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FARM BILL 2023: CONSERVATION AND FORESTRY PROGRAMS

HEARING

BEFORE THE

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY UNITED STATES SENATE

ONE HUNDRED EIGHTEENTH CONGRESS

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FARM BILL 2023: CONSERVATION AND FORESTRY PROGRAMS

Wednesday, March 1, 2023

U.S. Senate Committee on Agriculture, Nutrition, and Forestry, Washington, DC.

The Committee met, pursuant to notice, at 10 a.m., in room 328A, Russell Senate Office Building, Hon. Debbie Stabenow, Chairwoman of the Committee, presiding.

Chairwoman of the Committee, presiding.

Present: Senators Stabenow [presiding], Brown, Klobuchar, Bennet, Gillibrand, Smith, Booker, Luján, Warnock, Welch, Boozman, Hoeven, Ernst, Hyde-Smith, Marshall, Tuberville, Braun, Grassley, Thune, and Fischer.

STATEMENT OF HON. DEBBIE STABENOW, U.S. SENATOR FROM THE STATE OF MICHIGAN, CHAIRWOMAN, U.S. COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Chairwoman STABENOW. Good morning, and welcome to the Agriculture, Nutrition, and Forestry Committee of the U.S. Senate. We will call the meeting to order and welcome our witnesses today. We want to welcome Chief Cosby, Administrator Ducheneaux, and Associate Chief Coleman. Welcome to all of you, and we appreciate everyone being here.

This Committee has a very important job ahead, as we know, which is to pass the next farm bill with strong, bipartisan support, and we are going to work hard to do that. It's our job also to make sure that our farmers, our families, and our environment are all supported in this process.

Our farmers have a critical job to do as well—growing food, fiber, and fuel for our country and our world while also protecting our land and our water. This is nothing new for those of us in Michigan, where protecting the Great Lakes is part of our DNA.

The farm bill provides important conservation and forestry tools that can help farmers and foresters keep our water clean, improve the resiliency of our land, and provide habitat for wildlife. Importantly, they are the kinds of tools our farmers use, they want, and they need. Right now, many of our conservation programs are oversubscribed, some as much as three to one.

With recent investments in programs such as Environmental Quality Incentives Program (EQIP) and the Regional Conservation Partnership Program, which I created in the 2014 Farm Bill, we are finally able to address the backlog of farmers who want to be able to use these important conservation tools.

We know the farm bill is a jobs bill, and conservation and forestry investments are no exception. Conservation and forestry provide economic opportunities and jobs across our country in rural and urban communities.

In 2018, for the first time, we recognized urban agriculture in a significant way. My Urban Agriculture Act laid the groundwork to establish the Office of Urban Agriculture and Innovative Production, which is housed in the Natural Resources Conservation Service. I am pleased to see all of the work that the USDA has done to integrate and accelerate urban agriculture.

In the 2018 Farm Bill, this Committee made great strides to give the Forest Service additional tools to manage our national forests. We provided for expedited treatment of forests impacted by insects and disease, built on the successful Good Neighbor Authority to

create efficient partnerships between State and Federal foresters, and established competitive programs to fund source water protection and landscape scale restoration projects.

These investments and many others in the 2018 Farm Bill will aid in overall economic growth and development in rural areas, combat climate change, and increase the health and protection of wildlife habitats. Without healthy forests, air, water, and other

natural resources suffer.

As we support farmers' efforts to address emerging challenges across the country, from algae blooms in the Great Lakes to drought in the West, voluntary conservation tools are more important than ever.

Matching public dollars with private investment was a success in the 2018 Farm Bill, and the impact of these projects is seen in all 50 States. The interest and involvement from the private sector have increased since 2018, and I look forward to hearing today how conservation programs are helping farmers succeed, as well as bringing new investments and partnerships into this work.

I am sure we will hear about the disastrous wildfires that are hurting our western States. Since forest health and wildfire threats do not end at the Federal property line, I want to hear about the Forest Service's plan to aggressively treat 50 million acres of national, State, tribal, and private forest land. I want to hear more about how the Forest Service will continue to coordinate restoration efforts across ownership boundaries while engaging on creating fire adapted communities.

As we look forward to the 2023 Farm Bill, we must continue to support smart forestry and conservation practices, recognizing the importance of the investments we have made, and looking ahead to the needs of the future.

I have letters from stakeholder groups with over 700 signatures supporting our robust investments in conservation and forestry, and I would ask unanimous consent that these letters be entered into the record. Without objection, so ordered.

[The letters can be found on pages 74–95 in the appendix.]

Chairwoman Stabenow. I also want to acknowledge the Chair and ranking Member of our Conservation, Climate, Forestry, and Natural Resources Subcommittee, Senator Bennet and Senator Marshall. We look forward to strong partnership and your leadership on these issues.

With that, I will turn to Ranking Member Boozman for any opening remarks that he would like to make.

STATEMENT OF HON. JOHN BOOZMAN, U.S. SENATOR FROM THE STATE OF ARKANSAS

Senator BOOZMAN. Well thank you, Madam Chair, and thank you for convening today's hearing. We welcome our witnesses. We appreciate the great job that you are all are doing. We are excited to have today's hearing on conservation and forestry. Both of these issues are so important in the Natural State. Productive farms and forests benefit wildlife, the environment, the quality of life, and the

economy of rural Arkansas.

The farm bill conservation programs are successful because they are voluntary, incentive based and locally led. I view this reauthorization of the farm bill as an opportunity to renew our commitment to working lands conservation, where local resource concerns and producer-focused programs are the priority. Conservation needs and the needs of our producers are as diverse as the crops they grow and the land that they grow them on. Our programs must reflect this reality and provide the flexibility our farmers and ranchers need.

Washington prioritizing a limited set of practices or natural resource concerns would undermine the continued success of the USDA's voluntary conservation programs. The prioritization of resource concerns must be left to the local level where producers decide how they can best address their unique and varied landscapes and needs.

Cover crops might not work in dry climates but capturing water and preventing erosion are important resource practices farmers and ranchers can employ, and the funding and flexibility should be there for them to do so. Producers in Arkansas provide winter habitat in rice fields for migrating waterfowl. Seeing tens of thousands of birds all take wing from a flooded rice field is one of the most amazing experiences to behold. My farmers need the cost sharing necessary to level their fields and manage their water. Not only does this conserve resources and make the farmers more efficient, it also provides irreplaceable wildlife habitat.

While we must maintain the elements of our farm bill conservation programs that make them successful, we cannot take on risky proposals that endanger the safety net. Tying crop insurance to incentives for certain conservation practices—dictated by those in Washington—should be off the table so we can ensure this program continues to serve as a vital risk management tool for producers. We must hear from our farmers about their priorities and find the

resources necessary to properly and adequately fund them.

I know there is a genuine interest in reducing greenhouse gas emissions and sequestering carbon, and there is no better place to do that than the forestry title through active forest management. The decision not to manage our forests is devastating to the environment as it increases the risk for catastrophic forest fires. In California alone, the 2020 fire season released approximately 127 million metric tons of carbon. In fact, the emissions from that single fire season in California released twice the tonnage of greenhouse gases the State had reduced through regulation since 2003.

There is tremendous potential in the conservation and forestry titles of the next farm bill. I look forward to hearing from our witnesses on what additional authorities or flexibilities your agencies need to help modernize and streamline your efforts to keep our farmlands and forests working and healthy for generations to come.

I thank our witnesses for joining us today, and with that I yield back, Madam Chair.

Chairwoman Stabenow. Thank you very much, Senator Booz-

We will now turn to our witnesses and again we appreciate you

being with us.

Mr. Terry Cosby is Chief of the USDA's Natural Resources Conservation Service, where he began his career as an intern in Iowa. I think our two Iowa Senators will appreciate that here on the Committee. He grew up on his family's cotton farm and attended Alcorn State University in Alcorn, Mississippi, the Nation's first Black land grant college. Prior to his current role, Terry served as NRCS's acting chief and has had numerous leadership and staff positions during his more than 40-year career at NRCS. Welcome.

Mr. Zach Ducheneaux, who is the Administrator for the Farm Service Agency—and this is your second oversight hearing. We welcomed you at the commodity hearing and we welcome you back again today. His family operates a fourth-generation ranch on the Cheyenne River Sioux Reservation, and prior to this role he served as the Executive Director of the Intertribal Agriculture Council where he had worked since the 1990's. Zach has spent his career educating people about the importance of building new markets for

producers and improving food systems.

Ms. Angela Coleman serves as the Associate Chief of the USDA Forest Service. Prior to this assignment, she served as Forest Service Chief of Staff beginning in 2015, where she oversaw the chief's office daily operations and staff, issues management, and Office of Communications and Legislative Affairs programs. She provided senior-level support to the chief of the agency and the executive leadership team to advance and deliver the agency's natural resource conservation mission.

Welcome to all of you, and we will start with Chief Cosby.

STATEMENT OF TERRY COSBY, CHIEF, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Mr. Cosby. Chair Stabenow, Ranking Member Boozman, and members of the Committee, thank you for the opportunity to speak to you today as you consider a new farm bill about critical support that conservation programs provide for American agriculture.

