illness, physical inability, or transfers within immediate family and must be approved by the local administrative entity and documentation kept on file for future reference.
 - c. Failure to return funds will result in the producer being ineligible to receive additional Kentucky Agricultural Development Funds until repayment is made.
 - d. Administrators shall provide producers failing to meet the ownership requirement a written notice, giving a minimum of 30 days to repay the pro-rated amount.
3. **Producers shall retain adequate insurance coverage**, if applicable, to replace any and all capital improvement/equipment projects funded with Kentucky Agricultural Development Funds. *Proof of insurance may be requested by the program administrator at the time of reimbursement or during a site visit.*
4. Prior to approval, tenant farmers or those leasing land where capital construction improvements will be located must provide the Tenant/Owner Acknowledgement Form, an FSA-578, or a redacted copy of their Schedule F and written approval from the landowner, giving permission to use the owner's FSN and granting access to the cost-share item(s) for a minimum of five (5) years.

2025 CAIP Incentive Area Guidelines: AGRICULTURAL DIVERSIFICATION



*These guidelines represent one of 11 incentive areas within the **County Agricultural Incentives Program (CAIP)** to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.*

Funded participants shall adhere to all local, state, and federal rules and regulations.

Incentive Area Limitations:

- Self-propelled vehicles/equipment are not eligible for cost-share, including but not limited to pallets, tractors, fertilizer, trucks, chemicals, forklifts, cutters, bobcats, all-terrain vehicles, skid steers, etc.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

A. Commercial Horticulture Production

Includes fruits, hemp, herbs, hops, mushrooms, ornamentals, sod, sweet sorghum, tobacco, and vegetables

Eligible Cost-share Items:

1. Seeds, seedlings, spores, cuttings, vegetable transplants potted, rooted cuttings, plants, and scion/rootstock combinations in conformance with UK recommendations. *Excludes hemp (seeds, seedlings, clones, etc.) and tobacco (seeds, transplants, etc.)* **25%**

In consultation with Cooperative Extension Services may include test varieties as part of a demonstration.

Reimbursement is also available for grapevine cuttings potted and rooted cuttings, scion/rootstock combinations that are on the Grapevine Cultivar Requirements List (Appendix A), reviewed annually by the State Viticulturalist. **25%**

2. Transplanting or cultivation equipment (*not self-propelled*), including pull-behind tillers and attachments **75%**
3. Soil, media for plant production **25%**
4. Containers for starting or growing plants **25%**
5. Materials for trellis/support system **75%**
6. Plastic or plasticulture supplies and plastic laying equipment; materials, as allowed in the federal organic regulations 205.206 and 205.601 (<https://go.usa.gov/x5xE>), for suppression of weed growth, soil temperature moderation, or soil moisture conservation in organic production **25%**
7. Commercial spraying equipment and related protective gear. Producer must hold a current Private Pesticide Applicator's card **50%**
8. Bird netting; insect netting **25%**
9. Tree bags **25%**
10. Specialized harvesting equipment, including mechanized tree spade **75%** (*not self-propelled*)
11. Cooling storage equipment **75%**
12. Sod production equipment (*not self-propelled*): seeders, finishing mowers, net layers, tillers, rollers, sprayers, nurse tanks, spray tips, sweepers, aerators **25%**
13. Cost of participation in an advanced agricultural education program (e.g. Master Gardener, etc.) **75%**
14. Cost of participation in a Good Agricultural Practices (GAP) training program **75%**

B. Commercial Aquaculture Production

Prerequisites:

- Pond shall be a minimum of one-half surface acre in size.
- Note that there are different standards for shrimp production and finfish production.

Eligible Cost-share Items:

1. Eligible expenses for construction of aquaculture production pond and impoundment reservoirs:
 - a. Earth moving costs (embanking and excavating ponds; land shaping; professional labor) **50%**
 - b. Cost of providing water source (piping and conduits; drain and drain structure; professional labor) **50%**
 - c. Costs for electrical power (wiring, switches, control panels, professional labor) **50%**
 - d. Pond liners **50%**
2. Equipment and materials necessary for pond aeration (e.g. aerators, pumps) **50%**
3. Fish feeders, spawning containers **50%**
4. Cost of participation in a master-level agricultural education program **75%**

C. Timber Production, Utilization, and Marketing

Prerequisites:

- Growers shall obtain technical assistance from the Kentucky Division of Forestry for Timber Production cost-share items.
- Growers shall obtain a Forest Stewardship or Forest Management Plan free-of-charge from the Kentucky Division of Forestry or equivalent plan that provides technical information on cost-share practices provided in this Incentive Area.
- Growers shall contact the Cooperative Extension Service for information on cost-share items related to forest products utilization and marketing, including information on small-scale harvesting, milling, drying, and marketing.

Limitations:

- Items for woodworking hobbies and refurbishing of existing wood products are not eligible for cost-share.

Eligible Cost-share Items:

1. **Timber Production and Management**
 - a. Seeds and seedlings for transplant **25%**
 - b. Layout and construction of permanent forest roads and stream crossings for long-term management, including construction of permanent best management practices on those road and stream crossings [One Pass Practice or General Forest Management] **50%**
 - c. Construction of fire lines and lanes [One Pass Practice or General Forest Management] **50%**
 - d. New Plantings
 - i. Site preparation, including disking and mowing **25%**
 - ii. Chemical application service (*excluding chemicals*) **25%**
 - iii. Tree tubes for saplings **25%**
 - iv. Flagging for new seedlings **25%**
2. **Forest Products Utilization and Marketing**
 - a. Timber and lumber processing equipment **50%**
 - i. sawmills, (portable or stationary) **50%**
 - ii. planers, molders, and other similar processing equipment **50%**
 - b. Drying equipment and facilities including equipment for dry kilns, pre-dryers, dry sheds, air drying yards **50%**
 - c. Packing equipment **50%**
3. Cost of participation in a master-level agricultural education program (e.g. Master Logger) **75%**

Appendix A: GRAPE CULTIVAR REQUIREMENTS

At least 75% of the acreage must be planted with the following American and interspecific hybrid cultivars to be eligible. Currently, it is not recommended to plant grapes of European heritage (*Vitis vinifera*) in most areas of Kentucky due to mortality rates in response to winter injury. However, there are areas in Kentucky where *V. vinifera* may be suitable. Please contact Patsy Wilson, Viticulturist, patsy.wilson@uky.edu for information in regards to planting *V. vinifera*.

Red wine grapes

Chambourcin
Chancellor
Concord
Corot Noir (NY70)
Crimson Cabernet
Frontenac
Foch
GR7
Noiret (NY73)
Norton
St. Vincent
Villard Noir

Winter hardiness

Moderate
Moderate
Hardy
Hardy
Hardy
Hardy
Hardy
Hardy
Hardy
Hardy
Hardy
Moderate

Maturity

September
September
October
August
October
August
August
September
September
October
August
September

White wine grapes

Arandell (NY95)
Aromella (NY76)
Cayuga white
Catawba
Chardonel
Diamond
Frontenac Gris
Golden Muscat
La Crescent
Niagara
Seyval blanc
Traminette
Valvin Muscat
Vidal blanc
Vignoles
Villard Blanc

Winter hardiness

Hardy
Hardy
Hardy
Hardy
Hardy
Hardy
Hardy
Hardy
Hardy
Hardy
Moderate
Moderate
Hardy
Hardy
Hardy
Hardy
Moderate

Maturity

September
September
August
August
September
September
August
August
August
August
September
September
September
September
September
October
September

Seedless table grapes

Canadice
Jupiter
Mars
Marquis
Neptune
Reliance
Sunbelt (seeded)
Vanessa

Winter hardiness

Hardy
Moderate
Hardy
Hardy
Moderate
Hardy
Hardy
Hardy

Maturity

September
August
August
August
September
September
September
September

GRAPE PLANTING INFORMATION

The above grape cultivar list is an extensive list and are known to grow well in Kentucky. However, all cultivars listed may not be in local demand. Before establishing a commercial vineyard, you should consider the viticultural characteristics and market demand of the cultivars to be planted.

The major challenge in growing grapes is winter injury and disease control (please refer to UK ID-94 for disease management). Winter or spring frost injury is likely to occur during the life of the grapevine and can cause minor to severe injury. The frequency of occurrence of extreme subfreezing temperatures depends on the site; best sites have less frequent (e.g. once in 8 to 10 years) winter damage than poor sites (every 2 to 3 years).

In general, it is expected to observe varying levels of winter injury in dormant buds at about 8°F in European varieties and up to -15°F in Hybrid cultivars. Note that the nature and extent of winter injury are not entirely predictable due to the complex interaction between genotype, the site, climate and management practices. Other considerations for cultivar selection include disease susceptibility, ripening season (early-, mid-, or late-season), bud break date, yield potential, growth habit, and cultural requirements.

It is imperative to understand the local climate in order to match the proper grape cultivar to growing site. For guidance in matching the proper grape cultivar to growing site, please contact your local Cooperative Extension Office.

2025 CAIP Incentive Area Guidelines: LARGE ANIMAL



*These guidelines represent one of 11 incentive areas within the **County Agricultural Incentives Program (CAIP)** to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.*

Funded participants shall adhere to all local, state, and federal rules and regulations.

Incentive Area Limitations

- **Emergency Early Release Clause:** The local program administrator shall reserve the right to approve an early release, if it is determined that an animal, due to physical or disposition problems, is no longer considered sound for breeding purposes. The local program administrator can require the animal to undergo an examination by a licensed veterinarian to assist in determination.
- **Genetic Diversification Clause:** In the event that a producer retains female offspring sired by a cost-shared male for use as breeding stock, then the cost-shared male may be sold and replaced by another male of equal or greater value. The replacement animal **shall not** be eligible for additional CAIP funds.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

A. Cattle – Beef & Dairy

Prerequisites:

- **All Beef & Dairy applicants** must become Kentucky Beef Quality & Care Assurance (BQCA) certified before funding is received.
- **“1. Genetics”**
 - **All bulls** purchased through this program must pass a Breeding Soundness Evaluation (BSE) – within 120 days – prior to purchase.
 - **All breeding stock (bulls/heifers)** must be a minimum age of 12-months.
 - **Ownership of all breeding stock** must be maintained for a minimum of two (2) successive breeding seasons, and a minimum of twelve (12) months.
 - **All bulls** purchased through this program must be genomically tested (genomically-enhanced EPDs) or have an accuracy value for Calving Ease Direct EPD of .25 or above.
- **“2. Handling Facilities”**
Minimum herd size to qualify for handling facilities cost-share – **beef:** 10 mature cows or 35 backgrounding cattle / **dairy:** 40-head herd
- **“3. Milk Production”**
Dairy applicants shall be permitted by the Kentucky Milk Safety Branch.

Limits:

- **Bull Purchases** – limit of two (2) bulls per program year
- **Heifer Purchases** – limit of five (5) heifers per program year

Eligible Cost-share Items (Cattle – Beef & Dairy):

1. Genetics

- a. Bulls (purchase only) **50%**
 - i. Expected Progeny Differences (EPDs) and/or Selection Index must be certified to meet the requirements set forth in the state EPD/Index standards in Appendix A.
 - ii. Must qualify within one of the two bull type categories selected by the producer at the time of application.
 - iii. Limited to reimbursement for two (2) bulls per program year.
 - iv. **Beef:** When selecting bulls/semen for each of the three bull type categories, the following traits must be met to qualify:
 - 1. **Balanced Trait Bulls**, the EPD requirements must be met for calving ease, milking ability, and either weaning weight or yearling weight guidelines.
An alternative method can be used that requires the bull to meet the minimum calving ease EPD and minimum maternal index that is specific to the breed, if available.
 - 2. **Carcass Merit Bulls** must meet minimum calving ease and index value that are breed specific, if available.
 - 3. **Terminal Bulls**, the EPDs shall meet the calving ease and either weaning weight or yearling weight guidelines, depending on the targeted market.
 - v. **Dairy:** Use the Lifetime Net Merit Index when selecting (<http://aipl.arsusda.gov/reference/nmcalc.htm>)
 - 1. This score is an economic index based on milk, fat, protein, somatic cell score, productive life, daughter pregnancy rate, calving ability, udder, feet and legs, and body size.
 - 2. Semen purchased from artificial insemination (AI) organizations must be from bulls in the upper 20% (80th percentile) for their respective breeds.
 - 3. Natural service bulls must have sires that are in the upper 20% and dams in the upper 30% (70th percentile) for their respective breeds for the Net Merit Index.
- b. Testing: Genomics (heifers or bulls), semen, Breeding Soundness Exam (BSE) (to be conducted by herd veterinarian) **75%**
- c. Whole herd or individual animal disease diagnostic testing (live animal only) **50%**
- d. Artificial Insemination **75%**
 - i. Semen **75%**
 - ii. AI Procedure (*excludes personal labor*) **75%**
 - iii. AI School **75%**
 - iv. AI Pharmaceuticals **75%**
 - v. AI Equipment, *excluding liquid nitrogen, gloves, sheaths, and other consumables* **75%**
- e. Estrus synchronization (natural service or AI) **75%**
- f. Embryo transfer work (includes embryos) **50%**
- g. Heifers – Commerical bred or open heifers **50%**
 - i. Applicant must submit Heifer Affidavit – Producer Report for heifer purchases and include documentation of veterinary examination.
 - ii. All heifers purchased shall have been developed following the minimum guidelines outlined by the University of Kentucky and the Kentucky Department of Agriculture's "Herd Builders" replacement heifer program (Appendix B).
 - iii. Beginning in 2019: Heifers under 30 months of age purchased with a calf are eligible, but do not require pelvic measurement and tract scores.
 - iv. Limited to reimbursement for five (5) heifers per program year
- h. Herd pregnancy checks **50%**

2. **Handling Facilities**

including secure lots or pens for holding, sorting, bulls, calves

- a. Commercial headgate, headlock stanchions, crowding tub and gate, chutes – holding, squeeze, curved or offset working, loading **50%**
- b. Gates, corral panels, catch lanes, management rails, and materials for pens **50%**
- c. Scale **50%**
- d. Flooring: Gravel, filter fabric (including filter fabric pads for heavy use areas), concrete, and contracted site preparation **50%**
- e. Forage/TMR mixers, feeding equipment systems **50%**
- f. Creep gate, creep feeder, mineral feeder, feed bunk (including portable), trough **50%**
- g. Animal waste handling and distribution equipment (*excluding motorized vehicles*) or custom services **50%**
- h. Misting/sprinkler systems, cooling fans, cattle back rubs **50%**
- i. Temporary or permanent shade (*excluding trees*) – material costs necessary for construction of temporary or permanent shade for cattle, including shade cloth **50%**
- j. Calf hutches, palpation rails, hoof trimming chute or table, free-stall mattresses including waterbeds, specialized equipment for bedding free stalls, and footbaths **50%**
- k. Maternity monitoring system (including alerts, camera, and contracted installation services) **50%**
- l. Freeze branding equipment (*excludes liquid nitrogen, dry ice, and other consumables*); ear tagging and tattoo equipment (*excludes tags*) **50%**
- m. Castration tools, including banders **50%**
- n. Cost of having a Nutrient Management Plan or Comprehensive Nutrient Management Plan developed **75%**

3. **Milk Production**

- a. Milking equipment and generator, including robotic milker **75%**
- b. Cooling and raw milk storage equipment **75%**
- c. Equipment service check-up and/or system analysis **25%**
- d. Animal waste handling and distribution equipment (*excluding motorized vehicles*) or custom services **50%**
- e. Rubber flooring or concrete for heavy cow and human traffic area **50%**
- f. DHIA testing **75%**
- g. Somatic cell testing tools, kits **75%**
- h. Milk weigh meters/weigh jars **50%**

4. **Education** – Cost of participation in an advanced agricultural education program (e.g. Master Cattleman, etc.) **75%**

B. Equine

Eligible Cost-share Items:

1. **Genetics**
 - a. Purchase of breeding stock **50%**
 - b. Artificial Insemination **75%**
 - i. Semen **75%**
 - ii. AI Procedure (*excludes personal labor*) **75%**
 - iii. AI Equipment, *excluding liquid nitrogen, gloves, sheaths, and other consumables* **75%**
 - c. Embryo transfer work (includes embryos) **50%**
2. Equine exerciser equipment (*excluding motorized vehicles*) **75%**
3. Temporary or permanent shade (*excluding trees*) – material costs necessary for the construction of temporary or permanent shade for livestock **50%**
4. Cooling fans, shade blankets **50%**
5. Mare/foal monitoring system (including alerts, camera, and contracted installation services) **50%**
6. Disease diagnostic testing (live animal only) **50%**
7. Animal waste handling and distribution equipment (*excluding motorized vehicles*) or custom services **50%**
8. Hay mangers **25%**
9. Cost of having a Nutrient Management Plan or Comprehensive Nutrient Mangement Plan developed **75%**
10. Cost of participation in an advanced agricultural education program **75%**

Appendix A: Expected Progeny Differences

Beef Sire Selection for Cattle Genetic Improvement Program

(Updated 9/10/2024)

Introduction

The overall goal of the beef operation should be to increase net income. Net income is a balance between how much is spent on the operation and how much income the operation generates. Therefore, beef producers need to focus on increasing income while minimizing additional costs or reducing costs while trying to maintain income. Although this practice pertains to the entire beef operation, this program is to assist in selecting a bull that helps achieve this goal.

Two practices are available to improve the genetics of commercial beef operations: crossbreeding and individual bull selection. Crossbreeding has a major economic impact on your herd and should be practiced by commercial cattlemen (additional information is available in ASC-168, available at your county Extension office); however, this program does not require crossbreeding.

When looking for a bull to purchase for your operation it is important to realize that as you make progress to improve one trait you often lose ground in another trait. For example, as we select for increased growth, which has a positive impact on income, we usually inadvertently increase the mature size and maintenance costs of our cows through retaining replacements. Finding the balance between the productivity level of the cow (growth and milk) and the required energy to maintain her is very difficult and, if not done properly, will likely result in decreased reproduction. Research has shown that cow efficiency is dependent on the level of nutrition that they receive. Larger high-producing cows are the most efficient in very lush, high nutritional environments (Average Kentucky forages would not support this level of productivity) and smaller lower-producing cows are the most efficient in limited nutritional situations. Under optimum nutrition there are very little differences between the breed types. Before you buy a bull, it is important to consider what you want to produce and what resources (primarily nutrition) you have available.

Bull Purchasing

When purchasing a bull there are four primary characteristics that should be assessed: reproductive soundness; structural soundness; visual evaluation; and performance characteristics.

Reproductive Soundness – For a bull to have any value to a beef producer he must be reproductively sound. The best means to determine the reproductive soundness of a bull is through a breeding soundness examination (BSE). If a bull passes his BSE he should have the physical capability to breed and settle cows. This exam does not measure desire and bulls should be observed for their interest in females in heat. ***To receive cost-share money bulls must pass a BSE.***

Structural Soundness – To be an efficient breeder a bull must be structurally sound. This means that he should move without pain or discomfort and should have appropriate angles at weight bearing joints. ***There are no requirements for structural soundness; however, producers should evaluate bulls for soundness to avoid problems with breeding and future problems in replacement females.***

Visual Evaluation – Many traits that are important to beef producers can only be evaluated through visual observation. These include, but are not limited to: disposition, horned/poled, color, muscling, body capacity, structure, sheath, and testicular development. ***There are no requirements for visual appraisal; however, producers are encouraged to carefully evaluate bulls for visual traits that are of economic or functional importance to them.***

Performance Characteristics – The primary reason for purchasing a bull is the expected performance of his calves. If replacement females will be retained then this decision should not be short sided, because the impact will be long lasting. Breeds differ in their level of productivity; therefore, the first decision will be on breed type. Once a breed is determined, selection between bulls for performance should be based on the Expected Progeny Differences (EPDs), whenever possible (For more information on EPDs please see ASC-141). There is no such thing as the “Best Bull”; each individual beef producer must make that determination based on what they want to get from the bull. ***Guidelines have been developed for three specific bull types. Producers must select what type of bull they will purchase on their application then purchase a bull that meets the requirements for that bull type.*** Please see additional recommendations for Calving Ease/Birth Weight when breeding heifers and recommendations for Docility. If replacement females will be retained additional recommended guidelines have been included for Mature Weight, when available, and Milk.

Bull Types

Balanced Trait –Bulls that fit these recommendations should provide acceptable calving ease when only a small number of heifers will be bred (see further guidelines if many heifers will be bred) and good growth traits.

Additional recommended guidelines have been included to help moderate mature weight (when available) and milking ability. This bull would be used to produce calves that are acceptable feeder calves, while keeping the mature size and milk level of replacement females in moderation. Using an Index is the preferred selection method for this category, when available, higher values mean more economic benefit!

Terminal – This is a specialty-type bull that should be used when replacement females will not be retained. The purpose of this bull is to produce calves with exceptional feeder calf performance. Therefore, milk can be disregarded, and growth should be emphasized. The values listed for Calving Ease/Birth Weight in this category only eliminate the very worst calving difficulty bulls.

Carcass Merit – Producers that will be retaining ownership of their calves and are paid for carcass merit should place additional importance on those traits. The indexes used for this bull type emphasize feedlot performance and carcass traits; additional, most assume that replacement females will be retained so maternal traits are included. The Calving Ease EPD guidelines for this type are minimal and are based on no heifers being bred by this bull. If a small number of heifers will be bred it is recommended to use the CED associated with the Balanced Trait type and if many heifers will be bred use the value recommended for heifers.

Conclusions

Crossbreeding and bull selection have very important long-term economical impact on your herd. Selecting the right bull for your operation is a decision that includes setting production goals, analyzing your resources and management, and then locating the bull that best fits your situation. If done properly this process will take time and effort on your part, but the rewards can be significant.

How to determine if a bull qualifies for the program:

1. All bulls must have genomically enhanced EPD or have a minimum accuracy value of .25 for the Calving Ease Direct EPD. Contact the breed association if you are unsure of the bull's status.
2. There is no longer a Heifer Acceptable bull type. If many heifers are to be bred the bull can qualify in one of the other categories and a recommended value is provided for Calving Ease/Birth Weight in those cases.
3. All categories require that the bull meet a minimum Calving Ease or maximum Birth Weight EPD. If the breed you are using computes Calving Ease EPDs then that is the EPD that must be used. The bulls EPD must be equal to or be greater than the value listed for that category. If the breed does not compute Calving Ease EPDs then Birth Weight EPDs will be used. The breeds that use Birth Weight are clearly indicated on the guidelines table. If Birth Weight EPD is used it must be equal to or less than this value.
4. For the Balanced Trait category there is an alternative method that can be used for some breeds. If a breed has a selection index that focuses on performance through weaning with the intent of retaining replacement females, then that index may be used. The bull must meet the minimum Calving Ease value and must meet the minimum Index value. Using a selection index is the best selection tool available because it is based on the economic value of the bulls for that category.
5. Carcass Merit bulls will be evaluated based on their selection index values that reward improved carcass characteristics. Only breeds that offer a selection index that stresses feedlot and carcass merits will qualify for this category. A minimum Calving Ease value is also required.
6. When replacement females are to be retained, recommendations are provided to moderate mature weight and milking ability. When these traits are selected for in extremes it can increase the cost of maintaining the future cow herd.
7. Docility is an important trait for many Kentucky beef producers, therefore, a recommendation is provided for Docility EPDs, when available.
8. Other traits that may have importance to many Kentucky beef producers, but are not included in the guidelines, are the reproduction trait EPDs (Heifer Pregnancy, Stayability, Sustained Cow Fertility, Preg30). Higher values in these traits indicate better performance by the bull's daughters for the respective trait.

For more information there is a video available at your county Extension office or contact your county agent for Agriculture and Natural Resources or Darrah Bullock, University of Kentucky Beef Extension Specialist (859-257-7514 or dbullock@uky.edu).

List of EPDs by bull type is available on-line at https://www.kyagr.com/agpolicy/documents/2024-Program-Guidelines-Applications/ADF_APP_caip-epd-standards.pdf.

Appendix B: Heifer Purchases

Requirements for Heifer Purchases Program - Beef

(<http://www.kyagr.com/marketing/beef.html>)

Bred Heifers:

1. All bred heifers must be bred to calving ease bulls based on their EPDs (see Beef Sire Selection for Cattle Genetics Improvement Program). **The EPDs of the service sire must be provided at the time of sale.**
2. All bred heifers must be owned by the consignor at the time of breeding.

Open Heifers:

1. All open heifers must be owned a minimum of 60 days prior to consignment and be a minimum of 12 months of age on sale day.

Vaccination:

Heifers must be vaccinated for IBR, BVD, PI3, BRSV, Leptospirosis, (Campylobacter Fetus), and 7-Way Blackleg. Various products may be used on the heifers. Label directions concerning booster vaccinations must be followed. Initial vaccinations and boosters must be administered to all heifers and cannot be given within two weeks prior to sale day. Any intramuscular vaccines should be given in the neck. A veterinarian and/or a signed statement from the producer must validate vaccinations.

Parasite Control:

All heifers must be treated for internal and external parasites within 45 days of sale. Products for internal parasite control must have a label claim for all stages of the parasite life cycle.

Bred Heifers:

Consignors guarantee heifers to be safe in calf. If a heifer is proven open by veterinary exam within 30 days after sale, the consignor will replace the heifer or make financial settlement with the buyer. All heifers must have had a yearling pelvic measurement of 150 square centimeters or greater, and/or 18 months old heifers must have a pelvic measurement of 180 square centimeters or greater. Tract score and pelvic measurement work should be done by local vet and statement brought to the sale.

Open Heifers (ready to breed):

Open heifers that are 15 months of age or less must have a reproductive tract score of 2 or greater on sale day. Heifers that are older than 15 months of age must have a reproductive tract score of 4 or 5 on sale day. Open heifers must be pregnancy checked and certified open. Tract score and pelvic measurement work should be done by local vet and statement brought to the sale. All consignors guarantee that animals are sold as represented. If not then settlement must be made with the buyer.

Blemishes:

Heifers with active cases of Pinkeye or scars resulting from Pinkeye will not be eligible for sale. Heifers must be polled or dehorned and healed completely by sale day.

Body Condition:

All heifers must have a minimum body condition score of 5 on sale day. Open heifers must weigh 700 pounds or greater upon check in at the sale.

Sire Requirements:

Bulls of known ID and breed must service heifers. All service sires must have complete EPD information, with emphasis placed on birth weight and calving ease.

Requirements for Heifer Purchases Program - Dairy

Heifers:

1. All bred heifers should be bred AI to bulls that are considered acceptable to use on heifers based upon scoring <10% on percentage of difficult births in heifers (%DBH).
2. All bred heifers must be owned by the consignor at the time of breeding.
3. All open heifers must be owned a minimum of 60 days prior to consignment and be a minimum of 12 months of age on sale day.

Vaccination:

Heifers must be vaccinated for IBR, BVD, PI3, BRSV, Leptospirosis, and 7-Way Blackleg. Various products may be used on the heifers. Label directions concerning booster vaccinations must be followed. Initial vaccinations and boosters must be administered to all heifers and cannot be given within two weeks prior to sale day. A veterinarian and/or a signed statement from the producer must validate vaccinations. All vaccinations must meet BQA certification and must include a list of all products used.

Parasite Control:

All heifers must be treated for internal and external parasites within 45 days of sale. Products for internal parasite control must have a label claim for all stages of the parasite life cycle and brands must be listed.

Bred Heifers:

Consignors guarantee heifers to be safe in calf. If a heifer is proven open by veterinary exam within 30 days after sale, the consignor will replace the heifer or make financial settlement with the buyer. All heifers must have had a yearling pelvic measurement of 150 square centimeters or greater, and/or 18 months old heifers must have a pelvic measurement of 180 square centimeters or greater. Tract score and pelvic measurement work should be done by local vet and statement brought to the sale.

Open Heifers (ready to breed):

Open heifers must be certified to not be a freemartin. Open heifers must be pregnancy checked and certified open. All consignors guarantee that animals are sold as represented. If not, then settlement must be made with the buyer.

Blemishes:

Heifers with active cases of Pinkeye or scars resulting from Pinkeye will not be eligible for sale. Heifers with active cases of ringworm or heel warts will not be eligible for sale. Heifers with unsound udders or udders showing evidence of mastitis will not be eligible for sale. Heifers must be polled or dehorned and healed completely by sale day.