My name is Terry Cosby, and I am honored to serve as the Chief of the Natural Resources Conservation Service, an agency that works alongside producers to support and strengthen agriculture, to protect and enhance our shared natural resources, to build resil-

ience, and to mitigate climate change.

I have spent the last 42 years of my career at NRCS, engaging with agricultural producers and rural communities, helping them to invest in land that they work. My great-grandfather purchased our family farm in Tallahatchie County, Mississippi, in the late 1800's, and the importance of conservation has been handed down through generations with the family farm.

The 2018 Farm Bill made it clear that voluntary conservation programs are critical to the continued viability of production agriculture. It also provided new incentives for producers and created

new opportunities in urban communities.

At NRCS, we take a comprehensive approach to conservation that is farmer-led and locally led to address resource concerns. Within this framework and working closely alongside those we serve, NRCS supports the implementation of practices and systems to reduce greenhouse gas emissions and sequester carbon. These practices also provide other critical co-benefits such as enhanced wildlife habitat, improved water quality, water conservation, and climate resilience.

In recent years, NRCS has invested \$197 million for our 41 projects through the Regional Conservation Partnership Program that addresses climate change, improve water quality, combat drought, enhance soil health, and support wildlife habitat.

Funding for producers that are directly tied to climate-smart agriculture and forestry projects totaled over \$309 million in the Environmental Quality Incentives Program, and over \$192 million in the Conservation Stewardship Program. NRCS has also provided \$35 million in funding through our Conservation Innovation Grants to help agricultural producers adopt innovation practices and strat-

We also work in cooperation with other Federal agencies to target Federal funding, including a joint investment in the Department of Interior's WaterSmart Initiative to help farmers conserve water and build resilience, post-wildfire and disaster relief funding through the Joint Chiefs' Landscape Restoration Partnership with the Forest Service, and the Sentinel Landscapes to strengthen military readiness and address natural resource challenges with the Department of Defense and the Department of Interior.

We continue to work with producers and implement the 2018 Farm Bill. We are also leveraging additional investment that Congress recently provided. The Inflation Reduction Act represented a historic, once-in-a-generation opportunity to address climate change and expand access to NRCS's oversubscribed programs.

NRCS is moving forward with Fiscal Year 2023 implementation while also continuing to further expand capacities for the years ahead. On February 13, 2023, USDA announced the availability of

Fiscal Year 2023 IRA funding.

Climate-smart agriculture and forestry practice and systems through EQIP and The Conservation Stewardship Program (CSP) can now be funded through IRA, with sign-ups and priorities set at the local level. For our easements programs, we are holding a targeted national sign-up and will continue to expand and reach opportunities through ACEP IRA investments in 2024 and beyond.

We will release the next RCCP funding opportunity this spring, which would include IRA funds for Fiscal Year 2023, targeted to maximize climate benefits and streamline the process to reduce barriers for partner and producer participation. For IRA, we are also developing strategies to expand capacities, target funding, streamline program delivery, leverage partnerships, advance equity, and measure and quantify outcomes.

To maximize new and innovative ideas we sought public feedback through a request for information on how to maximize and quantify climate mitigation benefits, streamline and improve program delivery to increase efficiencies, and expand program access for producers. We will continue to identify and adopt additional changes based on public feedback in Fiscal Year 2024 and in future years.

We have also been working to implement another critical piece of legislation, the Bipartisan Infrastructure Law, which funds NRCS programs that have community rehab to aging dams, protect and restore watersheds, and recover and reduce hazards from major storms, wildfire, floods, and other natural disasters.

NRCS has prioritized providing ongoing relief to communities impacted by severe weather events such as wildfire, floods, and hurricanes and other natural disasters. We have also prioritized carrying out projects in limited resource areas for our underserved communities where there is severe need for watershed infrastructure to protect entire communities from floods, natural disasters,

and other watershed-related concerns.

In closing, none of the NRCS accomplishments could be possible without our more than 10,000 employees in every State and territory across the country. Agency employees work incredibly hard to connect with farmers, ranchers, forest landowners, tribes, and partners to implement our many programs and initiatives. I am honored to lead so many dedicated conservationists in my role. I appreciate Congress' continued support for NRCS and our work to combat climate change, address drought, advance equity, and support voluntary conservation on working lands.

I look forward to the discussion today.

[The prepared statement of Mr. Cosby can be found on page 44 in the appendix.]

Chairwoman Stabenow. Thank you very much.

Next we are pleased to hear from Administrator Ducheneaux, and you are recognized for five minutes.

STATEMENT OF ZACH DUCHENEAUX, ADMINISTRATOR, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Mr. Ducheneaux. Good morning thank you, Chairwoman Stabenow, Ranking Member Boozman, distinguished members of this Committee. It is always an honor and a privilege to appear before this august body and talk about the important issues of the time.

Since our last visit, when we met about commodities and credit, I have had the opportunity to go to Minnesota and visit with some of our partners in conservation in Pheasants Forever and Quail Forever. I had a chance to visit with some distressed borrowers who have received assistance through IRA.

I also had a chance to visit Tree-Range Poultry, where a young man in southern Minnesota is using tree-range poultry, free-range poultry to improve soil health in the margins of farmlands, which is really an important aspect of the work that we get to share in.

I also got to sit through a blizzard in South Dakota as I spent some time with the fifth generation on the farm, another blizzard in a series that had been ravaging that part of the country, on the heels of two years of severe drought.

The conservation efforts that we are going to talk about today are critically important to help mitigate those impacts and be ahead of that, because we all know that you cannot plan your way out of a drought. You have to plan for the next one, so conservation is a vital tool.

I would like to take this opportunity to highlight some of the programs along with several updates and improvements we have made in the last couple of years to our conservation programs, and have some time to answer some questions from you all about them.

Of course, our flagship program for conservation is the Conserva-tion Reserve Program (CRP). It is one of the largest private lands conservation programs in the United States, and through CRP we pay producers a yearly rental payment to change the nature of production in environmentally sensitive areas by planting species that will improve environmental quality. The long-term goal of the program, of course, is to reward producers who establish valuable land cover, which in turn helps improve soil health, water quality, prevent erosion, and reduce the loss of wildlife habitat.

There are several ways producers and landowners can participate in CRP, including through our General, Grassland, and Continuous Signups. Last year we accepted more than two million acres in General Signup, three million acres in Grassland Signup,

and 877,000 acres in Continuous Signup.

The 2018 Farm Bill established a cap for CRP, setting the cap at 25 million and moving it up to 27 million by this year. At the direction of the Secretary we have prioritized increasing access to CRP, strengthening climate benefits of the program, and now have the program on an upward trajectory of enrollment.

To increase producer interest, FSA adjusted soil rental rates where data supported such an adjustment, increased payments for practice incentives, and we also added a Climate-Smart Practice Incentive for CRP General and Continuous Signups to better lever-

age this program for positive climate outcomes.

We updated the grassland CRP rental rates, and that resulted in an increase in over 1,000 counties in that grassland rate, which really drove the participation in that meaningful working land con-

servation program.

We have made significant strides, like the Chief has, in our work to expand access to underserved communities, specifically through our Conservation Reserve Enhancement Program (CREP). That is a partnership program which targets conservation benefits identified by local organizations or States, or regional organizations.

Through CREP, for the first time ever, three Tribal Nations in the Great Plains are partnering with USDA to have meaningful participation in the Conservation Reserve Program, and we are really proud of that work and hope to use that model in other places in the country to really bring regionally important conservation goals to fruition.

Our Conservation Division also administers key disaster assistance programs such as the Emergency Conservation Program and the Emergency Forest Restoration Program, and we continue to work to improve our implementation of these programs in the wake of disasters.

As I close my testimony I would like to reiterate that ag producers are the original conservationists, and conservation is an integral part of the work we do at the FSA. We are focused on weaving conservation values into the DNA of all of our programs, old and new, so that our ag communities that face more frequent and intense climate-induced disasters are better prepared to mitigate

them and navigate out the other side.

I am grateful for the leadership and expertise of the FSA's Conservation Division, our staff in headquarters and around the country, working hard every day to make these programs work for the producer, and I value the tools and authorities the Committee has provided us to deliver these services to our producers, and I look forward to supporting the efforts of the Committee as you craft the new farm bill, and I welcome your questions on our program. Thank you.

[The prepared statement of Mr. Ducheneaux can be found on page 55 in the appendix.]

Chairman STABENOW. Thank you very much.

We will now hear from Associate Chief Coleman. You are recognized for five minutes. Welcome.

STATEMENT OF ANGELA COLEMAN, ASSOCIATE CHIEF, U.S. FOREST SERVICE, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Ms. Coleman. Chairwoman Stabenow, Ranking Member Boozman, and members of the Committee, thank you for this opportunity to sit in for Chief Randy Moore who is at home recovering from COVID. I serve as the Associate Chief of the Forest Service and have been with the agency for 30 years. In that time I have served across the country, with half of my time in the Southeast. I served on the Jefferson in Virginia, the Washita in Arkansas, the Francis Marion and Sumpter in South Carolina, and then I later worked as the Deputy Regional Forester in the Pacific Southwest, in California.

I have learned forest management and land stewardship from the ground up, and I have witnessed tremendous change over the years, and this includes the helpful changes we have seen in the farm bill with the forestry title. Each new farm bill has equipped us with essential tools that enable us to tackle the natural resource challenges we face, strengthen our work with all communities and partners, and equitably serve all Americans.