Body Condition:

All heifers must have a body condition score between 2.5-3.5 on sale day. Dairy heifers must be between the median and 95th Percentile for wither height based upon the Penn State guidelines for their respective breed.

Sire Requirements:

Bulls of known ID and breed must service heifers. See item no. 1 in section on Heifers. All service sires must have complete Net Merit Index information.

Beef Sire Selection for Cattle Genetic Improvement Program

(Updated September 10, 2024; Effective January 1, 2025)

Introduction

The overall goal of the beef operation should be to increase net income. Net income is a balance between how much is spent on the operation and how much income the operation generates. Therefore, beef producers need to focus on increasing income while minimizing additional costs or reducing costs while trying to maintain income. Although this practice pertains to the entire beef operation, this program is to assist in selecting a bull that helps achieve this goal.

Two practices are available to improve the genetics of commercial beef operations: crossbreeding and individual bull selection. Crossbreeding has a major economic impact on your herd and should be practiced by commercial cattlemen (additional information is available in ASC-168, available at your county Extension office); however, this program does not require crossbreeding.

When looking for a bull to purchase for your operation it is important to realize that as you make progress to improve one trait you often lose ground in another trait. For example, as we select for increased growth, which has a positive impact on income, we usually inadvertently increase the mature size and maintenance costs of our cows through retaining replacements. Finding the balance between the productivity level of the cow (growth and milk) and the required energy to maintain her is very difficult and, if not done properly, will likely result in decreased reproduction. Research has shown that cow efficiency is dependent on the level of nutrition that they receive. Larger high-producing cows are the most efficient in very lush, high nutritional environments (Average Kentucky forages would not support this level of productivity) and smaller lower-producing cows are the most efficient in limited nutritional situations. Under optimum nutrition there are very little differences between the breed types. Before you buy a bull, it is important to consider what you want to produce and what resources (primarily nutrition) you have available.

Bull Purchasing

When purchasing a bull there are four primary characteristics that should be assessed: reproductive soundness; structural soundness; visual evaluation; and performance characteristics.

Reproductive Soundness – For a bull to have any value to a beef producer he must be reproductively sound.

The best means to determine the reproductive soundness of a bull is through a breeding soundness examination (BSE). If a bull passes his BSE he should have the physical capability to breed and settle cows. This exam does not measure desire and bulls should be observed for their interest in females in heat. ***To receive cost-share money bulls must pass a BSE.***

Structural Soundness – To be an efficient breeder a bull must be structurally sound. This means that he should move without pain or discomfort and should have appropriate angles at weight bearing joints.

There are no requirements for structural soundness; however, producers should evaluate bulls for soundness to avoid problems with breeding and future problems in replacement females.

Visual Evaluation – Many traits that are important to beef producers can only be evaluated through visual observation. These include, but are not limited to: disposition, horned/polled, color, muscling, body capacity, structure, sheath, and testicular development. ***There are no requirements for visual appraisal; however, producers are encouraged to carefully evaluate bulls for visual traits that are of economic or functional importance to them.***

Performance Characteristics – The primary reason for purchasing a bull is the expected performance of his calves. If replacement females will be retained then this decision should not be short sided, because the impact will be long lasting. Breeds differ in their level of productivity; therefore, the first decision will be on breed type. Once a breed is determined, selection between bulls for performance should be based on the Expected Progeny Differences (EPDs), whenever possible (For more information on EPDs please see ASC-141). There is no such thing as the “Best Bull”; each individual beef producer must make that determination based on what they want to get from the bull. ***Guidelines have been developed for three specific bull types. Producers must select what type of bull they will purchase on their application***

then purchase a bull that meets the requirements for that bull type. Please see additional recommendations for Calving Ease/Birth Weight when breeding heifers and recommendations for Docility. If replacement females will be retained additional recommended guidelines have been included for Mature Weight, when available, and Milk.

Bull Types

Balanced Trait –Bulls that fit these recommendations should provide acceptable calving ease when only a small number of heifers will be bred (see further guidelines if many heifers will be bred) and good growth traits. Additional recommended guidelines have been included to help moderate mature weight (when available) and milking ability. This bull would be used to produce calves that are acceptable feeder calves, while keeping the mature size and milk level of replacement females in moderation. Using an Index is the preferred selection method for this category, when available, higher values mean more economic benefit!

Terminal – This is a specialty-type bull that should be used when replacement females will not be retained. The purpose of this bull is to produce calves with exceptional feeder calf performance. Therefore, milk can be disregarded, and growth should be emphasized. The values listed for Calving Ease/Birth Weight in this category only eliminate the very worst calving difficulty bulls.

Carcass Merit – Producers that will be retaining ownership of their calves and are paid for carcass merit should place additional importance on those traits. The indexes used for this bull type emphasize feedlot performance and carcass traits; additional, most assume that replacement females will be retained so maternal traits are included. The Calving Ease EPD guidelines for this type are minimal and are based on no heifers being bred by this bull. If a small number of heifers will be bred it is recommended to use the CED associated with the Balanced Trait type and if many heifers will be bred use the value recommended for heifers.

Conclusions

Crossbreeding and bull selection have very important long-term economical impact on your herd. Selecting the right bull for your operation is a decision that includes setting production goals, analyzing your resources and management, and then locating the bull that best fits your situation. If done properly this process will take time and effort on your part, but the rewards can be significant.

How to determine if a bull qualifies for the program:

1. **All bulls must have genomically-enhanced EPD or have a minimum accuracy value of .25 for the Calving Ease Direct EPD.** Contact the breed association if you are unsure of the bull's status.
2. There is no longer a Heifer Acceptable bull type. If many heifers are to be bred the bull can qualify in one of the other categories and a recommended value is provided for Calving Ease/Birth Weight in those cases.
3. All categories require that the bull meet a minimum Calving Ease or maximum Birth Weight EPD. If the breed you are using computes Calving Ease EPDs then that is the EPD that must be used. The bulls EPD must be equal to or be greater than the value listed for that category. If the breed does not compute Calving Ease EPDs then Birth Weight EPDs will be used. The breeds that use Birth Weight are clearly indicated on the guidelines table. If Birth Weight EPD is used it must be equal to or less than this value.
4. For the Balanced Trait category there is an alternative method that can be used for some breeds. If a breed has a selection index that focuses on performance through weaning with the intent of retaining replacement females, then that index may be used. The bull must meet the minimum Calving Ease value and must meet the minimum Index value. **Using a selection index is the best selection tool available because it is based on the economic value of the bulls for that category.**

5. Carcass Merit bulls will be evaluated based on their selection index values that reward improved carcass characteristics. Only breeds that offer a selection index that stresses feedlot and carcass merits will qualify for this category. A minimum Calving Ease value is also required.
6. When replacement females are to be retained, recommendations are provided to moderate mature weight and milking ability. When these traits are selected for in extremes it can increase the cost of maintaining the future cow herd.
7. Docility is an important trait for many Kentucky beef producers, therefore, a recommendation is provided for Docility EPDs, when available.
8. Other traits that may have importance to many Kentucky beef producers, but are not included in the guidelines, are the reproduction trait EPDs (Heifer Pregnancy, Stayability, Sustained Cow Fertility, Preg30). Higher values in these traits indicate better performance by the bull's daughters for the respective trait.

For more information contact your county agent for Agriculture and Natural Resources or Darrh Bullock, University of Kentucky Beef Extension Specialist (859-257-7514 or dbullock@uky.edu).

2025 CAIP - Expected Progeny Differences (EPD)/Index

Minimum Requirements

British Breeds

| <u>ANGUS</u> | <u>CALVING EASE</u> | + | <u>INDEX</u> | or | <u>GROWTH</u> |
|---------------------------|---------------------|---|--------------|----|---------------------|
| | <u>CED</u> | | | | <u>WW</u> <u>YW</u> |
| Balanced Trait / Maternal | 4 | + | \$M ≥ 61 | or | 56 or 101 |
| Terminal | -2 | + | - | | 64 or 114 |
| Carcass Merit | -2 | + | \$B ≥ 143 | | |

*Suggested Milk range: 20 - 33

Suggested CED for breeding heifers: CED ≥ 7

*Suggested Max. Mature Weight: MW EPD ≤ 97

Suggested Docility: Doc ≥ 14

| <u>HEREFORD</u> | <u>CALVING EASE</u> | + | <u>INDEX</u> | or | <u>GROWTH</u> |
|---------------------------|---------------------|---|--------------|----|---------------------|
| | <u>CED</u> | | | | <u>WW</u> <u>YW</u> |
| Balanced Trait / Maternal | 0 | + | \$BMI ≥ 346 | or | 51 or 81 |
| Terminal | -4 | + | - | | 60 or 96 |
| Carcass Merit | -4 | | \$CHB ≥ 115 | | |

*Suggested Milk range: 20 - 33

Suggested CED for breeding heifers: CED ≥ 6

*Suggested Max. Mature Cow Weight: MCW EPD ≤ 112

| <u>RED ANGUS</u> | <u>CALVING EASE</u> | + | <u>INDEX</u> | or | <u>GROWTH</u> |
|---------------------------|---------------------|---|--------------|----|---------------------|
| | <u>CED</u> | | | | <u>WW</u> <u>YW</u> |
| Balanced Trait / Maternal | 11 | + | \$HB ≥ 53 | or | 60 or 95 |
| Terminal | 7 | + | - | | 70 or 113 |
| Carcass Merit | 7 | | \$GM ≥ 35 | | |

*Suggested Milk range: 21 - 30

Suggested CED for breeding heifers: CED ≥ 13

| <u>SHORTHORN</u> | <u>CALVING EASE</u> | + | <u>INDEX</u> | or | <u>GROWTH</u> |
|---------------------------|---------------------------|---|--------------|----|---------------------|
| | <u>EASE</u> <u>CED</u> | | | | <u>WW</u> <u>YW</u> |
| Balanced Trait / Maternal | 8 | + | \$BMI ≥ 115 | or | 38 or 53 |
| Terminal | 3 | + | - | | 46 or 66 |
| Carcass Merit | 3 | | \$F ≥ 45 | | |

*Suggested Milk range: 17 - 26

Suggested CED for breeding heifers: CED ≥ 14

Continental, Hybrid Breeds

| <u>CHAROLAIS</u> | <u>CALVING</u> <u>EASE</u> <u>CED</u> | + | <u>INDEX</u> | or - | <u>GROWTH</u> | |
|---------------------------|---|---|--------------|------|---------------|-----|
| Balanced Trait / Maternal | 8 | + | - | 55 | or | 100 |
| Terminal | 2 | + | - | 65 | or | 117 |
| Carcass Merit | 2 | | \$TSI ≥ 253 | | | |

*Suggested Milk range: 17 - 30

Suggested CED for breeding heifers: CED ≥ 12

| <u>CHIANINA/CHIANGUS</u> | <u>CALVING</u> <u>EASE</u> <u>CED</u> | + | - | <u>GROWTH</u> | |
|---------------------------|---|---|----|---------------|----|
| Balanced Trait / Maternal | 8 | + | 43 | or | 62 |
| Terminal | 5 | + | 51 | or | 78 |

*Suggested Milk range: 10 - 20

Suggested CED for breeding heifers: CED ≥ 11

Suggested Docility: Doc ≥ 8

| <u>GELBVIEH/BALANCER</u> | <u>CALVING</u> <u>EASE</u> <u>CED</u> | + | <u>INDEX</u> | or - | <u>GROWTH</u> | |
|---------------------------|---|---|--------------|------|---------------|-------|
| Balanced Trait / Maternal | 11 | + | \$Cow ≥ 104 | or | 65 | or 97 |
| Terminal | 7 | + | - | 75 | or | 115 |
| Carcass Merit | 7 | | \$FPI ≥ 78 | | | |

*Suggested Milk range: 17 - 28

Suggested CED for breeding heifers: CED ≥ 15

Suggested Docility: Doc ≥ 11

| <u>LIMOUSIN/LIM-FLEX</u> | <u>CALVING</u> <u>EASE</u> <u>CED</u> | + | <u>INDEX</u> | or - | <u>GROWTH</u> | |
|---------------------------|---|---|--------------|------|---------------|-----|
| Balanced Trait / Maternal | 10 | + | - | 57 | or | 86 |
| Terminal | 6 | + | - | 68 | or | 106 |
| Carcass Merit | 6 | | \$MTI ≥ 54 | | | |

*Suggested Milk range: 20 - 30

Suggested CED for breeding heifers: CED ≥ 15

Suggested Docility: Doc ≥ 11

| <u>MAINE-ANJOU/TAINER</u> | <u>CALVING</u> <u>EASE</u> <u>CED</u> | + | - | <u>GROWTH</u> | |
|---------------------------|---|---|----|---------------|----|
| Balanced Trait / Maternal | 6 | + | 36 | or | 45 |
| Terminal | 0 | + | 47 | or | 64 |

*Suggested Milk range: 14 - 25

Suggested CED for breeding heifers: CED ≥ 11

| <u>SALERS/OPTIMIZER</u> |
|--------------------------------|
| Balanced Trait / Maternal |
| Terminal |

| <u>CALVING EASE CED</u> |
|--|
| 11 |
| 7 |

| <u>GROWTH</u> | | | |
|---------------|----|----|----|
| | WW | | YW |
| | 48 | or | 65 |
| | 56 | or | 81 |

*Suggested Milk range: 9 - 22
Suggested Docility: Doc ≥ 5

Suggested CED for breeding heifers: CED ≥ 14

| <u>SIMMENTAL/SIMANGUS</u> |
|----------------------------------|
| Balanced Trait / Maternal |
| Terminal |
| Carcass Merit |

| <u>CALVING EASE CED</u> |
|--|
| 10 |
| 6 |
| 6 |

| <u>INDEX</u> | or | <u>GROWTH</u> |
|---------------------|----|----------------------|
| WW | | YW |
| \$API ≥ 132 | or | 73 or 107 |
| - | or | 80 or 120 |
| \$TI ≥ 80 | | |