It is no surprise then that reducing the threat of wildfires across the western landscapes is highest on our list of priority work. Through the Wildfire Crisis Strategy, we have ramped up to treat the right places at the right scale, using an all-in, all-hands, all-USDA approach. Recent investments by this Congress give us a once-in-a-lifetime opportunity to take bold and strategic action, and we are working to do just that, and we are putting every dollar to good use.

This past January, we announced investments of \$930 million in our 21 highest-risk landscapes in the West. This work will benefit 200 communities, protect critical infrastructure, and improve forests. We are grateful to the Congress and this Committee, in particular, for providing these resources to seed our initial work.

We know that sustained execution is needed, and we are depending on continued Federal investment coupled with funding and capacity from our partners to keep the gains that we are making. The tools in the farm bill play a pivotal role in reducing wildfire threats and promoting resilience in our forests. We need management options that remove barriers and promote shared stewardship and

cross-boundary work.

The farm bill is uniquely suited to do that. Families and individuals own most of America's forests, my family included, and through landscape scale restoration we work with States to assistant private landowners in achieving conservation goals. This en-

sures that private lands remain in forests.

Further, wood innovation grants accelerate new markets for wood products and wood energy. Cross-laminated timber is one such innovation, and this type of construction at the University of Arkansas and Walmart's corporate campus have catalyzed new markets for Arkansas lumber. Michigan State University leads the Midwest, and Milwaukee serves as home to the tallest wood building, at 25 stories. The National Agriforestry Center also offers the latest research to farmers for their use.

We owe thanks to this Committee for the Good Neighbor Authority—380 agreements, 38 States, triple the groundwork since 2018. This tool strengthens ties and worked with States, tribes, and counties, and we access expertise and capacity for large landscape

work.

Finally, the farm bill supports collaborative forest landscape restoration projects. They expand science-based collaborative work and leverage partner dollars. This work has reduced fire risks on more than 4.6 million acres, and it helps us protect communities, communities like the Pagosa Springs community in southwest Colorado.

We are working hard to leverage all the available authorities and funding, but obviously there is much work to do, especially with so much at stake. Your work on the next farm bill underpins our efforts to improve forest conditions, reduce threats to vulnerable communities and infrastructures, and we look forward to working with you.

I look forward to your questions, and thank you.

The prepared statement of Ms. Coleman can be found on page 65 in the appendix.]

Chairman STABENOW. Thank you so much, and please let Chief Moore know that we wish a speedy recovery for him.

Ms. Coleman. He finally got caught. Chairwoman Stabenow. I know. I know. We have all been, in

some way or another, affected by this.

Let me first start with Chief Cosby. NRCS has done really a tremendous amount of work to identify conservation practices that have a climate benefit. It is really a win-win both for our farmers and communities as well as the environment.

However, the current list of practices identified by NRCS heavily favors commodity crops. What would it take to identify and develop practices for other areas of agriculture, including specialty crops,

dairy, livestock, and western drought-impacted regions?

Mr. Cosby. Senator, thank you for the question, and, you know, we have been working pretty hard to look at these practices and identify those. We have identified close to 40 now, but we are going to continue to do that work because we know it is vitally important that we look at all landscapes and all crops and all practices that

support that. As we look around the country, we have a lot of different practices that we can offer, and as the Senator said this morning, sometimes there are regions where cover crops and some

of these things just do not work.

We are looking at this. We are working locally where are folks are out across the country, and this is a locally led process where we are working with the States and our staff across the country to identify those practices. Then how do those practices help us mitigate some of the things we are looking at as far as carbon sequestration and greenhouse gas emissions?

We will continue to identify those. The teams are working very

hard on that, and we will continue that work.

Chairwoman STABENOW. I think it is very, very important, obviously, to be getting the input directly from the local communities. I know I am hearing a lot from folks involved in fruits and vegetable production. They would like to be able to do more, and we really need to provide opportunities for all parts of agriculture as we are doing this. I encourage you to continue to do this.

Administrator Ducheneaux, talk a little bit more about CRP. You have recently opened up the General Signup, as you said. There are 23 million acres enrolled in CRP, with 1.9 million set to expire this year. It is well below the 27 million acre cap that we had set in the last farm bill. Talk a little bit more about what is happening with CRP. How can we ensure that the program is really working

for our farmers?

Mr. Ducheneaux. Thank you for the question, ma'am. I am really proud of the work we have done in CRP to incentivize folks to participate voluntarily in this program. The collaboration that we have had with our local stakeholders in that has led to our process of adjusting soil rental rates where they more closely track with what those local communities need. I know that is at the forefront of the concern that we have as we continue to make changes to the program. We want to make sure that we are balancing the need for producers to have additional income stream along with their conservation needs.

We are really going to emphasize the CREP agreements in the next year, ma'am, because we see that as an opportunity to really get the resource concerns from the local communities. The 27-million-acre cap, I personally see that as a goal that you all set for us, and we are going to do our level best to get to that goal by meaningfully deploying these important resources in a way that we can improve soil health, improve resilience, and improve climate change mitigation strategies for our producers all across the country through those CREP agreements, like we have done in Indian Country. They stand to bring into the program around three million acres of Grassland CRP alone.

Chairwoman Stabenow. Okay. Thank you very much.

Associate Chief Coleman, in this Committee and in others I serve we hear about the need for Forest Service to increase the pace and scale of national forest restoration. What is the biggest impediment to accomplishing more restoration, and what is the best tool to protect communities and restore landscape post-catastrophic wildfires?

Ms. COLEMAN. Thank you so much for the question, and obviously we are putting our work and our efforts toward implementing

the Wildfire Crisis Strategy. It is science-based, and it really gives a good picture of the work that has to be done at scale. For that we are talking 20 million acres of national forest land, and 30 million in other land. That is our best tool for getting ahead and cre-

ating resiliency and protecting communities.

I also wanted to mention, as far as tools that help us, I cannot mention the REPLANT Act. We had to make some hard choices in the past about where we invested our money to reforest. With the new, this gives us a little shot at, first of all, restoring our infrastructure and seedlings for climate-adapted trees to grow on land-scapes.

Those are our two best tools, and we are looking at a 10-year strategy in doing this work, and we are looking at doing it in part-

nership.

When it comes to the impediment piece, I want to just go straight to where we are doing our hardest to kind of make up the distance, and that is in our capacity, both internally and externally with partners. It is a tough working labor market at the moment, and we are having to overcome a lot of challenges associated with that, everything from high rent, you know, affordability and availability of houses for employees, as well as competing for good talent.

The Forest Service has a lot of distance to make up. As you all know, we spent money on fire suppression and a lot of our non-fire capacity, and we are ramping that up and making progress. That is the biggest, I think, challenge we are facing as far as impediments.

Chairwoman STABENOW. Thank you very much. Always the challenge of meeting the immediate crisis versus getting ahead of it on

prevention. This is always the challenge.

Well, I have other questions I will give to you for the record related to the Regional Conservation Partnership Program and urban agriculture. I appreciate the efforts on urban and indoor and other innovative producers and where we are going there to create more opportunities.

I will do that for the record, and I will turn it to Senator Booz-

man.

Senator BOOZMAN. Thank you, Madam Chair, and again, thank

you all for being here.

I know that you all are working really hard and doing lots of good things, but to be honest I do not have any idea what those things are. To provide proper oversight, the Committee needs regular updates on how and where the funds provided to USDA are being spent. Legislation has provided billions of dollars to USDA, yet we have no information on how the Department is obligating the funding.

I guess my question is, can you commit, within the next few weeks, to provide us that information?

Mr. Ducheneaux. On behalf of the Farm Service Agency, sir, yes, we will.

Mr. Cosby. Also on behalf of NRCS, yes.

Ms. COLEMAN. Well, obviously the Forest Service joins in, in doing that, sir.

Senator Boozman. Good. Very good. Thank you very much.

Chief Cosby, the Inflation Reduction Act prioritized climate and carbon sequestration in the conservation programs, I think neglecting maybe some important resource concerns regarding other things. As a result, this limits the ability for many producers in Arkansas to implement conservation practices on their land related to nutrient and water management because that legislation only focuses on climate.

Will producers who are unable to implement climate or carbon sequestration projects still have access to both the farm bill and

IRA dollars available through conservation programs?

Mr. Cosby. Senator, thank you for the question. I will tell you that the way this works is that we look at what happens at the local level, and we have these local work groups out there across the country that are working really hard to look at what those local

resource needs are. Those things float up to the State.

When you look at all of the dollars that the 2018 Farm Bill provided and also what the IRA provided, we are looking at how do we implement practices on the land and how does that work, and so it works very well. Those producers out there will have an opportunity to come in and continue to apply for those practices, and the same practices we are talking about that we have been applying for a lot of years also provide those benefits for climate. It is not an "if" and "and." They all work, and it works very good together.

We will continue to offer all of the programs. We have 175 different standards that we work from. There is numerous amounts of crops, from cover crops to no-till to rotations to all of those things. All of those things provide a climate benefit, and the farmers have been applying for those for years, all of my career. We will continue to offer everything we have in our portfolio, but some provide better benefits than others, but farmers will have an oppor-

tunity to continue to apply.