*Suggested Milk range: 18 - 29
Suggested Docility: Doc ≥ 10

Suggested CED for breeding heifers: CED ≥ 13

| <u>BRAUNVIEH</u> |
|---------------------------|
| Balanced Trait / Maternal |
| Terminal |
| Carcass Merit |

| <u>CALVING EASE CED</u> |
|--|
| 10 |
| 5 |
| 5 |

| <u>INDEX</u> | or | <u>GROWTH</u> |
|---------------------|----|----------------------|
| WW | | YW |
| \$API ≥ 106 | or | 50 or 66 |
| - | or | 63 or 100 |
| \$TI ≥ 65 | | |

*Suggested Milk range: 10 - 20
Suggested Docility: Doc ≥ 10

Suggested CED for breeding heifers: CED ≥ 14

Brahman Hybrid, Other

| <u>BRANGUS/ULTRABLACK</u> |
|----------------------------------|
| Balanced Trait / Maternal |
| Terminal |
| Carcass Merit |

| <u>CALVING EASE CED</u> |
|------------------------------------|
| 4 |
| 2 |
| 2 |

| <u>INDEX</u> | or | <u>GROWTH</u> |
|---------------------|----|----------------------|
| WW | | YW |
| \$Fert ≥ 3 | or | 17 or 34 |
| - | or | 26 or 48 |
| \$TI ≥ 2 | | |

*Suggested Milk range: 4 - 13
*Suggested Max. Cow Weight: Cow Weight EPD ≤ 8

Suggested CED for breeding heifers: CED ≥ 6

| <u>BEEFMASTER</u> |
|---------------------------|
| Balanced Trait / Maternal |
| Terminal |
| Carcass Merit |

| <u>CALVING EASE CED</u> |
|------------------------------------|
| 3 |
| 1 |
| |

| <u>INDEX</u> | or | <u>GROWTH</u> |
|---------------------|----|----------------------|
| WW | | YW |
| \$M ≥ 15 | or | 18 or 25 |
| - | or | 28 or 39 |
| \$TI ≥ 69 | | |

*Suggested Milk range: 7 - 12

Suggested CED for breeding heifers: CED ≥ 5

| <u>SANTA GERTRUDIS</u> |
|-------------------------------|
| Balanced Trait / Maternal |
| Terminal |
| Carcass Merit |

| <u>CALVING EASE</u> |
|----------------------------|
| BW (Max.) |
| BW ≤ 0 |
| BW ≤ 1 |
| |

| <u>INDEX</u> | or | <u>GROWTH</u> |
|---------------------|----|----------------------|
| | | YW |
| \$Cow/Calf ≥ 18 | or | 6 |
| - | or | 15 |
| \$TI ≥ 10 | | |

***Suggested Milk range: -4 - 4**

Suggested BW (Max.) for breeding heifers: BW ≤ - 1

| <u>SENEPOL</u> |
|---------------------------|
| Balanced Trait / Maternal |
| Terminal |

| <u>CALVING EASE</u> |
|----------------------------|
| BW (Max.) |
| BW ≤ 1 |
| BW ≤ 3 |

| <u>GROWTH</u> |
|----------------------|
| YW |
| 6 |
| 13 |

***Suggested Milk range: 1 - 8**

Suggested BW (Max.) for breeding heifers: BW ≤ - 1

| <u>WAGYU</u> |
|---------------------------|
| Balanced Trait / Maternal |
| Terminal |

| <u>CALVING EASE</u> |
|----------------------------|
| BW (Max.) |
| BW ≤ 0 |
| BW ≤ 3 |

| <u>GROWTH</u> |
|----------------------|
| YW |
| -4 |
| 4 |

***Suggested Milk range: -5 - 3**

Suggested BW (Max.) for breeding heifers: BW ≤ - 2

| <u>BLACK HEREFORD</u> |
|------------------------------|
| Balanced Trait / Maternal |
| Terminal |
| Carcass Merit |

| <u>CALVING EASE</u> |
|----------------------------|
| CED |
| 10 |
| 7 |
| 7 |

| <u>INDEX</u> | or | <u>GROWTH</u> |
|---------------------|----|----------------------|
| | | YW |
| \$API ≥ 110 | or | 50 |
| - | or | 58 |
| \$TI ≥ 59 | | |

***Suggested Milk range: 21 - 30**
Suggested Docility: Doc ≥ 11

Suggested CED for breeding heifers: CED ≥ 13

2025 CAIP Incentive Area Guidelines: SMALL ANIMAL



These guidelines represent one of 11 incentive areas within the **County Agricultural Incentives Program (CAIP)** to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.

Funded participants shall adhere to all local, state, and federal rules and regulations.

Incentive Area Limitations

- **Emergency Early Release Clause:** The local program administrator shall reserve the right to approve an early release, if it is determined that an animal, due to physical or disposition problems, is no longer considered sound for breeding purposes. The local program administrator can require the animal to undergo an examination by a licensed veterinarian to assist in determination.
- **Genetic Diversification Clause:** In the event that a producer retains female offspring sired by a cost-shared male for use as breeding stock, then the cost-shared male may be sold and replaced by another male of equal or greater value. The replacement animal **shall not** be eligible for additional CAIP funds.
- Animals in the family *Cervidae*, a.k.a. cervids (e.g. white-tail deer, etc.), are not eligible for cost-share under these guidelines.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

A. Goat, Sheep Production

Prerequisites:

- **All Goat & Sheep applicants** must become Small Ruminant Quality Assurance (SRQA) certified before funding is received.
- **"1. Genetics"**
 - **All breeding males** must be at least six months of age, in good health, have all required health papers, and be up-to-date on their CDT vaccinations. Breeding males must be registered full bloods or purebreds with permanent identification.
 - **Ownership of breeding males** must be maintained for a minimum of two (2) successive breeding seasons. *See exceptions for deviations from this rule.*
 - **Breeding females** need not be registered, but should have permanent identification.
 - **Ownership of breeding females** must be maintained for two (2) years. *See exceptions for deviations from this rule.*
 - **All breeding males** purchased through this program are encouraged to have a Breeding Soundness Evaluation (BSE) – within the last six months; **however it is not a requirement** prior to receiving cost-share funds.
- **"2. Handling"**
Minimum herd/flock size to qualify for handling equipment cost-share: 20

Limits:

- **Buck/Ram Purchases** – limit of two (2) bucks/rams per program year
- **Doe/Ewe Purchases** – limit of ten (10) does/ewes per program year

Eligible Cost-share Items:

1. Genetics

- a. Male Breeding Stock **50%**
- b. Purchase of bucks, rams **50%**
- c. Semen from registered meat or dairy bucks, rams **75%**
- d. Female Breeding Stock – purchase of does, ewes **50%**
- e. Artificial insemination (AI) procedure (*excludes personal labor*) **75%**
- f. Embryo transfer work (includes embryos) **50%**
- g. Herd pregnancy checks **50%**
- h. DNA tests **75%**

2. Handling

- a. Commercial head gate, crowding tub and gate, tilt table, chutes – working, holding, loading, etc. **50%**
- b. Goat tote **50%**
- c. Panels, gates, materials for pens (includes kidding/lambing pens), filter fabric pads for heavy use areas **50%**
- d. Footbath, trimming stand **50%**
- e. Wool/hair clippers/shears **50%**
- f. Drench gun and reservoir **50%**
- g. Small livestock scales (includes sheep sling) **50%**
- h. Feeders: bunk or creep feeders **50%**
- i. Forage/TMR mixers, feeding equipment systems **50%**
- j. Feed ingredient and complete diet sampling analysis **75%**
- k. Animal waste handling and distribution equipment (*excluding motorized vehicles*) or custom services **50%**
- l. Cooling fans/ventilation equipment **50%**
- m. Temporary or permanent shade (*excluding trees*) – material costs necessary for construction of temporary or permanent shade for sheep or goats, including shade cloth **50%**
- n. Maternity monitoring system (including alerts, camera, and contracted installation services) **50%****
- o. FAMACHA certification: to measure anemia **50%**
- p. Whole herd disease diagnostic testing (live animals only) **50%**
- q. Castration tools, including banders **50%**
- r. Microscopes for parasite management **75%**
- s. Ear tagging and tattoo equipment (*excluding tags*) **50%**
- t. Cost of having a Nutrient Management Plan or Comprehensive Nutrient Management Plan developed **75%**
- u. Cleaning and disinfection equipment for biosecurity **75%**

3. Milk Production

- a. Milking equipment **75%**
- b. Cooling and raw milk storage equipment **75%**
- c. Animal waste handling and distribution equipment (*excluding motorized vehicles*) or custom services **50%**

4. Cost of participation in an advanced agricultural education program (e.g. Small Ruminant Profit School, etc.) **75%**

B. Swine Production

Prerequisites:

- **All Swine applicants** must become Pork Quality Assurance Plus (PQA) certified before funding is received.

Limits:

- **Boar Purchases** – limit of two (2) boars per program year
- **Gilt Purchases** – limit of ten (10) gilts per program year

Eligible Cost-share Items:

1. Genetics

- a. Purchase of up to 10 high quality replacement gilts to improve the genetic base of herd **50%**
- b. Purchase of up to 2 boars to improve the genetic base of the swine herd **50%**
- c. Purchase of boar semen to improve the genetic base of the swine herd and/or equipment needed for on-farm collection, processing, storage, and utilization of semen in an artificial insemination program **75%**
- d. DNA tests **75%**
- e. Whole herd disease diagnostic testing (live animals only) **50%**
- f. Equipment for on-farm pregnancy detection **50%**

2. Handling

- a. Panels, gates, materials for pens and stalls, feeders, chutes – working, sorting, loading, etc. **50%**
- b. Feed ingredient and complete diet sampling analysis **75%**
- c. Forage/TMR mixers, feeding equipment systems (including retrofitted scale kits) **50%**
- d. Animal waste handling and distribution equipment (*excluding motorized vehicles*) or custom services **50%**
- e. Misting/sprinkling system **50%**
- f. Maternity monitoring system (including alerts, camera, and contracted installation services) **50%**
- g. Temporary or permanent shade (*excluding trees*) – material costs necessary for construction of temporary or permanent shade for swine, including shade cloth **50%**
- h. Scales **50%**
- i. Ear tagging and tattoo equipment (*excludes tags*) **50%**

3. Cost of having a Nutrient Management Plan or Comprehensive Nutrient Management Plan developed **75%**
4. Cost of participation in an advanced agricultural education program **75%**
5. Cleaning and disinfection equipment for biosecurity **75%**

C. Bees

Eligible Cost-share Items:

1. New or used hives, other wooden ware, foundation, specialty supers **50%**
2. New or used extractor, honey processing, bottling and storage equipment **50%**
3. Purchase of bees from an inspected source **50%**
4. Purchase of swarms **50%**
5. Protective suits, veils, gloves, smoker, hive tools **50%**
6. Mite checker equipment **75%**

7. Non-motorized equipment essential for the transportation of beehives **50%**
8. Polination plantings (land should be prepared prior to planting) **50%**
9. Fencing for animal/predator exclusion **50%**
10. Incubator to hatch queen bee eggs **50%**
11. Maternity monitoring system (including alerts, camera, and contracted installation services) **50%**
12. Temporary or permanent shade (*excluding trees*) – material costs necessary for construction of temporary or permanent shade, including shade cloth **50%**
13. Training and equipment for insemination **75%**
14. Cost of participation in an advanced agricultural education program (e.g. Master Beekeeper, etc.) **75%**

D. Rabbits

Eligible Cost-share Items:

1. Commercial bred New Zealand White, Californian, or Angora breeding stock **50%**
2. Cages or wire to make cages. Minimum size allowed 30" X 30" X 18". Wire must be 14-gauge or better. **50%**
3. Feeders, nest boxes **50%**
4. Materials to construct manure handling system **50%**
5. Ventilation equipment such as fans, curtains, heaters, air conditioners **50%**
6. Maternity monitoring system (including alerts, camera, and contracted installation services) **50%**
7. Temporary or permanent shade (*excluding trees*) – material costs necessary for construction of temporary or permanent shade, including shade cloth **50%**
8. Transport cages **50%**
9. Whole herd disease diagnostic testing (live animals only) **50%**
10. 3-point hitch pelletizer for producing feed **50%**
11. Ear tagging and tattoo equipment (*excludes tags*) **50%**
12. Cost of having a Nutrient Management Plan or Comprehensive Nutrient Management Plan developed **75%**
13. Cleaning and disinfection equipment for biosecurity **75%**

Exceptions/Exclusions:

- Rabbits purchased for show are **not** eligible for cost-share.

2025 CAIP Incentive Area Guidelines:

FARM INFRASTRUCTURE



*These guidelines represent one of 11 incentive areas within the **County Agricultural Incentives Program (CAIP)** to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.*

Funded participants shall adhere to all local, state, and federal rules and regulations.

Incentive Area Prerequisites

- Recipients of Kentucky Agricultural Development Funds are required to retain ownership of facilities and equipment for at least five years.
- Producers shall retain adequate insurance coverage to replace any and all capital improvement/equipment projects funded with Kentucky Agricultural Development Funds.

Incentive Area Limitations

- Eligible equipment does not include purchase of construction or drilling equipment.
- Personal or family labor is not eligible for reimbursement.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

A. Farm Storage Facilities

Eligible Cost-Share Items:

1. Materials and construction of permanent structures, such as a shed, pole barn, or Quonset hut (hoop structure) for storage of hay, straw, whole grain, farm animal feed, or farm equipment **50%**
2. Materials necessary to convert/retrofit existing structures, including barn additions, for storage of hay, straw, whole grain, farm animal feed, or farm equipment **50%**
3. Purchase of new or used grain or feed bin **50%**
4. Upgrade or modernization of existing grain or feed bins **50%**
5. Purchase of new or used liquid tanks for feed storage **50%**
6. Upgrade or modernization of drying and handling equipment to increase efficiency, improve quality, and/or add value to the grain **50%**
7. Documented, hired labor for any construction or renovations listed above **(this percentage will match the chosen project's percentage)** see also *Incentive Area Limitations*
8. Contracted site preparation and equipment rental **(this percentage will match the chosen project's percentage)**

B. Greenhouse Construction/Conversion

Eligible Cost-Share Items:

1. Cooling and heating systems **50%**
(fans, vents, heaters, motors, shade cloth, cooling pads, etc.)
2. Automatic irrigation systems **50%**
3. Water storage tanks, gutters for water collection & diversion **50%**
4. Benches, tables, rails **50%**
5. Hydroponic growing systems and components **50%**

B. Greenhouse Construction/Conversion (cont.)

6. Greenhouse materials (plastic, glass, wood, or metal) **50%**
7. Documented, hired labor for any construction or renovations listed above **(this percentage will match the chosen project's percentage)** see also *Incentive Area Limitations*
8. Contracted site preparation and equipment rental **(this percentage will match the chosen project's percentage)**

Note: See *Value-Added & Marketing Incentive Area* section "E. Good Agricultural Practices (GAP) & Food Safety" for construction/renovation related to Food Safety Modernization Act (FSMA) Compliance.