Senator BOOZMAN. The crops that it is more difficult to sequester carbon directly are not going to be left out.

Mr. Cosby. No, sir.

Senator BOOZMAN. A significant amount of money is not going to

go to particular areas compared to other areas.

Mr. Cosby. We have a methodology that we look at, how does that work. We have collected a lot of data from all across the country to look at where the needs are, how do we do this. We have done this for years and years and years, and so IRA dollars, we will look at how do we also implement through the same process.

Senator BOOZMAN. Chief, we are very proud of your experience at the Ouachita National Forest, and again, I know you are down there periodically. I hope to be down there with you in the not-too-

distant future so we can brag on you.

I want to raise a concern that I have with Executive Order 14072, which directs the Forest Service to define and protect old-growth forests. As you know, foresters have never been able to agree on a definition of old growth. That is kind of the Achilles heel.

I will submit a question for the record for a written response from the Forest Service, but I fear that the Administration has asked USDA to take on an impossible task that will only end up in litigation, while diverting precious time and attention away from

important forest management activities.

Now to my question, markets for wood projects are critical. They are crucial to keeping our forests healthy and provide significant economic benefits to our rural communities. Companies and institutions across Arkansas are pioneering the use of wood products. You mentioned laminated timber, things like that.

What role do you believe wood products markets play in keeping our forests healthy and working, and what actions are the Forest Service taking to expand the innovation, use, and adoption of wood products in both domestic and international markets? In other words, value-adding this tremendous resource that our country has.

Ms. COLEMAN. Thank you so much, Senator, for the question, and I look forward to making my way back to the Washita to be

with you as well.

I think there are three points I would like to make around markets. Having a healthy infrastructure, timber-producing infrastructure, is essential for the agency to be able to accomplish the very ambitious goals that we have set out, to improve resiliency in our forests, to protect communities from wildfire threats. We have got to have infrastructure that works, and we have got to have companies that can produce timber on a regular basis, and we are continuing to commit our work there.

The second piece is in our efforts to implement the Wildfire Crisis Strategy we are going to be also looking at small-diameter wood and figuring out together how we build markets for that, because

that product has to go somewhere as well.

Last, you mentioned it. Our investments in wood innovation are a hallmark of how we need to look at our future, and obviously Arkansas is out in front when it comes to utilizing mass timber. The agency, through our work in our programs, has doubled our investments there, and the projects are going up quite a bit. We have got 1,600 on the book at this point. That gives us a great deal of hope.

It is in those three areas, starting with a stable infrastructure for wood production all around the country, particularly in the

West.

Senator BOOZMAN. Thank you. Thank you, Madam Chair.

Chairwoman Stabenow. Thank you very much.

I am going to turn to Senator Bennet, and first, Senator Bennet, you were not in the room. I did indicate you are Chair of our Subcommittee on Conservation, you and Senator Marshall. We are looking forward to the second half of the oversight process for conservation, which I know you will be leading at the subcommittee level.

Senator Bennet. Thank you, Madam Chair. I had to introduce somebody at the Commerce Committee, but thank you so much—

Chairwoman Stabenow. No, I realize that.

Senator Bennet [continuing]. for raising that. I want to start by apologizing to my colleagues because leading up to this farm bill I am going to be a broken record, and the Chair already knows this, a broken record about the 1,200-year drought we are facing in the West. It is hard to hear those words and get it in your head, but for our farmers and ranchers, our producers in the Rocky Mountain West, they have never seen anything like this in more

than 1,000 years. All of the water infrastructure that we have built, the assumptions that we have made are assumptions that we cannot make going into the future, and it is creating, in our producers, a real sense that we have got to look at our Federal ag programs at the root to understand how they can better serve the peo-

ple that we are trying to serve.

It is in that context that I approach this farm bill. Obviously, we have got huge labor constraints and other kinds of things too. I think a lot about the people that have sat around this table in past years, you know, the folks that put price supports in and other incentives in during World War I, to feed our troops, which was really, really important to do but broke up a bunch of land that maybe should not have been broken up. Then we went through the process of learning from the Dust Bowl, which resulted from that. Southeastern Colorado really was the epicenter for the Dust Bowl.

Then we developed programs like CRP. There are others but Administrator Ducheneaux, this is a long-winded introduction to a question for you. Like CRP, where we had all the best intentions for a program that grew out of the Dust Bowl. It has evolved a lot since the Dust Bowl. It has been applied to worthy farm ground, I know, around the country. Today, for just one example, in Prowers County, Colorado, the heart of the Dust Bowl. We are seeing bids of \$13 and \$15 an acre in the heart of the Dust Bowl region, at the same time that farmers in other parts of the country are seeing \$300 per acre. Obviously, these low prices discourage anybody from putting their farm into the CRP program, which is the opposite of what we should be encouraging.

I have been in Iowa in a not very successful campaign, but I know what the farmers there are facing, and I do not want to take anything away from them. I also know that in Colorado we are facing those kind of Dust Bowl conditions again, and \$13 an acre is just not going to achieve the policy objectives that CRP wants.

Administrator Ducheneaux, I wonder if you could talk a little bit about these misaligned incentives, and ask you whether you would be willing to, as we get into this next farm bill, to work with me and to work with others on this Committee to better reflect the reality of the situation that we are all confronting in the American West.

Mr. DUCHENEAUX. Thank you for the question, and I will start with the last one. Absolutely, yes, we are willing to commit to work with you all.

To the first question—and I want to empathize. I, too, have had several failed election campaigns, not as meaningful as yours.

Senator BENNET. I suspect your mother did not start yours by saying, "Do we really need one more candidate in the race?" which is what I heard.

[Laughter.]

Mr. Ducheneaux. To your point on the rental rates in Prowers County, in my opening remarks I had a chance to talk about one of the visions of CRP, and that vision is to change the nature of production on these lands, not necessarily just take it out of production, which makes it an enhanced income opportunity for producers alongside what they are doing. We are really driving home the CRP Grasslands Program, and in that particular segment of

the country especially we have added an incentive for the Dust Bowl region, to add an incentive payment to that for enrollment there

Especially in your State, CREP agreements are an important tool that we can use because that really helps us position our partner more meaningfully in the conversation about what is needed in those particular production systems, and we welcome opportunities

to continue that work, now and into the farm bill.

Senator Bennet. Well, I appreciate that, and I look forward to working with you. Because of my preamble I am out of time, but Madam Chair, I am going to submit some questions for the record, particularly about forestry issues that we are facing with that 1,200-year drought in the West. We have to do more preemptively and proactively, and I hope to be able to persuade my colleagues that spending money preemptively is going to be better than spending it on the back end.

Thank you for your answer, and Madam Chair, I yield.

Chairwoman ŠTABENOW. Thank you so much, and we are so pleased that you are leading this effort. It is a horrendous situation you are going through, so different than Michigan being surrounded by water. We have very different kinds of things that we are challenged with as opposed to the droughts that you are seeing. That is the importance of this Committee, to be able to understand regions like yours and other areas in the country.

Senator BENNET. Thank you, Madam Chair. Chairwoman STABENOW. Senator Ernst.

Senator ERNST. Thank you, Madam Chair and Ranking Member Boozman, and thanks to our witnesses for being here and for your testimony.

Today we are talking about conservation, and as we all know those farmers out there, they are our original conservationists. They raise their families on their farms, and it is in their absolute best interests to make sure that they are caring about the environment and their water quality.

I hear from our farmers about the importance of soil health as well because we all know we cannot make more dirt. We want to be good stewards of the land so that our future generations have the opportunity to farm, just as my parents and grandparents.

Following the devastating floods in 2019 in our great State of Iowa, over 4,000 acres of cropland in floodplains were voluntarily enrolled into the Emergency Watershed Protection Program, and that legislation would promote the restoration of hydrologic func-

tion on floodplain easements in this permanent program.

I know that natural resource concerns are valid, but we must ensure that we are using our taxpayer resources appropriately. As we look to garner broad support for this very, very important farm bill, all funding should be carefully considered and streamlined to be more effective and efficient. Having said that, I do strongly believe conservation programs must remain voluntary, incentive based, and flexible, because a one-size process does not fit all. We just heard that from Bennet and the Chairwoman, that there are different issues that exist out there.

Much when we are looking at the types of regulatory burdens around the conservation programs they are very challenging and time-consuming, and so much so that I hear some of our farmers say, "I am just not going to participate because there is too much involved here."

Chief Cosby, how can we modernize the application and approval process so that some of our most popular conservation programs like the Regional Conservation Partnership Program (RCPP), and EQIP, the Environmental Quality Incentives Program, can be better utilized?

Mr. Cosby. Thank you for the question, and since coming into this job that is something that I have been working very closely with my staff on. Through my 40-year career I have seen this happen, where we need to be more flexible, and we need to also streamline the application process so that farmers understand. This is especially true in the underserved communities, that we need to make sure that folks out there are able to participate.

These programs have things like, we have not had broad participation on a lot of these programs because folks did not have understand the process. One of the things that we are doing is we are out there doing outreach. We are working with all communities. We are trying to talk about how these programs work, what are the benefits. We are looking at all communities, all sources, and trying to make sure that we are more flexible and our programs are more available to folks that want to participate.