C. Livestock, Equine, & Poultry Facilities

Eligible Cost-Share Items:

1. Renovation of existing barns into appropriate facilities for either livestock, equine, or poultry production **50%**
2. Construction, including site preparation, of new facilities appropriate for either livestock, equine, or poultry production **50%**
3. Documented, hired labor for any construction or renovations listed above **(this percentage will match the chosen project's percentage)** see also *Incentive Area Limitations*
4. Contracted site preparation and equipment rental **(this percentage will match the chosen project's percentage)**

Exclusions/Limitations:

- Poultry producers applying for litter storage/composting buildings – Producers receiving 'State Cost-Share Program'¹ funds through the Conservation District for litter facilities are not eligible to receive cost-share through this program for the same.

D. On-Farm Animal Disposal

Prerequisites:

- All composting sites shall comply with KAR 302 22:040 before funds are disbursed.
- All incinerator sites shall follow environmental performance standards, as specified in KAR 401 47:30 Section 10, and must register with the Division for Air Quality. Contact the Division of Compliance Assistance for help with this: Dereck Bozzell, branch manager, 502-782-6324.
- Producers shall provide a picture of the site or incinerator for documentation prior to receiving funds.

Eligible Cost-Share Items:

1. Materials to create impermeable surface (e.g. concrete, soil-cement) **75%**
2. Contracted site preparation and equipment rental **(this percentage will match the chosen project's percentage)**
3. Documented, hired labor for any construction or renovations listed above **(this percentage will match the chosen project's percentage)** see also *Incentive Area Limitations*
4. Incinerator for on-farm disposal of livestock or poultry **75%**

Exclusions/Limitations:

- Producers that have been approved for funding by the Kentucky Division of Conservation through the Conservation District for "KWP8 – On-Farm Fallen Animal Composting" are not eligible.
- This section is for the on-farm composting/incineration of dead farm animals. It is not intended for personal or garden composting/incineration sites. It is also not for commercial waste operations.

¹ 'State Cost-Share Program' – common name for the Kentucky Soil Erosion and Water Quality Cost-Share Program

2025 CAIP Incentive Area Guidelines: FENCING & ON-FARM WATER



*These guidelines represent one of 11 incentive areas within the **County Agricultural Incentives Program (CAIP)** to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.*

Funded participants shall adhere to all local, state, and federal rules and regulations.

A. Fencing

Prerequisites:

- Producers applying for boundary/perimeter fencing shall conform to the state fencing law, as set out in KRS Chapter 256.
- Producers shall provide a FSA Farm Map or a PVA Farm Map with the total distance of the fence being built drawn on the map.
- Administrators shall require agricultural justification for reimbursement of fence.

Note: There is no livestock requirement for this incentive area.

Eligible Cost-Share Items:

For boundary and interior fencing, including perimeter fence, rotational grazing, predator fencing, water source protection, forest management, etc.

1. Posts, fences, including woven and wire fencing **50%**
2. Interior fencing, temporary fencing, and plank fencing is eligible **50%**
3. Gates **50%**
4. Post drivers **50%**
5. Post hole diggers **50%**
6. Fence chargers and supplies **50%**
7. Ground rods, lightning detectors **50%**
8. Documented, hired labor **(this percentage will match the chosen project's percentage)**
9. Contracted site preparation and equipment rental **(this percentage will match the chosen project's percentage)**
10. Rotational Grazing Starter Kit: Can include solar charger, temporary ground rod, up to 100 temporary/movable posts, high conductivity polywire/fencing, voltmeter/fence tester, grazing stick, electric fencing manual **75%**

Exclusions:

- No mechanized equipment will be eligible, except as provided by rental or contract, with the exception of post drivers and post hole diggers.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

B. On-Farm Water

Eligible Cost Share Items:

1. **Water Source Enhancement/Development**

Includes materials, parts, equipment, contracted labor, drilling and equipment rental for the development and/or establishment of the following on-farm water systems:

- a. On-farm ponds **50%**
- b. Subsurface aquifers and wells **75%**
- c. On-farm perennial springs **75%**
- d. Construction of small stream water basins **75%**
- e. Cisterns for farm usage **75%**
- f. Water hook-up to city/county water lines for farm usage, including water meters **50%**
- g. Small water treatment facility to treat service water for livestock **75%**
- h. Aeration system **75%**

2. **Water Movement** – permanent or portable

- a. Waterers, automatic waterers **50%**
- b. Piping, water lines **50%**
- c. Water storage tanks (above & below ground) **50%**
- d. Irrigation equipment **50%**
- e. Pumps, regulators **50%**
- f. Shut-off valves **50%**
- g. Gutters for water harvesting **50%**
- h. Other water delivery system equipment **50%**

3. **Environmental Stewardship** – Costs necessary for the installation of drainage systems for improved soil drainage (excludes motorized vehicles)

- a. Subsurface Drainage* – Tiling (including tile gates) **75%**
- b. Surface Drainage –
 - i. Grassed waterways, including fescue and rock outlet, for prevention of erosion/run-off **75%**
 - ii. Erosion control blanket **75%**
- c. Field-to-field stream crossing* **75%**
- d. Documented, hired labor **(this percentage will match the chosen project's percentage)**
- e. Contracted site preparation and equipment rental **(this percentage will match the chosen project's percentage)**

Exclusions:

- Eligible equipment does not include purchase of construction or drilling equipment.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

***Note: Participants intending to use (*) cost-share item(s) who also participate in USDA programs should contact FSA to ensure compliance with Highly Erodible Land and Wetland Conservation Compliance, which is required for USDA program compliance. FSA will forward requests to NRCS for evaluation.**

2025 CAIP Incentive Area Guidelines: FORAGE & GRAIN IMPROVEMENT



These guidelines represent one of 11 incentive areas within the **County Agricultural Incentives Program (CAIP)** to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.

Funded participants shall adhere to all local, state, and federal rules and regulations.

A. Forage, Pasture, and Grain Production

Prerequisites:

- Only Certified, Plant Variety Protected (PVP) or Proprietary varieties will be acceptable for cost-share (see list of approved varieties).
In addition, these varieties should have documented performance in university trials such as those conducted by the UK College of Agriculture, Food & Environment. Other varieties will be considered with documentation of performance upon written request to UK through the County Extension Agent for Agriculture and Natural Resources.
- The variety must be specified on the receipt.
- **A soil test**, taken within the last 12 months, shall be conducted and recommendations followed prior to seed application.
- **Clover:** If soil pH is below 5.0, then clover seeding should be delayed by six (6) months after lime application. **Alfalfa:** If soil pH is below 5.5, then seeding must be delayed by one year after limestone application.

Eligible Cost-share Items:

1. **Forage/Pasture Seed: Only varieties specified in the Seed List (Appendix A) are eligible. 50%**
 - a. Clover – red and white
 - b. Alfalfa
 - c. **Summer Perennial Forages**
 - i. Bermuda grass
 - ii. Big Bluestem
 - iii. Eastern Gamma Grass
 - iv. Caucasian Bluestem
 - v. Indiangrass
 - vi. Lespedeza
 - vii. Switchgrass
 - d. **Cool Season Forages**
 - i. Endophyte-free Fescue
 - ii. Festulolium
 - iii. Kentucky Bluegrass
 - iv. Novel Endophyte Fescue
 - v. Orchardgrass
 - vi. Timothy
 - e. **Other Crops for FORAGE and GRAZING purposes only**
 - i. Annual Ryegrass (*Lolium multiflorum*)
 - ii. Barley
 - iii. Brassicas (i.e. turnips)
 - iv. Buckwheat
 - v. Cereal rye (*Secale cereale*)
 - vi. Corn (less than 10 acres)
 - vii. Oats
 - viii. Sorghum-Sudangrass
 - ix. Soybean
 - x. Sudangrass
 - xi. Triticale
 - xii. Wheat
2. Inoculants for legume seeds and for ensiling **50%**
3. Hay testing, hay moisture tester **75%**
4. Specialized spraying equipment (*not self-propelled*), including weed wiper/wicker **50%**
5. Broadcaster seeder/spreader; seed hopper/tender **50%**
6. Custom Services: Seeding; Spraying for pasture/hayland weed suppression (*excludes chemicals*) **50%**
7. **Rental** of no-till drill, pasture renovator, spray equipment, or any item listed in Section B. **50%**

8. Rental of land clearing equipment or custom land clearing services for agricultural purposes, *seeding is not required* **50%**
Note: Participants intending to use this cost-share item who also participate in USDA programs should contact FSA to ensure compliance with Highly Erodible Land and Wetland Conservation Compliance, which is required for USDA program compliance. FSA will forward requests to NRCS for evaluation.
9. Rotational Grazing Starter Kit: Can include solar charger, temporary ground rod, up to 100 temporary/moveable posts, high conductivity polywire/fencing, voltmeter/fence tester, grazing stick, electric fencing manual **75%**
10. Cost of participation in a master-level agricultural education program (e.g. Master Grazer, etc.) **75%**

Exclusions/Limitations:

- Soil test must be followed, but cost-share is not allowed on fertilizer or soil amendments.
- Only labor provided through a custom seeding service is eligible for reimbursement, labor for using rental equipment is not reimbursable.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

B. Commodity Handling and Forage Equipment

Prerequisites:

- Commodity Handling & Forage Equipment recipients are required to retain ownership and maintenance of equipment for at least five years.
- Producers shall retain adequate insurance coverage to replace any and all equipment funded through this program. *Proof of insurance may be requested by the program administrator at the time of reimbursement or during a site visit.*

Eligible Cost-share Items*:

- | | |
|---|--|
| 1. Bale accumulators 50% | 10. Hay rake 50% |
| 2. Bale kickers 50% | 11. Hay rings 50% |
| 3. Bale wrappers/Forage Baggers 50% | 12. Hay tedder 50% |
| 4. Baler retro-fitting for netting systems 50% | 13. Hay unroller attachment 50% |
| 5. Concrete/portable feed bunks 50% | 14. Mechanical bale loaders 50% |
| 6. Elevators and Augers 50% | 15. No-till drill 50% |
| 7. Front end loader and/or attachments 50% | 16. Roller-crimper 50% |
| 8. Hay applicator systems 50% | 17. Scales/scale kit for grain cart (retro-fitting) 50% |
| 9. Hay forks/spears 50% | |

**Cost-share is also available for rental of any equipment listed in Section B.*

Exclusions:

- Self-propelled vehicles/equipment are **not** eligible for cost-share, including but not limited to tractors, trucks, all-terrain vehicles, skid steers, etc.
- Any type of mowing equipment is **not** eligible for cost-share, including but not limited to bush hogs, hay mowers, discbines, haybines, mower-conditioner, etc.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

Appendix A: Seed Varieties

(Updated as necessary)

Varieties of approved species (see A. 1.) are updated by UK Agronomy as requested or new varieties are shown to meet UK's performance standards.

For the most up-to-date list of seed varieties eligible for use with this program visit

https://www.kyagr.com/agpolicy/documents/2025-Program-Guidelines-Applications/ADF_APP_caip_forage_seedlist.pdf:

Note: Consideration should be given to applicable seeding dates as referenced in AGR-18 "Grain and Forage Crop Guide for Kentucky" <http://www2.ca.uky.edu/agcomm/pubs/AGR/AGR18/AGR18.pdf>

Legumes & Warm Season Grasses*

The following are acceptable for use under the provisions of the Kentucky Agricultural Development Fund Forage & Grain Improvement Incentive Area, as implemented by individual counties.

ALFALFA

| | | | |
|----------------------------|-----------------|------------------------|----------------------|
| 329 | CPS 950 | High Five | RR VanMoose |
| 425 RR | Crystal | HVX MegaTron | RushmoreSpredor 3 |
| 428 RR | Demand | HybriForce-400 | Scepter |
| 438 RR | Depend+EV | Imperial | Seedway 9558 |
| 54V46 | DG417RR | Kingfisher 222 | Signature |
| 55VR08 RR | DG 4210 | Kingfisher Excelerator | Spredor 4 |
| 6423R | DK 127 | L 311 | SS RR 425 |
| 6439HVXR | DK 131HG | L 333HD | Stampede |
| 6453Q | DK 133 | L 411HD | Supercuts |
| A5225 | DK 140 | L 45-52RR | TMF Generation |
| Abilene+Z | DK 141 | L 447HD | TMF4464 |
| ABT 205 | Dominator | LH3 | Triple Crown |
| ABT 350 | Emperor | LegenDairy AA | Triple Trust 450 |
| ABT 400SCL | Enforcer | LegenDairy XHD | Triple Trust 500 |
| ABT 405 | Evergreen | MagnaGraze | Viking |
| Affinity+Z | Evermore | Magnum V | Wintergold |
| Aggressor | Excalibur II | Magnum V - Wet | Wintergreen |
| Alfagraz | Expedition | Mariner V | Withstand |
| Amerigraze 401+Z | FK421 | MultiQueen | WL326GZ |
| Ameriguard 302+Z | Feast +EV | Oneida Ultra | WL343HQ |
| Ameristand 403T | Fierce | Pegasus | WL345 LH |
| Ameristand 404LHL | Forecast 1001 | PGI 447RR | WL347LH |
| Ameristand 407TQ | Forecast 3001 | Phoenix | WL348AP |
| AmeriStand 423TQ RR | Foregrazer V | Pioneer Brand 53v63 | WL 349HQ |
| Ameristand 427TQ | Fortress | Pioneer Brand 5347LH | WL353LH |
| AmeriStand 428TQ | FP521 | Pioneer Brand 5454 | WL355RR |
| Ameristand 455TQ RR | FSG 408DP | Pioneer Brand 53H81 | WL357HQ |
| Ameristand 457TQ RR | FSG 505 | Pioneer Brand 53Q60 | WL358LH |
| Ameristand 481 HVXRR | GA-535 | Pioneer Brand 54H69 | WL359HQ.RR |
| Apollo Supreme | Garst 630 | Pioneer Brand 54V54 | WL 359LH.RR |
| Armour RR | Garst 6417 | Pioneer Brand 55V48 | WL363HQ |
| Arrest | Garst 645 | Radiant-AM | WL365HQ |
| Attention w/StandFast™ | Garst 645-II | Rebound 6XT | WL372HQ.RR |
| Attention II | Geneva | Rebound AA | WL 3311HQ |
| w/StandFast™ | Gem | Reward II | WL 3451HQ.RR |
| Caliber | Goldrush | RR 425 | WL 3471.HVXRR |
| Choice | Grazeking | RR AphaTron 2XT | WL 3521HQ |
| Clean Sweep 100 | Gunner | RR Tonnica | WL 3546HQ.RR |
| Contender | Harvestar 812HY | RR VaMoose | WL 375HVX.RR |

Legumes & Warm Season Grasses*(cont.)