It is sometimes hard when you are in some of these communities to talk about these Federal programs because there is not a lot of trust. We are out there. We are building trust. We are doing a lot of outreach work. There are some opportunities for folks to come in and work with us throughout the system. this is something that is very, very serious to us, and we are going to continue to do that, to make these programs available.

Senator ERNST. Great. Thanks, Chief, because if it is easier to apply and adhere to the program requirements more people would absolutely be participating in it.

As well, Chief Cosby, precision ag and innovative technologies present different opportunities for farmers to improve their productivity and to be good stewards of their land as well. For example, new biological fertilizers use microbes to promote nutrients for plant growth while also reducing nutrient runoff.

What role do you see for tools like these to be incorporated and

eligible for cost share in conservation programs?

Mr. Cossy, Ma'am, one of the things that we

Mr. Cosby. Ma'am, one of the things that we do is we constantly look at our technical standards. I have a science and technology team that really worked every day to look at what these new concepts are, new techniques, new technology, and how do we incorporate that into what we do every day at our agency.

As these new things come online we will continue to look at them. We work very closely with other agencies or other departments within USDA that understand how they work, because most of the things we do, all of the things we do are science based and we have to make sure that technology is something that we should be using.

We will continue the work and look at our standards and how we incorporate that into our standards and make sure it is available to farmers as it comes online. Senator ERNST. That is great. Thank you so much to our witnesses. I yield back. Thank you.
Chairwoman Stabenow. Thank you very much. Senator Booker.

Chairwoman STABENOW. Thank you very much. Senator Booker. Senator BOOKER. Thank you so much, Chairwoman. I am really excited that I have been working on multiple bills to make improvements to the farm conservation programs, including our bipartisan bill for EQIP reform, that I will be introducing tomorrow.

I want to focus on another important issue. Mr. Ducheneaux, I am so grateful to see you here. Thank you for working so well with my team on a lot of really important things. Section 2206 of the Inflation Reduction Act provided \$3.1 billion to the USDA to provide relief for distressed borrowers, with FSA direct and guaranteed loans, and to expedite assistance for those borrowers whose farms are really struggling. They are in financial risk.

Last year, the FSA distributed the first \$800 million of this funding. Can you just explain how this funding is being utilized by the

FSA and how many distressed farmers received assistance?

Mr. Cosby. Yes, sir. In that first round of assistance there were around 11,000 producers. This week we also made payments to producers based on disaster set-aside opportunities they may have exercised in the past.

In my opening comments I alluded to a meeting I had with some distressed borrowers in Minnesota. We had a chance to talk to a borrower there who was a soybean wheat farmer. He is trying to transition into regen and soil health. Without this assistance he was not going to make it there. I think the stories are important in this so that we come to an understanding of the reality of the impact that we have had.

Ånother producer had health concerns, lingering health concerns for several years, and this payment helped him right the ship and

maintain that operation for future generations.

Still another had the death of a spouse and lost an income on his farm, which is chilling that we have to rely on off-farm income to do this because we have the luxury of having jobs where we do not need another job to make ends meet.

Last and most importantly of those producers there was an active-duty military officer who does not meet the classification for veteran status in our programs to receive those additional benefits because of statutory challenges. He also received some of this IRA assistance and helped save the farm, helped him know that it was going to be there when he returned from that active-duty military status.

The stories are important as the numbers, sir.

Senator BOOKER. I mean, the stories are really compelling. Could you maybe tell me which States have received some of the most help, the most assistance?

Mr. Cosby. Yes. We recently released that data on a State-by-State table. Oklahoma, Texas, and Arkansas are the three biggest recipients of the payments, by virtue of the distribution of the borrowers.

Senator BOOKER. That is extremely amazing. Again, each one of these stories is just so compelling on how these great Americans, who are protecting our heritage, have been really benefiting. I am grateful that the FSA has moved so quickly. Again, your team is

so impressive to me, helping over 10,000 farmers who were delinquent on their loans and at risk of losing their family farms to fore-closure.

Now those farmers are receiving a big tax liability, right? In other words, they have got this help but they have a tax liability related to the FSA assistance. Can you explain what this issue is and how it is causing some challenges for those great Americans?

Mr. Cosby. As I understand it, sir, there were conversations during the crafting of that legislation that might have exempted this assistance payment from tax liability, like some in the past had been. That was not the case, so producers now have received a Federal payment, they are receiving a 1099-G, which spells out their taxable income. Many of our producers in some of our more underserved communities have not had the ability to mature their operations to a level of sophistication where they have a retained CPA. They are at jeopardy, and continue to be at jeopardy, because of the lack of ability to adequately plan for this tax consequence.

The timing of this action did not help. It was right at the end of the year, and we all know that our taxes are a calendar year basis. These producers received a pretty good-sized lump sum at the end of the year, in some cases, and not an opportunity to do things that would be investments in their farm to keep more of that money in circulation in their rural economy on their balance sheet before it is time to settle up with the IRS. That is critically important

Senator BOOKER. No, I appreciate it, and you said that we have done this before, when we have helped distressed farmers, we have helped struggling farmers. We have exempted this before. It is not

like we have not done this before in a bipartisan way.

I have introduced legislation to make assistance that these distressed farmers receive, to make this assistance nontaxable. I really hope the Chair and the Ranking Member can help us to quickly get a bill enacted into law so we can save these folks that got that taxable event at a time that they were distressed. The stories are so compelling. These are veterans. These are folks that have been on their family farms since the Homestead Act, and now are at risk of losing, and now the taxman can come and really upend this when this is something, again, that we have done and exceptions that we have made in the past.

I appreciate the time. I really appreciate your team, and I know some of them are sitting behind you. I just want to say thank you to their efforts. They are literally helping Americans who are generational farmers stan on their land, so thank you, sir.

Mr. Cosby. Thank you, Senator.

Chairwoman STABENOW. Thank you very much. Thank you for raising this issue, and both as Chair of Agriculture but also on the Finance Committee I will join with you to make sure that we exempt these dollars, as we have done in other programs. This is not new, what you are asking for. It is something that should be done, and I strongly support it. Thank you. Senator Hyde-Smith.

Senator Hyde-Smith. Thank you, Madam Chairman, and thank

Senator HYDE-SMITH. Thank you, Madam Chairman, and thank you, witnesses, for being here. It is really good to see all of you and I certainly appreciate what you do on behalf of farmers and ranchers throughout this country, and I am thrilled that I have Terry

Cosby here from Mississippi. Tallahatchie County is also where Morgan Freeman is from. Some great people come out of Tallahatchie County. I am so proud to have you here.

My question is very similar to Senator Ernst, and it is on the streamlining. You get the same calls that I get. You get the same complaints that I get. I am real strong supporter of voluntary conservation programs for working lands and for helping our farmers and ranchers with conservation practices because we certainly need them out there doing that.

Mr. Cosby, my question is to you, and you have pretty much answered how we can simplify and streamline, and you are very aware at that. Would providing producers with equitable incentive payments that fully cover the cost of implementing conservation practices help ensure all our producers are able to participate?

Mr. Cosby. That is something that we have discussed on numerous occasions, the participation rate as well as the incentive to do these practices. Some of these are pretty expensive to do, and we are able to offer 75 percent, up to 90 percent, and sometimes, in some of the programs, we are able to waive some things where we can go up to 100 percent on some of these practices.

With the recent investments I think we are going to have an opportunity to fund a lot more of these applications that are coming in through all the programs. We do still have folks out there that are struggling to put these practices on the ground because of the

cost, so we need to figure out ways to help them do that.

Senator Hyde-Smith. Okay. The Conservation Stewardship Program also that Senator Ernst alluded to, do you have any thoughts on ways we could strengthen the program for livestock producers, such as providing additional conservation enhancement practices to

help them participate?

Mr. Cosby. As with all of these programs we still continue to look at how do we improve them. CSP is for that higher management of these farms. Folks go into EQIP and some of those and then they build their farm to a place where they can qualify for the CSP program. Through these recent investments we are going to see CSP grow, especially with IRA dollars that are going to be coming forth for CSP. We will be looking at all of those type practices to see if we can incorporate those into that.

When we look at CSP we have had a lot of folks that are really interested. They have looked at how they can build their farms, and these payments have been critical in times when there are no other payments coming in. We want to continue that. We want to continue to expand CSP and look at other ways to get other folks

Senator Hyde-Smith. Thank you very much on that one. I have a little time left.

Ms. Coleman, the forest industry is extremely important to rural communities and the overall economy in Mississippi. I am former Ag Commissioner and I met with a lot of folks who are in the forestry business. Private working forests provide more than 46,000 jobs in the State, which drives an overall payroll roughly \$1.7 billion annually. That is big for our folks in Mississippi. The timber and wood products industry in Mississippi accounts for more than \$8 billion in sales and manufacturing annually.

We are uniquely positioned to meet a growing market demand for timber and wood. I always say if we have anything in Mis-

sissippi, we have got a wood basket.

I am hearing from constituents that more could be done to support wood products so that our working forest owners can sell their trees at a healthy price and which will ultimately bring more prosperity to the rural communities that live and work near forested areas.

How is the Wood Innovation Grant Program advancing tech-

nology in adoption of wood as a building product?

Ms. Coleman. Thank you for the question, Senator. This is a part of the country that I know very well, having spent most of my time in the Southeast and growing up in the State of Alabama, next door to Mississippi, so I know how important the wood products industry is to the economy.

The agency, as well, has stepped up when it comes to building new markets for mass timber. As I said in my opening, it is one of those growing areas that we are really ramping up our investments in, particularly when it comes to the number of projects. We have got 1,600 projects already, and we have doubled our investments, as well as we have 11 new mass timber projects.

The opportunity is there, and we are happy to work with you on making sure those opportunities are visible to the great citizens in

the State of Mississippi. It clearly is our area of growth.

Senator Hyde-Smith. Thank you very much, because we like to capitalize on what we have and what we do well, and we can grow timber.

Thank you, Madam Chairman.

Chairwoman Stabenow. Thank you very much. Senator Smith. Senator Smith. Thank you, Madam Chair. I just have to say a moment ago I stepped out in the hallway and I had a chance to meet with Minnesota's soybean growers, and it was apt that they were here while we are having this Committee hearing. Of course they are very interested in the conservation programs and are very interested in passing a bipartisan farm bill, which is so crucial. I am not interested in laying this over for another year or two, and so I am really glad to be able to pass that message on to our Committee while we are here together.

Farmers and producers appreciate conservation programs. No one cares more about conservation than farmers. It is their land, their water, their health, and their future. Historically, Minnesotans have led the Nation in participating in both the EQIP program and the CSP program, the Working Conservation Lands programs.

Not everyone in Minnesota is able to access these incentives. In 2020, less than one-fifth of Minnesotans who applied for EQIP or CSP funds were awarded contracts. It is a big deal that we have delivered additional support for these popular and oversubscribed conservation programs in the Inflation Reduction Act.

I would just like to ask everyone on the panel, where it is relevant, given the popularity of these programs, given the oversubscription of these programs, can you talk to us about what benefits you think we are going to be seeing both in resilience and also in production, that we are going to see more thanks to the addi-

tional support that we have been able to deliver through the Inflation Reduction Act?

Maybe Mr. Cosby, you would like to start.

Mr. Cosby. Thank you for that question, and yes, most of these programs are oversubscribed. Right now, on the average, we are able to fund about 30 percent of the applications that we get through the 2018 Farm Bill. Last year we received over 100,000 EQIP applications, so we are only able to do a third. On the CSP, we see almost 24,000 applications, and we are only able to do 35 percent of those. These programs have been very oversubscribed. With the investments from IRA it is going to give us an opportunity to go back and maybe bring some of those producers forward.

The other thing I want to remind you is that we have to look at also the oversubscribed but we also have to look at all new customers that are also going to be walking through the door——

Senator SMITH. That is right.

Mr. Cosby [continuing]. to participate. The team out there, as I have explained before, it is a locally led process. We ask the States to sit down and talk about those resource issues, those resource concerns, and also come up with what is going to rank very high on the scale. We have State technical committees that work through this. We have representation from all walks of life on those committees.

We will be looking at the oversubscribed as well as the new customers walking through the door, and IRA is going to give us an opportunity to expand these programs.

Senator SMITH. Thank you very much. Anybody else like to comment on this? Mr. Ducheneaux?

Mr. Ducheneaux. I would, please. Thank you. Good question. I fall back on one of the conversations we had in the last hearing. The best conservation planning tool a producer can have is money in their pocket at the end of the production year, that they can spend at their discretion and on their timeframe. That is truly vol-

untary. That is really incentive based.

A lot of the work that we are doing at the agency is focusing on providing that financial foundation for producers, especially new and beginning and underserved producers, to start at that position by flexible financing. If we can provide producers the flexible financing they need at the beginning, they are better positioned to pay the cost share that is theirs, or they can just take the next step and go right into doing this climate mitigation, soil health strategies that are going to benefit their operation for the long term.

We cannot react our way out of a disaster but we can sure plan our way around the next one.

Senator SMITH. Absolutely, and it is interesting because the soybean growers that I was talking to were raising this point that you were alluding to exactly, which is as the average age of farmers in this country and in Minnesota is creeping up to around 60, they appreciate the massive debt that these young farmers are taking on in order to literally move into the field. Being able to have conservation programs that are accessible to them, which is what they want to do anyway, is just extremely important. Madam Chair, I only have a couple of minutes left and I know that I have got colleagues that are eager to ask their questions, so I will just say I have a question for the record that relates to the work I believe we need to do, that we all understand. As we are talking about conservation programs that are focused on sequestering carbon in the soil, and as we talk about how producers are interested, looking at opportunities for getting paid for that carbon sequestration, that there is a need for more research, I think, more better understanding of how that is working, that we have a good data base. I am going to submit a question to the record, to you, Mr. Cosby, to get at that question and to get some information out about how we are measuring carbon sequestration and what we need to do there.

Thank you very much, Madam Chair.

Chairwoman STABENOW. Thank you very much, and research is very important, so thank you for raising that. Senator Marshall.

Senator Marshall. Okay. Thank you, Madam Chair.

Let me just start by sharing how important I think conservation is to the farm bill, that Kansas farmers, American farmers were the original stewards, that we want to leave this world cleaner, healthier, and safer than we found it. One of the ways we have been doing it, and will continue to do it, is through innovation.

I think about all the great things happening in innovation in agriculture. For instance, a center pivot now, we can put a monitor on the end of the pivot with radar technology, and as that pivot goes around that quarter section of land it measures the moisture content of the land. Soon we will be able to measure the nitrogen content in the soil. There is a camera on that with machine learning as the early detecting of fungus or a virus to that crop. That is how we are going to solve this problem, and that technology allows us to grow more with less. We are growing more food with less fertilizer and less water, so as that pivot makes it second and third trip around that quarter section of corn, we are able to use less.

I want to start by thanking the NRCS for getting back with us on some technical assistance to which legislation we hope makes it into the farm bill, which provides for us to use fertilizer at a less

amount. My first question is for Mr. Cosby.

One of our priorities is the affordability of fertilizer in the United States. We are going to have to use some fertilizer, but it is not very affordable. It is probably the main input cost that people talk to me about back home. Our bill that we are writing, the Fertilizer Sustain Act, requires NRCS to recognize certified crop advisers as technical service providers, rather than having to go through the complicated eligibility provisions.

Do you agree that breaking down the walls between the certified crop adviser program and the TSP program, including Section 590, Nutrient Management Plan Requirements, would help farmers?

Mr. Cosby. Senator, we have worked very closely with the certified providers to become TSP. One of the things, when I first came in, that we looked at is how to make that process a lot simpler, and so we had the States doing that. What we have done now, we have moved that—the States are working on it but we have moved that more to a regional basis to make it a little easier, a little less stressful. We are looking at how do we make sure, as those

crop advisers apply, we use their experience maybe instead of the educational side of it. We are going to make that less complicated, and I think there will be more technical service providers that will be coming in because we will be looking at their life-long experience instead of the education side.

Senator Marshall. Great. I want to spend a moment just talking about water conservation. We spend lots of time on the Committee talking about the environmental impact of carbon. I would have to tell you if you would talk to Kansas producers, I am not sure which would be the bigger challenge, a lack of people for the jobs we have or a lack of water and how important water conservation is. I think that that needs to be raised to the top somehow in more ways. I appreciate Senator Bennet mentioning the drought that we have ongoing as well.

I guess my question for Mr. Cosby or Mr. Ducheneaux—I am sorry—Mr. Ducheneaux and Ms. Coleman. Sorry, I got it backward there. What is the USDA thinking about water conservation? What

more can we be doing?

Mr. DUCHENEAUX. Thank you, Senator, and I have been called

far worse by people that know me far better.

Water is critical. Without water none of the rest of this works. Mni waconi is what my people say—water is life—and without that water we are not going to be able to stimulate the microbial life, the vegetative life, the livestock life, or maintain the human life. It is critically important and we are leveraging our tools as much as we can to help producers engage in more water-smart activities on their land, up to and including CREP agreements in your State as well, to recharge the aquifer through the playa system there.

I think we can continue to work toward that by first taking the step that you offered, acknowledging water is every bit as impor-

tant as any of the other things that we are talking about.

Senator Marshall. Ms. Coleman, anything to add? As I think about this, what was the old saying back home, is that whiskey is

for drinking and water for fighting.

Ms. Coleman. Well, clearly water is just as essential to the health and resiliency of forests as any other part of our natural resource base, so our investments in watershed help our critical. They play a role, as well, in our strategy to combat what we are seeing from the effects of climate.

We are in total agreement around the vitality of water and our commitment to invest in watershed health, that is critical. That is

one of the bases for the Forest Service.

Senator Marshall. Madam Chair, we do not have to answer the question but we still do not have a State conservationist officer appointed in Kansas yet. Hopefully we can accommodate that. I am hearing a lot right now from my producers that we are overworking our NRCS officers as well, that they have more and more territory to cover. It will be a challenge as we introduce all these new programs, we will have to make sure we address that.

Thank you so much, and I yield back.