Bermudagrass

Hardie
Tifton 44
Quicksand
Vaughn
Wrangler

Big Bluestem

Pawnee
Kaw
Rountree
Niagara
Ecotypes native to
Kentucky are
acceptable

Eastern Gamagrass

Pete
Iuka
PMK24
Ecotypes native to
Kentucky are
acceptable

Switchgrass

Cave-in-rock
Kanlow

Indiangrass

Rumsey

Old World Bluestem

Caucasian

Red Clover

9601
Acclaim
Arlington
Atlas
Belle
Blaze
Cardinal
Cinnamon
Cinnamon Plus
Cyclone
Dominion
Duration
FK 345
FP 345
FSG 401RC
FSG 402
FSG 9601
Freedom!
Freedom!MR
GA-9908
Gallant
Greenstar
Juliet
Kenland (Certified)
Kenstar
Kenway
LS 9703
Marathon
PGI 33
Plus
Prima
Ram
Raptor
Red Baron
Red Gold Plus
Red Gold II
Redland Graze
RedStart
Renegade
Robust
Rocket
Royal Red
Solid
Solid Red
SS-0303RCG
Starfire
StarFire II
Triple Trust 350
ZR0004R

Ladino

Advantage
Alice
Barblanca
California
Colt Ladino
Crescendo Ladino
Durana
Jumbo
Kopu II
Osceola
Patriot
Pinnacle
Rampart
Regal
RegalGraze
Renovation
Seminole
SS190
Stamina
Tillman II
Will

Lespedeza

AU Grazer
Kobe
Korean
Striate

Cool Season Grasses *

The following are acceptable for use under the provisions of the Kentucky Agricultural Development Fund Forage & Grain Improvement Incentive Area as implemented by individual counties.

Endophyte Free

Fescue

BarElite
Barolex
Bariane
Bull
Bronson
Cajun II
Cattle Club
Dominate
Festival
FSG 402TF
Hymark
Kora
KY-32
Maximize
Ranchero tall fescue
Select
SS-0705TFSL
Stockman
Teton II
Tuscany II

Festulolium

Barfest
Felina
Hykor
Mahulena
Spring Green

Kentucky bluegrass

Adam I
Bardberby
Filly
Ginger
Lato
Kenblue
Park
Platini
Slenzanka

Novel Endophyte

Fescue

Baroptima PLUS E34
Estancia ArkShield
Jesup MaxQ
Kora Protek
Lacefield MaxQ II
Martin2 Protek
Texoma MaxQ II
Tower Protek

Orchardgrass

Alpine II
Amba
Ambrosia
Athos
Baridana
Baraula
Barlegro
Benchmark
Benchmark Plus
Bighorn
Boone, Certified Only
Bounty II (experimental
OG0707)
Bronc
Century
Command
Condor
Crown
Crown Royale
Devour
Everlast
Endurance
Extend
FSG 506OG
Hallmark
Harvestar
Haymate
Icon
Intensiv
Mammoth
Megabite
Niva
Persist
Potomac, Certified Only
Prairie
Profile
Progress
Profit
Quickdraw
Renegade
Rushmore II
Seco
Shiloh
Spanish Red
Sparta
SS-0708OGDT
Stampede
Summer Green
Survivor
Takena
Tekapo
Udder

Warrior

Timothy

Aurora
Barfleo
Barpenta
Clair, Certified Only
Classic
Climax
Colt
Conquest
Derby
Dolina
Express
Express II
Hokusei
Joliette
KY-Early
Richmond
Summit
Talon
Tenho
Toro
Tundra
Treasure
Zenyatta

2025 CAIP Incentive Area Guidelines: INNOVATIVE AGRICULTURAL SYSTEMS



*These guidelines represent one of 11 incentive areas within the **County Agricultural Incentives Program (CAIP)** to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.*

Funded participants shall adhere to all local, state, and federal rules and regulations.

Incentive Area Prerequisites

- Recipients of Kentucky Agricultural Development Funds are required to retain ownership of facilities and equipment for at least five years.
- Producers shall retain adequate insurance coverage to replace any and all capital improvement/equipment projects funded with Kentucky Agricultural Development Funds.
- Producers participating in this Incentive Area must complete at least one full system (selected from A-E) to receive cost-share funds.

Incentive Area Limitations

- Eligible equipment does not include purchase of construction or drilling equipment.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

A. Fenceline Feeders

Definition: The practice of installing livestock feeding structures into strategically selected fencelines in close proximity to feedstuff storage facilities. This practice is supported by NRCS practice standard codes 382: Fence and 561: Heavy Use Area Protection.

Purpose: The purpose of fenceline feeders is to reduce the impact of winter-feeding on pastures and improve the operational efficiency of a winter-feeding area. These structures are designed so that the tractor never has to enter the field to load hay bales into the structure.

The major advantage of this practice is the savings in time, but it also prevents compaction of soils and having to interact with cattle/calves while trying to feed. These structures are also designed to reduce runoff and erosion associated with traditional heavily compacted, muddy winter-feeding areas by incorporating heavy traffic pads around the structure.

Locating the feeders in close proximity to the hay storage barns improves the functionality and the overall efficiency of the winter-feeding process as well. Fenceline feeder systems are also excellent options for mobility limited or disabled producers.

Conditions Where Practice Applies: Fenceline feeder systems may be utilized on livestock operations where winter feeding occurs. Fenceline feeding systems offer an alternative to traditional in-field bale feeding during the wet winter conditions that Kentucky often experiences. This practice is applicable where a producer desires to reduce the impact of winter-feeding on pastures and improve the operational efficiency of a winter-feeding area.

See “Appendix A: Fenceline Feeders” for criteria, planning considerations, operations & maintenance and references related to this incentive category.

Eligible Cost-Share Items: 75%

- | | |
|-------------------------------------|--|
| 1. Fencing materials | 9. Feeder panels |
| 2. Feeding equipment systems | 10. Gates |
| 3. Troughs | 11. Mounting hardware |
| 4. Building materials for structure | 12. Gravel paver grid |
| 5. Geotextile fabric | 13. Documented, hired labor |
| 6. Fabric pins | 14. Contracted site preparation and equipment rental |
| 7. Gravel | |
| 8. Concrete | |

B. Gravel Paver Grid

Definition: Gravel paver grid is a reinforcing plastic grid that can be incorporated in to a heavy traffic pad to facilitate manure collection and improve the durability of the gravel pad. This practice is supported by NRCS practice standard code 561: Heavy Use Area Protection.

Purpose: The purpose of gravel paver grid is to increase the durability of heavy traffic pads, facilitate manure collection, and improve livestock surfaces.

Conditions Where Practice Applies: A gravel paver grid may be used in heavy use areas of livestock operations to reinforce new or existing heavy traffic pads.

See “Appendix B: Gravel Paver Grid” for criteria, planning considerations, operations & maintenance and references related to this incentive category.

Eligible Cost-Share Items: 75%

- | | |
|----------------------|---|
| 1. Geotextile fabric | 5. Contracted site preparation and equipment rental |
| 2. Fabric pins | 6. Documented, hired labor |
| 3. Gravel | |
| 4. Gravel paver grid | |

C. Solar Powered Watering System

Definition: The practice of using a solar panel and pump to distribute water within a water harvesting system. This practice includes the infrastructure necessary to direct, store, and distribute water. This practice is supported by NRCS practice standard codes 570: Stormwater Runoff Control , 614: Watering Facility, and 636: Water Harvesting Catchment.

Purpose: The purpose of solar powered pumping systems is to utilize solar energy in conjunction with a solar panel and pump to deliver water to remote locations of agricultural operations.

Conditions Where Practice Applies: Solar powered pumping systems can be utilized to aid in delivery of water within water harvesting systems.

See “Appendix C: Solar Powered Watering System” for criteria, planning considerations, operations & maintenance and references related to this incentive category.

Eligible Cost-Share Items: 75%

- | | |
|--|--|
| 1. Solar panel | 7. Pole mount adapter for solar panel |
| 2. Solar powered pump | 8. Water storage tank/cistern |
| 3. Pump controller | 9. Fencing |
| 4. Water pipe, water pipe connections, and materials | 10. Grid tie |
| 5. Wire | 11. Documented, hired labor |
| 6. Mounting pole | 12. Contracted site preparation and equipment rental |

D. Tire Waterers

Definition: A livestock watering tank constructed from a repurposed heavy equipment tire. This practice is supported by NRCS practice standard codes 382: Fence, 561: Heavy Use Area Protection, and 614: Watering Facility.

Purpose: A tire tank waterer uses a loader, grader, dump truck, or similar OTR (off the road) tire as the reservoir. Because these tires have a large circumference, livestock have more access for drinking as compared to traditional automatic fountains. A heavy equipment tire tank should remain operational for over 10 years, and in many cases, will cost less than other types of permanent water sources. The savings on the fixture can be spent on additional concrete or geotextile fabric and gravel to improve the surfaces surrounding the waterer.

Conditions Where Practice Applies: Tire waterers are useful on livestock operations where production could benefit from increased access to water. Sharing these structures between multiple pastures aids in providing water in rotational grazing systems.

See “Appendix D: Tire Waterers” for criteria, planning considerations, operations & maintenance and references related to this incentive category.

Eligible Cost-Share Items: 75%

- | | |
|--|--|
| 1. Water pipe, pipe connections and associated materials | 7. Gravel |
| 2. Fencing materials | 8. Fencing |
| 3. Float valve | 9. Heavy equipment tire |
| 4. Concrete | 10. Documented, hired labor |
| 5. Geotextile fabric | 11. Contracted site preparation and equipment rental |
| 6. Fabric pins | |

E. Water Harvesting

Definition: The practice of collecting runoff from precipitation events for beneficial reuse on the farm. This practice includes the infrastructure necessary to direct, store, and distribute water. This practice is supported by NRCS practice standard codes 614: Watering Facility and 636: Water Harvesting Catchment.

Purpose: The purpose of water harvesting is to capture and store runoff water that would normally be a detriment to production and distribute it to provide water for livestock, crops, or other beneficial uses. Reducing runoff volumes can reduce the potential for erosion and the transport of contaminants to nearby water resources.

Conditions Where Practice Applies: Water harvesting can be conducted by collecting precipitation from the landscape or from impervious surfaces such as roofs. The beneficial reuse of effluent from tile

drainage or cooling systems may also serve as a source of water. Water harvesting from the landscape can involve the installation of ponds to detain water that can be distributed to points of need.

See “Appendix E: Water Harvesting” for criteria, planning considerations, operations & maintenance and references related to this incentive category.

Eligible Cost-Share Items: 75%

- | | |
|---------------------------------|--|
| 1. Gutter | 7. Materials for surfaces |
| 2. Downspout | 8. Waterers |
| 3. Water pipe | 9. Pumps |
| 4. Miscellaneous plumbing parts | 10. Documented, hired labor |
| 5. Above ground storage tank | 11. Contracted site preparation and equipment rental |
| 6. Cistern | |

Appendix A: Fenceline Feeders



Fenceline Feeding System demonstration site at Eden Shale Farm

Definition: The practice of installing livestock feeding structures into strategically selected fencelines in close proximity to feedstuff storage facilities. This practice is supported by NRCS practice standard codes 382: Fence and 561: Heavy Use Area Protection. This practice is soon to be eligible for cost share through CAIP and EQIP in Kentucky.

Purpose: The purpose of fenceline feeders is to reduce the impact of winter-feeding on pastures and improve the operational efficiency of a winter-feeding area. These structures are designed so that the tractor never has to enter the field to load hay bales into the structure. The major advantage of this practice is the savings in time, but it also prevents compaction of soils and having to interact with cattle/calves while trying to feed. These structures are also designed to reduce runoff and erosion associated with traditional heavily compacted, muddy winter-feeding areas by incorporating heavy traffic pads around the structure. Locating the feeders in close proximity to the hay storage barns improves the functionality and the overall efficiency of the winter-feeding process as well. Fenceline feeder systems are also excellent options for mobility limited or disabled producers.

Conditions Where Practice Applies: Fenceline feeder systems can be utilized on livestock operations where winter feeding occurs. Fenceline feeding systems offer an alternative to traditional in-field bale feeding during the wet winter conditions that Kentucky often experiences. This practice is applicable where a producer desires to reduce the impact of winter-feeding on pastures and improve the operational efficiency of a winter-feeding area.

Criteria: This system is typically suitable for any producer that routinely feeds hay during the winter months. Incorporation of supplemental feed troughs into the system design can aid in meeting livestock dietary needs. Specific siting criteria are discussed in the Planning Considerations section.

Planning Considerations: Site selection for winter-feeding is one of the most critical steps of the planning process. In order to create a functional design, the location must save the producer time and create a better environment for cattle. Evaluation of the soils based on hydrologic and engineering properties can aid in determining the best location. Soils should be well drained and capable of supporting shallow excavations with light structural improvements. Sites should always be located away from water bodies, steep slopes, or other sensitive features on the farm. Avoiding these areas can prevent excess creation of mud, erosion, and runoff. Sites on ridges or flat ground, away from sensitive features are favored. Choosing an area with a natural or man-made windbreak can also be beneficial to animal welfare and overall productivity. When siting a fenceline feeding system, it is also important to consider the location of hay storage. To maximize efficiency, feeding structures should be located near hay storage, while still following the previously presented guidelines. Savings in time, fuel, and wear on equipment can offset part of the expense of infrastructure upgrades.

Gates located at the entrances of the feeding structure are needed to keep calves contained. If calves are not present, the entrances can be left open further increasing the efficiency of the design. Omitting the entrance gates all together, because they are not needed, also reduces cost. Grind all bolts flush to wood to prevent injury to livestock. The number and size of nails in various parts of the structure should comply with the recommendations provided in the Uniform Building Code and applicable state building codes.

Operation and Maintenance: Feeders should be loaded with roll bale hay as necessary to accommodate the dietary needs of the winter feeding herd. Hay wastage should be minimized by structure design. Hay that is out of reach can be pushed up and moved to the back of the feeding structure, by subsequent bales, to provide access and reduce waste. At the end of the season, the interior of the structure should be cleaned.

The manure pack that is generated surrounding the structure should be scraped, stored, and applied to pastures or crop fields to take advantage of the organic matter and nutrients in the manure. This step in the cycle is critical to the overall functional design. It supports the efficiency goals of this design, which reduce waste (time, hay, cattle effort, etc.). It utilizes waste that is normally overlooked (manure) and create a benefit from it (higher yields, better soil health, etc.). The physical integrity of the structure should be checked on a routine basis to ensure fasteners and fixtures remain functional and safe for livestock use.

References:

Fenceline Feeder Systems for Beef Cattle Production and Environmental Protection (In Process)
Midwest Plan Service. 1987. Beef Housing and Equipment Handbook. MWPS-6. 1995 4th edition. [Ames, Iowa]: Midwest Plan Service.
Uniform Building Code. Whittier, Calif. (5360 South Workman Mill Rd., Whittier 90601): International Conference of Building Officials, 1988. Print.

Appendix B: Gravel Paver Grid



Gravel paver grid can be used to reinforce heavy use areas. It allows a producer to scrape manure from an area without completely removing gravel.

Definition: Gravel paver grid is a reinforcing plastic grid that can be incorporated in to a heavy traffic pad to facilitate manure collection and improve the durability of the gravel pad. This practice is supported by NRCS practice standard code 561: Heavy Use Area Protection. This practice is soon to be eligible for cost share through CAIP and EQIP in Kentucky.

Purpose: The purpose of gravel paver grid is to increase the durability of heavy traffic pads, facilitate manure collection, and improve livestock surfaces.

Conditions Where Practice Applies: gravel paver grid can be used in heavy use areas of livestock operations to reinforce new or existing heavy traffic pads.

Criteria: gravel paver grid should be installed around feeders, waterers, and in livestock housing areas. This material is ideal for areas where manure collection for beneficial reuse occurs.

Planning Considerations: Where gravel paver grid is to be used, a base of geotextile fabric and 6 inches of rock is required before placing the concrete or grid. Detailed instructions on installing a heavy traffic pad for livestock can be obtained from [All Weather Surfaces for Livestock \(AEN-115\)](#).

Operation and Maintenance: Gravel paver grid should be installed as a component of a heavy traffic pad. Follow Planning Consideration guidelines and installation procedures detailed within [AEN 115](#). Periodic maintenance in the form of top dressing the grid with gravel and compacting may be necessary. Periodic removal of manure buildup will be an integral part of the maintenance of this structure.

References:

All Weather Surfaces for Livestock (AEN 115).

<http://www2.ca.uky.edu/agcomm/pubs/aen/aen115/aen115.pdf>

Appendix C: Solar Powered Watering Systems



A solar powered pump installed in a water harvesting system.

Definition: The practice of using a solar panel and pump to distribute water within a water harvesting system. This practice includes the infrastructure necessary to direct, store, and distribute water. This practice is supported by NRCS practice standard codes 570: Stormwater Runoff Control, 614: Watering Facility, and 636: Water Harvesting Catchment. This practice is eligible for cost share through CAIP and EQIP in Kentucky.

Purpose: The purpose of solar powered pumping systems is to utilize solar energy in conjunction with a solar panel and pump to deliver water to remote locations of agricultural operations.

Conditions Where Practice Applies: Solar powered pumping systems can be utilized to aid in delivery of water within water harvesting systems.

Criteria: Solar powered pumping systems should be prioritized for use in remote locations of agricultural operations where city water or electricity may be unavailable. These systems are especially useful within a rotational grazing scheme.

Planning Considerations: Calculate the total vertical distance that water will be pumped and estimate friction loss of flow due to the horizontal length of pipe. Combining this with the estimated power provided by the solar panel you can estimate the flow rate that the system will be expected to provide. The manual for a potential pump should have a rating chart to relate power provided by panel to flow rates from pump.

Cattle drink at a rate of 2-6 gallons per minute and need upwards of 30 gallons per day in the hottest days of the year. It would be wise to size your system and tank large enough to accommodate your herd to use the waterer with a sufficient recharge rate so that it does not go dry if the herd comes to drink as a group. Additional storage in a closed tank can be used to gravity feed the water and supplement the water supply in case of a day with low light that would limit solar power capacity. A battery may also be included for low light days when solar power capacity may be sub-optimal. Oversized panels can help to offset the loss of potential power on low-light days. A benefit of the pump controller is that it also serves

as a linear current booster, which allows for the pump to operate at lower light levels and can boost the power supplied to the pump by up to 30%.

Operation and Maintenance: Check for proper function of the system on a routine basis while in use by livestock. Check at an interval equal to or less than the expected consumption time for the portion of stored water available to livestock if the pump stops working (the water available for gravity flow or in the tank). Ensure all drains/outlets from the system are protected in a manner that reduces the potential for erosion. Exclude livestock and vehicle traffic from accessing and damaging components of the system.

References:

USDA-ARS, Agriculture Handbook No. 600, Handbook of Water Harvesting.

<https://naldc.nal.usda.gov/naldc/download.xhtml?id=CAT87208954&content=PDF>

USDA NRCS, Technical Note No. 28. Design of Small Photovoltaic (PV) Solar-Powered Water Pump Systems.

https://www.nrcs.usda.gov/Internet/FSE_DOCUMENTS/nrcs142p2_046471.pdf

Solar Powered Watering Systems for Agricultural Use (In Process)

Appendix D: Tire Waterer



A tire tank waterer installed at Eden Shale Farm in northern Kentucky. The tire tank waterer is used to supply drinking water to cattle in two separate areas.

Definition: A livestock watering tank constructed from a repurposed heavy equipment tire. This practice is supported by NRCS practice standard codes 382: Fence, 561: Heavy Use Area Protection, and 614: Watering Facility. This practice is soon to be eligible for cost share through CAIP and EQIP in Kentucky.

Purpose: A tire tank waterer uses a loader, grader, dump truck, or similar OTR (off the road) tire as the reservoir. Because these tires have a large circumference, livestock have more access for drinking as compared to traditional automatic fountains. A heavy equipment tire tank should remain operational for over 10 years, and in many cases, will cost less than other types of permanent water sources. The savings on the fixture can be spent on additional concrete or geotextile fabric and gravel to improve the surfaces surrounding the waterer.

Conditions Where Practice Applies: Tire waterers are useful on livestock operations where production could benefit from increased access to water. Sharing these structures between multiple pastures aids in providing water in rotational grazing systems.

Criteria: Tire waterers require a source of water to operate. Water can be supplied from city water or harvested rainwater.

Planning Considerations: Choosing the location of the tire tank waterer is an important first step. Careful placement of the tire tank waterer will allow for better pasture management, will facilitate rotational grazing, and will help protect soil and water quality. Consider the maximum distance cattle must travel to reach the tire tank waterer. Travel distances greater than 800 feet often lead to non-uniform pasture grazing, as cattle will tend to overgraze near the water source and underutilize portions of the pasture located further away. Consider locations that will allow a single tire tank to serve multiple pastures or will allow for intense grazing schemes.

To protect soil and water quality, exclude cattle from waterbodies and locate the tire tank waterer as far away from streams and riparian areas as possible. If excluding ponds, locate the tire tank waterer down-gradient so runoff from the watering area does not flow into the pond. Locate the tire tank waterer on solid, well-drained soils. To prevent the development of mud, a heavy use pad should be constructed around the tire tank waterer. Ensure the site is accessible by tractor. Because of the large size and weight of the tire, a tractor, preferably with a front-end loader, is required for installation.

Operation and Maintenance: Once the tire tank is operational, monitor it to make sure the needs of animals are being met. If animals are observed climbing into the tank, exclude them with a cross member attached to the top of the tire tank or a fence across the structure. Periodic cleaning may be necessary to remove nutrients that can promote algal growth. Avoid using copper sulfate to control algae to prevent toxicity and metal corrosion.

References:

All-weather surfaces for livestock (AEN-115).

<http://www2.ca.uky.edu/agcomm/pubs/AEN/AEN115/AEN115.pdf>

All-weather surfaces for cattle watering facilities (ID-229).

<http://www2.ca.uky.edu/agcomm/pubs/ID/ID229/ID229.pdf>

Pasture feeding, streamside grazing, and the Kentucky Agriculture Water Quality Plan (AEN-105).

<http://www2.ca.uky.edu/agcomm/pubs/aen/aen105/aen105.pdf>

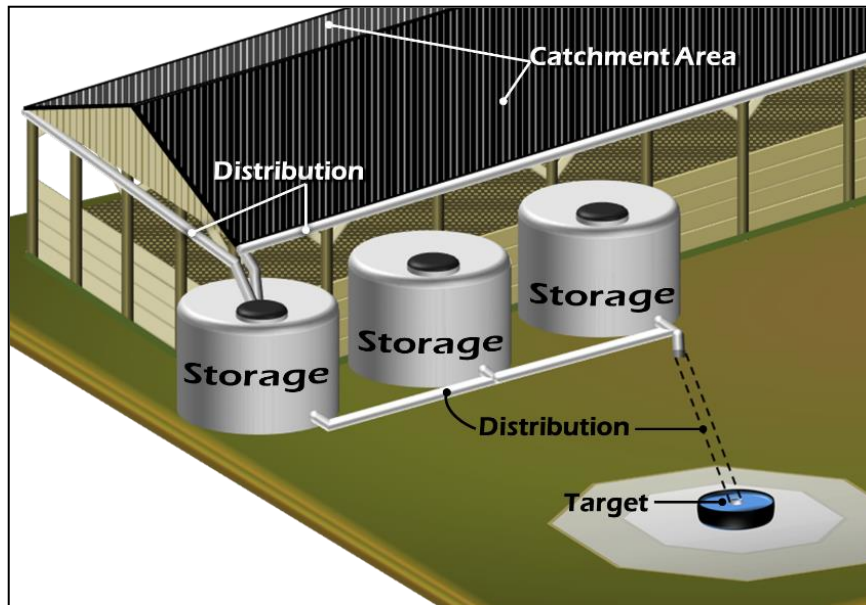
Providing water for beef cattle in rotational grazing systems (ID-236).

<http://www2.ca.uky.edu/agcomm/pubs/ID/ID236/ID236.pdf>

Tire Tanks for Watering Livestock

<http://www2.ca.uky.edu/agcomm/pubs/AEN/AEN133/AEN133.pdf>

Appendix E: Water Harvesting



A basic design consists of a catchment area, distribution, storage, and a target.

Definition: The practice of collecting runoff from precipitation events for beneficial reuse on the farm. This practice includes the infrastructure necessary to direct, store, and distribute water. This practice is supported by NRCS practice standard codes 614: Watering Facility and 636: Water Harvesting Catchment. This practice is eligible for cost share through CAIP and EQIP in Kentucky.

Purpose: The purpose of water harvesting is to capture and store runoff water that would normally be a detriment to production and distribute it to provide water for livestock, crops, or other beneficial uses. Reducing runoff volumes can reduce the potential for erosion and the transport of contaminants to nearby water resources.

Conditions Where Practice Applies: Water harvesting can be conducted by collecting precipitation from the landscape or from impervious surfaces such as roofs. The beneficial reuse of effluent from tile drainage or cooling systems may also serve as a source of water. Water harvesting from the landscape can involve the installation of ponds to detain water that can be distributed to points of need.

Criteria: It is important that water quality meet the standards set forth in [Drinking Water Quality Guidelines for Cattle \(ID 170\)](#) prior to use for livestock. Analysis of water to be used as a nutrient solution for plants should also be conducted prior to use for irrigation. Guidelines for irrigation water quality can be obtained from the [Kentucky Irrigation and Drought Resources](#) website. Laboratory services can be contracted through local water quality laboratories or arranged with the help of experts from the Cooperative Extension Service.

Planning Considerations: Water quality can be impacted by contaminants on catchment surfaces or from activities within the watershed where water is harvested. It is important to make efforts to reduce the potential for contamination through implementing best management practices that reduce the risk of nutrient, pathogen, or chemical entry into water harvesting systems. Livestock and pesticide/fertilizer related activities should always be kept at least 100 feet away from areas that serve as landscape water harvesting sources. Filter strips and exclusion fencing can aid in the protection of water quality. Impervious surfaces that are used to collect precipitation should be inspected regularly to ensure no

visible signs of corrosion or potential contamination are present. Incorporating a first flush diverter into rooftop catchments can aid in reducing the potential for contamination from pollutant deposition on catchment surfaces.

Harvesting from impervious surfaces such as roofs requires the installation of gutters and downspouts, contamination reduction devices, storage vessels, and a distribution system. In many cases, gravity flow can be utilized to distribute water. The use of pumps may be necessary depending on the elevation change from source to the desired location of water delivery. This practice may be especially useful in remote locations where access to city water may be limited or cost prohibitive.

The system should be designed and sized based on projected water needs. The volume of storage within the system should be equal to the total expected demand for one month at the location where water will be utilized. Refer to water harvesting systems for livestock and the associated system sizing calculator to calculate system demand and the necessary size for components.

Freeze protection and winterizing are important considerations when planning a water harvesting system. If your system will be exposed to freezing conditions then it is critical that it can be drained during those periods.

All applicable federal, state, and local building and plumbing codes must be followed when installing and operating a water harvesting and distribution system. Plans and designs for water harvesting systems can be developed through your local conservation district or cooperative extension service.