Chairwoman Stabenow. Thank you very much. Senator Klobuchar

Senator Klobuchar. Thank you, Chair, for holding this important hearing, and I think you know that Minnesota has always ranked in the top five for conservation program enrollment and

spending. It is very important to us and our farmers.

Before I get to that Î wanted to talk about timber. Ms. Coleman, in the last two farm bills, 2014 and 2018, I worked to expand the Good Neighbor Authority that gives the Forest Service additional flexibility to work with willing State and private landowners to implement forest management practices. It has been a resounding success, and I believe further expansion of the program in the farm bill can help us manage additional acres of forest.

How do you feel the Good Neighbor Authority is working, besides it having a nice name, and what options should the Committee consider to prioritize new projects and agreements between the Forest

Service and the States?

Ms. Coleman. Senator, thank you for the question, and I think based on what we are seeing it is living up to its name and promoting good neighbor relationships and getting work done together.

The addition of the authority to extent to tribes and counties, that has been very beneficial, and we have about a half dozen, a little more than a half dozen, on each side of that. When we look at the future of the Good Neighbor Authority, which has really delivered—380 projects, 38 States—clearly we are benefiting from the sharing of expertise and capacity. When we look at the future we want to explore opportunities to incentivize even more county and tribal participation.

Senator Klobuchar. Excellent. As you know, that also helps to reduce wildfire risks. We had 10 forest fires in the month of July alone, last July, in northern Minnesota. I went and visited with the Forest Service, Senator Smith and I did, and the Governor to see their work, and luckily the local fire departments responded. Fur-

ther helps on that front as well.

On the conservation front, we know that farmers, Chief Cosby, Administrator Ducheneaux increasingly interested in soil health. Senator Thune and I reintroduced legislation to improve the use of conservation data analysis so that farmers can identify the most effective conservation techniques that have the greatest benefit.

Can you talk maybe, Chief, about the importance of having studies that compare yield rates to rates of cover crop and no-till adoption or other conservation practices when making decisions?

Mr. Cosby. Senator, thank you for the question, and I had an opportunity to visit your State last week and was there with the State conservationist, Troy Daniell.

Senator KLOBUCHAR. I am sure the weather was lovely for you there, Chief Cosby.

Mr. Cosby. I was looking for a coat and a hat, real quick. The question is very important. We need to analyze a lot of data to make sure that these programs are working for the farmer and the producer. We have a team there at NRCS and across USDA that helps to look at a lot of these different things as the data comes in. How is it useful? How should we use it? How should it support the programs? We are working very hard to do that.

I have been doing this for a long time, and we have a lot of data from a lot of years. We do CEAP studies. We are going to be doing a lot of remote sensing. We are going to be working with our soils assessment team to be looking at how this data could work. The teams are working very hard to look at that.

Senator KLOBUCHAR. Okay. Thank you, Chief Cosby.

Senator Thune and I also introduced the CRP Improvement Act, Administrator Ducheneaux, which provides cost share opportunities for grazing infrastructure, an increase in the CRP annual payment limitation, and permanently established the State acres for wildlife enhancement practice under continuous CRP. Would these provisions incentivize producers to enroll in the program? How can we capitalize on this tool and make it more desirable for farmers and ranchers?

Mr. Ducheneaux. Thank you, Senator, and I think the more we can do to incentivize participation is naturally going to drive more producers to it. I think the important aspect that you really highlighted there is using CRP as a working lands tool and providing the tools that producers need to continue to produce but in a different way on these CRP lands. They have been a vital resource in our part of the country in emergencies in the last couple of years, for instance. Emergency having and grazing of CRP lands has literally kept cow herds together for producers that have CRP and producers that are neighbors or in the region of CRP areas.

Senator KLOBUCHAR. Okay. Very good. I think I am out of time, but I will ask the other questions on the record. I want to thank all of you for your good work and look forward to working with you. Thank you.

Chairwoman STABENOW. Thank you very much. Senator Tuberville.

Senator Tuberville. I yield my time to Senator Grassley, if he is ready.

Chairwoman STABENOW. Senator Grassley?

Senator Tuberville. I have always been nice to him.

Chairwoman STABENOW. Well, that is actually a smart thing to do.

Senator Tuberville. Especially when it comes to agriculture.

Chairwoman STABENOW. That is right. All right.

Senator Grassley. I am only going to take you up on your offer because you are so mean to me.

[Laughter.]

Chairwoman Stabenow. Senator Grassley.

Senator GRASSLEY. Thank you very much. I think this hearing comes at a critical time because of Russia's influence on the world's supply of grain. All the while the Biden administration is taking action to take more American farmland out of production. A week into this term of this President he issued an executive order known as the 30x30 Plan. This plan aims to permanently conserve 30 percent of our country's lands and waters by 2030.

Have you been involved in the discussion on the 30x30 executive

order, and if so, has CRP been a topic of these meetings?

Mr. DUCHENEAUX. Thank you, Senator Grassley, for the question. We have all been part of the effort to ensure that we are doing our part to ensure conservation on our lands, and it is conservation of the lands that will reserve future production opportunity that we are focused on. It is not about forever removing it from conservation. We are even doing analyses right now about how do we better

use land that is already in the CRP program so that we can continue to have some meaningful ag production while taking the conservation steps that will build soil health and improve our ability to continue to grow our production into the future.

Senator Grassley. CRP has been a part of that discussion. Is

that what you are saying?

Mr. Ducheneaux. Yes, sir.

Senator GRASSLEY. Okay. The 2018 Farm Bill capped CRP payments at 85 percent of county rental rates, yet during the 2021 CRP signup USDA added a 10 percent inflation adjustment for contracts signed and other environmental incentives. This increases the chance that the Federal Government is outbidding young and begging cash rent farmers, so the Federal Government would be a very disastrous competitor. CRP can be a useful tool to address marginal land. However, Iowa has the most productive farmland and we should not be putting that in permanent conservation.

Did FSA take into account how this inflationary adjustment would affect land prices and push producers trying to get access to

rental land?

Mr. Ducheneaux. Yes, sir. In addition to a lot of other factors, FSA considers those economic impacts. I think it is important to note that we lean heavily on our local partners on the county committees to weigh in when they feel like the NASS data is incorrect as to what an effective rate would be. We make sure that when we get close to that 25 percent per county cap we are paying special attention in those cases, sir.

Senator GRASSLEY. Did you take into consideration that you would be violating law if that inflationary cap got over the 85 per-

cent county average?

Mr. Ducheneaux. We work very closely with our Office of General Counsel, sir, and I would ask you to have the legal conversations with them. We adhere to their guidance.

Senator GRASSLEY. Can you explain how prime farmland ends up in CRP and what we can do in the next farm bill to ensure that we are only setting aside the most environmentally sensitive and

marginal farmland?

Mr. Ducheneaux. I think that is our goal, sir, is to ensure that it is the environmentally sensitive land. As to explaining how prime farmland can get into that program I think we have got to look at the causal factors. The economic reality of our producers is that 89 percent of them make most of their income off the farm. We have got to look at improving farm viability for all of our producers, and a rental rate for CRP is one of the many opportunities that a producer has to consider when measuring the economic viability of their operation. We welcome those conversations.

Senator Grassley. Before I give up the chair let me explain to Senator Tuberville, you really are not mean but you sure tease me

an awful lot. [Laughter.]

Chairwoman Stabenow. For the record. All right.

Okay. Senator Luján.

Senator LUJÁN. Thank you, Chair. I really appreciate the time today, and Tommy, you are okay, sir. Do not let them give you a hard time. You are a good guy.

I want to thank all of our panelists for being here today and for the work that you are doing and that you will continue to do. My questioning today is predominantly around small, rural areas.

In New Mexico, as you know, we have a lot of small communities, towns, farmers, ranchers that do well but they want to participate more in USDA programs. Initiatives like Justice40, they are a good start and they are a good first step. One of the challenges that producers in New Mexico have identified is cost share challenges along those lines. I am having the same conversation around the Colorado River and some of the small, historically underserved and disadvantaged communities.

Mr. Ducheneaux, has the Justice 40 initiative reviewed how cost share requirements prevent low-income and underserved commu-

nities from accessing conservation programs?

Mr. DUCHENEAUX. Yes we have, sir, and we have done some other studies, and thanks for the question. I had a chance to visit some of the acequia producers, as I mentioned in the last hearing, and you have heard me talk a lot in this hearing about the value of our Conservation Reserve Enhancement Program. That was one of the first efforts that we made to get that out there with the acequia producers, as an assistance tool to help them participate more meaningfully. It gives them a fast track into the conservation

programs.

The other report that I was referring to is the Minority Non-Minority Participation Report, and that report very clearly indicates that—I am talking too loud or in the wrong place. That report very clearly indicates that having an increased cost share incentivizes production. When you take a look at minority participation, historically underserved participation in our programs, the higher cost share rates matter and drive participation. I think that is going to be a critical tool as we go forward to explore how do we get to the folks that do not have that opportunity, have not had the chance to amass that generational wealth that makes a cost share easy to pay. That is one of our tools that we are going to need to use, sir.

Senator Luján. Madam Chair, this is an area where I hope that, especially with smaller producers across the country, that we evaluate how this will benefit them as well. That is one of the goals that I had coming to this Committee, as I shared with you and with our Ranking Member as well, so I look forward to working with you on technical assistance and then working with the Committee and see if we can earn support for improvements through

the farm bill as well.