Operation and Maintenance: It is important that an operational plan be developed for any water harvesting system that is designed. An operation plan should include: system plans, maintenance schedule for system components, valve layout and operation diagram, and a cleaning schedule. Visual inspection of the system should occur on a weekly basis to ensure proper operation. Ensure all drains/outlets from the system are protected in a manner that reduces the potential for erosion. Exclude livestock and vehicle traffic from accessing and damaging components of the system. Ensure that the system is winterized prior to the threat of freezing temperatures each winter.

References:

Drinking Water Quality Guidelines for Cattle (ID 170)

<http://www2.ca.uky.edu/agcomm/pubs/id/id170/id170.pdf>

Kentucky Irrigation and Drought Resources

https://ky.water.usgs.gov/projects/ky_ag_monitoring_committee/

USDA-ARS, Agriculture Handbook No. 600, Handbook of Water Harvesting.

<https://naldc.nal.usda.gov/naldc/download.xhtml?id=CAT87208954&content=PDF>

Water Harvesting for Livestock Systems

<http://www2.ca.uky.edu/agcomm/pubs/AEN/AEN133/AEN133.pdf>

2025 CAIP Incentive Area Guidelines: ON-FARM ENERGY



*These guidelines represent one of 11 incentive areas within the **County Agricultural Incentives Program (CAIP)** to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.*

Funded participants shall adhere to all local, state, and federal rules and regulations.

Incentive Area Prerequisites

- Applicants are required to provide a detailed listing and verification of all expenditures related to this incentive area. In addition to the normal documentation, the applicant may be required to provide model and serial numbers for all relevant components, as well as further explanation of the energy related benefits of the incentive.
- The local Administrative Entity in consultation with KOAP Staff has the discretion to disqualify the reimbursement of expenditures not explicitly listed above or for items determined to provide no energy savings.
- Dairy applicants shall be permitted by the Kentucky Milk Safety Branch.

Incentive Area Limitations

- Eligible items will be restricted to components of buildings used solely for farming purposes.
- Improvements to personal residences, non-farm commercial property, and any other non-farm structures are not eligible.
- Tractors, motorized vehicles, and other equipment with internal combustion engines are excluded from this incentive area.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

A. Upgrades to all Applicable Farms

1. New installation of, or conversion to Energy Efficient Grain Drying Systems with suggested improvements such as:
 - a. Addition of recirculation of cooling section exhaust air **75%**
 - b. New dryers with increased column width **75%**
 - c. Implementation of dryeration **75%**
 - d. Addition of in-bin cooling **75%**
2. Milk cooler tank and milk pre-cooler **75%**
3. Automatic milker takeoffs **75%**
4. Variable speed drives for vacuum pumps **75%**
5. Heat recovery from refrigeration equipment **50%**
6. Scroll compressor **75%**
7. Timers for tractor engine block heaters **50%**
8. Energy free or low energy waterers **75%**
9. NEMA labeled Premium Efficiency motors **50%**
10. Generator **50%**

11. Low pressure irrigation systems, conversion from Sprinkler to Drip irrigation, or Variable Frequency Drives for well pumps **75%**
12. Renovation expenditures recommended by a previously completed energy audit or energy assessment may be considered **75%**
13. Installation expenses of above items when performed by a hired contractor and documented by invoices and cancelled checks **(this percentage will match the chosen project's percentage)**

B. Energy Efficient Building Components & Renewable Energy Projects

1. *Energy Star*, CFL, Cold Cathode, T-8, T-5, LED, or High Intensity Discharge (HID) lights and lighting fixtures **50%**
2. Insulation **50%**
3. Programmable thermostats and controllers **50%**
4. High Volume Low Speed (HVLS) fans, energy efficient Low Volume High Speed Exhaust or Circulation fans (The BESS lab at the University of Illinois rates exhaust fans) **50%**
5. *Energy Star* windows, doors, skylights, roofing, or other *Energy Star* building components **50%**
6. Cool Roof system **50%**
7. Tankless, solar, or water heaters with a thermal efficiency of at least 90% **75%**
8. EPA approved waste oil or biomass fired boilers, hydronic furnaces, heaters, and stoves **50%**
9. Renovation expenditures recommended by a previously completed energy audit or energy assessment may be considered **75%**
10. Installation expenses of above items when performed by a hired contractor and documented by invoices and cancelled checks **(this percentage will match the chosen project's percentage)**
11. Solar powered watering system for agricultural use. Documentation from a third-party service provider, verifying water use, is required with application. **75%**
12. Equipment, structure, or other supplies necessary to harness available solar **75%**

C. Professional Fees and Training

1. Documented expenses not covered by other programs for the completion of an on-farm energy audit or assessment **75%**
2. Third party professional fees associated with the completion of a grant application within a United States Department of Agriculture, United States Department of Energy, or other non Kentucky Agricultural Development Fund program related to on-farm energy efficiency or renewable energy production. **75%**

Executive Summary of completed application and verification of its submission to the appropriate program must be submitted with documented expenses. **75%**

3. Third party professional fees for environmental, technical, geological, biological, engineering, and chemical consultation associated with the development of projects in the area of On-Farm Energy Efficiency and Production. **75%**
4. Registration fees for the attendance of workshops and conferences focusing on the area of On-Farm Energy Efficiency and Production. **75%**

IMPORTANT: Applicants with projects requiring over \$50,000 in expenditures or projects likely to be submitted for consideration for federal programs, should consider requesting funds for a professional energy audit. Eligibility criteria for other federal programs will likely have more stringent requirements. Resumes confirming the qualifications of all third party professionals listed above and performing services for a fee must be attached with submission of the documented expenditures.

D. Biomass Energy Crop Production

1. Seed, rootstock, or other plant material used to establish a dedicated biomass energy crop **75%**
2. Specialized equipment, structures, and other supplies not currently owned by the applicant that are essential for the production, harvesting, and or transportation of biomass energy crops (*excluding trailers and wagons*) **75%**
3. Hired services needed for the production, harvesting, and/or transportation of biomass energy crops **75%**

IMPORTANT: Only farm level costs for projects under the supervision of Universities or other entities conducting valid research, demonstrating production techniques, or utilizing the biomass crops for energy production will be considered.

E. Equipment and Infrastructure for On-Farm Energy Production

1. Equipment, structures, or other supplies necessary to convert animal waste into useable energy **75%**
2. Equipment, structures, or other supplies necessary to connect an on-farm electric power generator fueled by renewable fuels to the electric power utility's distribution system **75%**
3. Equipment, structures, or other supplies necessary to retrofit existing oil or gas wells to which the farmer/applicant owns the mineral rights and can utilize the fuel within their farming operation **75%**
4. Equipment, structures, or other supplies necessary to convert biomass crops into useable energy **75%**
5. Equipment, structures, or other supplies necessary to convert grains and oilseeds into ethanol or biodiesel **75%**
6. Fuel testing services and kits needed to monitor fuel quality **50%**
7. Equipment, structures, or other supplies necessary to harness available solar, wind, geothermal, or other renewable sources of energy **75%**

IMPORTANT: Due to the array of local, state, and federal taxes, any fuels produced on the farm with assistance through this program cannot be utilized as transportation fuels for highway use. Applicants are encouraged to review all manufacturers' warranties and specifications before using the fuels in any equipment.

2025 CAIP Incentive Area Guidelines: POULTRY & OTHER FOWL



*These guidelines represent one of 11 incentive areas within the **County Agricultural Incentives Program (CAIP)** to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.*

Funded participants shall adhere to all local, state, and federal rules and regulations.

Incentive Area Limitations

- **Emergency Early Release Clause:** The local program administrator shall reserve the right to approve an early release, if it is determined that an animal, due to physical or disposition problems, is no longer considered sound for breeding purposes. The local program administrator can require the animal to undergo an examination by a licensed veterinarian to assist in determination.
- **Genetic Diversification Clause:** In the event that a producer retains female offspring sired by a cost-shared male for use as breeding stock, then the cost-shared male may be sold and replaced by another male of equal or greater value. The replacement animal **shall not** be eligible for additional CAIP funds.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

Eligible Cost-share Items:

This incentive area is for commercial and pastured poultry, and other fowl.

- | | |
|--|---|
| 1. Commercial breeding stock 50% | 10. Incubators 50% |
| 2. Animal waste handling, distribution equipment (<i>excluding motorized vehicles</i>) or custom services 50% | 11. Cooling fan/ventilation system 50% |
| 3. Insect sprayers/cleaning and disinfection equipment 75% | 12. Maternity monitoring system (including alerts, camera, and contracted installation services) 50% |
| 4. Feeders, brooders, poultry coops, nesting boxes 50% | 13. Tagging/banding and tattoo equipment (<i>excludes tags</i>) 50% |
| 5. Poultry netting 50% | 14. Poultry pH meter, ammonia reader, relative humidity reader 75% |
| 6. Grazing cages (field pens), rolling hen houses, skid mounted chicken houses 50% | 15. Cost of developing a Nutrient Management Plan or Comprehensive Nutrient Management Plan 75% |
| 7. Permanent pens and shelters 50% | 16. Cost of participation in an advanced agricultural education program 75% |
| 8. Fruit trees for poultry feed source 50% | |
| 9. Trolley and/or truss enhancement system 50% | |

It is recommended that funded participants consult with a UK Poultry Extension Specialist for up-to-date information on buildings, equipment, and environmental security.

2025 CAIP Incentive Area Guidelines: VALUE-ADDED & MARKETING



These guidelines represent one of 11 incentive areas within the **County Agricultural Incentives Program (CAIP)** to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.

Funded participants shall adhere to all local, state, and federal rules and regulations.

Incentive Area Limitations

- Meeting rooms, exposition centers, education facilities, or construction/improvements to buildings serving primarily as residences or dwellings are not eligible.
- Self-propelled vehicles/equipment are not eligible for cost-share, including but not limited to tractors, trucks, all-terrain vehicles, skid steers, etc.
- **Beginning in 2010**, all transport equipment was removed as eligible cost-share items from all incentive areas. This exclusion includes trailers, wagons, and carts with the primary function of transportation.

A. Value-Added

Eligible Cost-share Items:

Includes adding value, on-farm, to food, and fiber

1. **Beeswax candle making equipment**, including wax melter, molds **75%**
2. **Cider presses** and other juice extracting equipment **75%**
3. **Dairy** pasteurization and processing equipment **75%**
4. **Egg** processing and packaging equipment **75%**
5. **Maple Syrup/Sorghum** – equipment for processing and packaging **75%**
6. **Wool/hair processing** – carding, dying, spinning, knitting, felting, and weaving equipment **75%**
7. Other equipment essential to provide on-farm value-added processing **75%**
8. Refrigerated and non-refrigerated equipment for transporting product (*excluding motorized vehicles*) **75%**
9. Commercial kitchen usage fees; off-farm processing fees for commercial resale of meat or fiber **75%**
10. **Education** – Cost of participation in an advanced agricultural education program **75%**

B. Agritourism Development

Eligible Cost-share Items:

1. Conversion of existing farm structures into appropriate facilities for agritourism **50%**
2. Construction, including site preparation, of new on-farm facilities for agritourism **50%**
3. Site preparation for items that ensure consumer safety – including parking areas, grading, traffic flow, sidewalks, and establishing walkways **50%**

C. Certified/Commercial Kitchen Construction or Renovation

Eligible Cost-share Items:

1. Conversion of existing farm structures into appropriate facilities for certified/commercial kitchen **50%**
2. Construction, including site preparation, of new on-farm facilities for certified/commercial kitchen **50%**
3. Construction materials to install the appropriate grade of washable ceiling tiles, flooring, and wall covering **50%**
4. Materials for the installation of water lines, gas lines, and drainage lines from existing lines **50%**

5. Materials to install any necessary hand or mop sinks **50%**
6. Materials to install appropriate lighting **50%**
7. Equipment necessary to add value to fruit and vegetable crops or to produce baked items in compliance with KRS 217.136, including, but not limited to, stoves, refrigerators/freezers, preparatory equipment, canners, stainless steel tables, storage facilities/equipment. **75%**
8. The cost of attending a training program required by the Cabinet for Health and Family Services under KRS 217.136 for home processing and micro-processing of food products or training required to become a commercial processor. (GAP training is eligible) **50%**
9. Documented, hired labor, related to construction/renovation listed above *see also Exclusions* **(this percentage will match the chosen project's percentage)**
10. Contracted site preparation and equipment rental **(this percentage will match the chosen project's percentage)**

D. Marketing and Promotion

Prerequisites:

- Applicant shall provide an acknowledgement in any publications, brochures, articles, advertising, and activities, which indicate that a portion of the funding was provided by the Kentucky Agricultural Development Fund. Logo available on-line at <https://www.kyagr.com/agpolicy>.

Eligible Cost-share Items:

1. Promotional and advertising materials **75%**
2. Signage for promoting/selling products **75%**
3. On-farm direct-to-consumer sales:
 - a. Construction of new permanent structures or conversion of existing structures to be used for retail sale of product **50%**
 - b. Site preparation including on-site utility extensions and officially permitted on-site waste treatment facilities **50%**
 - c. Refrigerated and non-refrigerated equipment for storing product **75%**
 - d. Display equipment, including refrigerated equipment, to assist in selling of product **75%**
4. Business plan development and/or feasibility study **75%**
5. Third-party farm certification **75%**

E. Good Agricultural Practices (GAP) & Food Safety

Eligible Cost-share Items:

1. Conversion of existing farm structure into appropriate facilities for washing, handling, and storing produce (e.g. enclosing packing houses, installing concrete floors) **50%**
2. Construction, including site preparation of new on-farm facilities for produce washing, handling, and storage **50%**
3. Materials to install or upgrade infrastructure related to worker hygiene and wildlife exclusion to ensure Food Safety Modernization Act (FSMA) or GAP compliance (e.g. sinks, hand-washing stations, portables, fencing, deterrent equipment) **50%**
4. Other harvest, washing, handling, and storage equipment essential to good agricultural practices or food safety (e.g. harvest totes, drum washers, stainless steel benches and racks) **75%**
5. Documented, hired labor, for any construction or renovations listed above *see also Exclusions* **(this percentage will match the chosen project's percentage)**
6. Contracted site preparation and equipment rental **(this percentage will match the chosen project's percentage)**
7. Cost of participation in a Good Agricultural Practices (GAP) training program **75%**

Exclusions/Limitations:

- Construction or improvements to buildings not used for produce washing, handling, or storage are not eligible.