Since I have you, sir, I appreciate you mentioning acequias. That is a good thing. Now the knowledge is deep, more people are talking about these, and you have seen them and know them. For those of you that have not seen them I am going to invite you all to New Mexico, to my little farm, and you are going to help me dig them and keep them clean, so that way we keep them running for a long time.

You did something, as well, that was important in this Administration. There were some predominantly Hispanic producers in northern New Mexico who, under the previous FSA, had been getting the runaround and not get support to qualify for NAP. One of the areas was the local FSA office stated, and moved something

that said if you irrigated with these acequias you were not qualified for NAP. You fixed that.

This is another area, Madam Chair, that this change is critically important, and I am hoping that we can work together to codify that change because it is a good one, and this injustice should

never happen again.

Now from a wildfire perspective, as we know New Mexico was hit terribly with the largest wildfires we have had in our State's history. I will address this to the entire panel and ask each of you what changes do you feel need to be made to USDA disaster programs to get resources out the door faster and better support our communities in need. Mr. Cosby?

Mr. Cosby. Thank you, sir, and thank you for the question. I had the opportunity to be in New Mexico several times during this devastation and our heart just goes out to those folks that experienced this.

Working with FSA and the Federal family we have looked at how do we make sure that when this type thing happens that we are readily available and we are on the ground. Internally we have talked about teams that we have put together, that will be put together, to respond to a disaster like this.

Now one of the things that NRCS did was, we put together three different teams out there, and we had them out on each farm. I think we did about 400 of these investigations, on 400 farms, to look at the resource needs that those folks needed right away to get them back up and going, from a conservation standpoint.

It is really important that all of the Federal family is working together, and USDA works together real closely to do this with the Forest Service, with FSA and all the Federal family. Like I said, I also had an opportunity to be at the acequias and talk to a lot of folks. Paula Garcia and I have talked several times about this, and how we could make sure that we streamline these programs. They have to be streamlined so that when these type things happen folks can immediately get assistance. We are looking at how do we take down those barriers to make sure that happens.

Senator Luján. I appreciate that. Madam Chair, since my time has expired I will ask the other two experts here to submit their

responses into the record.

The last thing that I will share here is just with the acequias. I appreciate the attention that you all have given here. There are some areas where I cannot thank enough my colleagues for supporting the program that is providing support to these communities as well. It has come to my attention that there is some support USDA can offer and others that maybe are pointed toward FEMA, things of that nature.

Look, this fire was started by the Federal Government. When one Federal agency says, this is the other Federal agency's priority or it is their business, that is not good. This was started by the Federal Government. The Federal Government needs to help. If there are challenges, legally or statutorily, that prevents you from doing it, please me know or let us know so we can fix it. Because in the end families need that help, and that is all I am going to ask there.

I appreciate what you have been doing, and you are always welcome in New Mexico, and I look forward to having you back. Thanks, Madam Chair.

Chairwoman Stabenow. Well thank you, Senator Luján. Thank you for being such a strong advocate in this area where we need to make sure this is done right. Thank you.

Now, Senator Tuberville.

Senator Tuberville. Thank you, Madam Chair. Thanks to the witnesses for being here today, especially Ms. Coleman who is an Alabama native and a Troy University graduate. Thank you for

Today is significant for my State of Alabama because farming and forestry combine to make up the largest industry in the State. Alabama has 23.1 million acres of forests, 94 percent of which are owned private landowners, which is important. We also have four national forests and four State forests. For our forests to thrive we must manage and harvest our timber. For our farms to continue producing food for the world we must keep working forests and farmland in production.

Our farmers and foresters are true conservationists that have been implementing, and will continue to implement, sustainable practices that benefit our environment for generations to come. We must ensure conservation programs remain voluntary, market driven, and incentive based. Each producer must remain in charge of what operations occur within their farmland and forest land. Mandates on our producers will not be entertained to any degree.

As we consider this costly \$1.4 trillion farm bill and the \$25 billion in Inflation Reduction Act spending for forestry and conservation programs, we must recognize the price tag of these programs, their damage to our national debt, and the effect of government incentives to take working forests and farmland out of production.

That being said, I cannot believe that we have been going through this hearing for so long and have not talked about feral hogs. Mr. Cosby, I cannot go anywhere with farmers and foresters that stay after me about having their crops and their land destroyed. The 2018 Farm Bill included \$75 million in feral swine eradication and control pilot program. How can we implement this better and do better, and do we need more money in the farm bill to help with this?

Mr. Cosby. Thank you for the question, Senator. We have been working very closely with our friends at APHIS to look at this problem, and we have been providing incentives also for this.

Now one of the things is that our incentives go for a certain thing. We do not eradicate, we do not do those type of things, but we can help with technologies and how do you get rid of these things. We have heard this all over. I am from the State of Mississippi. We have the same issue with feral hogs, and we just need to do a better job of the technology to trap them, and what happens

to them after that, who knows.

Yes, we do need to work very closely with the Federal family to figure out how do we do this because it is devastating when you go out and you look at a field that has been turned over overnight, or if a farmer loses all of the alfalfa or whatever has been planted

there.

Yes, it is a problem. It is something that we need to talk about, how do we aid the farmers in fixing it.

Senator Tuberville. Do you think we need more money in the

farm bill for this?

Mr. Cosby. Sir, the money that we have gotten so far we have effectively used, and so we will look at other areas and other ways and see if there more available to put toward this.

Senator Tuberville. Because it is a huge problem, and getting worse. It is getting worse. Have you got anything to add to that?

Mr. DUCHENEAUX. Yes. I think we have to empower producers to consider their production systems that allow these types of species to propagate. Senator Thune will be familiar with the conditions around Lake Oahe, where we have got the ebb and flow of the lake that creates bare ground where we get Canada thistle by the hundreds of acres. Because of some of the work that we have done in grassland ecosystems, Canada thistle cannot find a home in those ecosystems because that ecosystem is resilient.

As we help deal with the symptom we have got to help producers understand the greater system that they are working in and provide them opportunities to adjust that production, to eliminate that

environment that is conducive for the feral hogs.

Senator Tuberville. Thank you. Ms. Coleman, because forestry is so important to our State I want to be sure it is protected in the South. Insects and diseases, like the southern pine beetle and pine decline can decimate pine tree species. How is the Forest Service monitoring and preparing for outbreaks that could decimate our critical forest resources?

Ms. Coleman. Thank you so much for the question, Senator. We have a very active, in our State and private forestry program, a very active pest management group, and certainly we have all seen the devastation of the southern pine beetle and other pests throughout the country, and climate change has only ramped up the effects.

There was support and funding from recent legislation that really helps us to deliver, and farm bill authority that helps us deliver much more effective monitoring and eradication, or at least response to those infestations.

Clearly it is very much a part of our forest health work in the agency, and it is also a contributor to our overall strategy when it

comes to resilience and healthy forests.

Senator Tuberville. Thank you very much. Madam Chair, I have got a couple of questions I would like to submit for the record. Chairwoman Stabenow. Absolutely. Thank you so much. Sen-

ator Gillibrand.

Senator GILLIBRAND. Thank you, Madam Chairwoman. To start off I would like to talk about PFAS. PFAS are manmade forever chemicals that are used in industry and consumer products and can lead to serious health effects. Contamination of our soil and water has prevented some farms from selling their products, creating financial hardship for some affected family members.

Chief Cosby, what is Natural Resource Conservation Service doing to assist farmers with testing their soil and water for PFAS, and how can Congress help you with this work in our upcoming

farm bill?

Mr. Cosby. Thank you for the question, and again, we have been working very closely together as a USDA to understand PFAS and the effects that it has on soils, on plants, and those type things. What our team has been doing is looking at how do we mitigate that. How do we use our conservation programs, our practices to do that. There will be research going into that to try to figure that out, and by all means, we are not the experts on chemicals. We will be working very closely with our sister agencies to understand this. Through our programs we want to provide solutions to those producers that are experiencing this, because we know it is dev-

astating, especially on dairies and some of those things.

Senator GILLIBRAND. One idea that I would love you to consider and respond to—you can respond in writing—is if a family farm has PFAS-contaminated land and it needs to be remediated by the EPA, so you would obviously be in collaboration with EPA, is there a way to remove land from production in the same way that we remove land for conservation, so that we can get a tax benefit? For example, in the same way when you put land and get tax benefits because you give it to forever farm or forever wild, you can get tax benefits, it would be very wise if we could also remove chemically ladened pieces of property into a brownfield site for remediation and to give the farmers a benefit for doing that, since they are losing the production ability on that farm, and they did not create the PFAS chemicals.

Mr. Cosby. Yes, ma'am. We would be really interested in having those conversations with you and your team.

Senator GILLIBRAND. That would be great.

My next question is about science, technology, and innovation, and how important that is to American farmers, especially fruit and vegetable producers, to meet the growing demand for healthy food in the face of supply chain disruptions and climate change. The innovative technologies being developed and deployed by controlled environment agriculture producers are but a few of the critical tools we have to help indoor and outdoor growers accomplish these objectives.

How can the USDA's Office of Urban Agriculture and Innovative Production help more producers invest and incorporate these technologies and systems, which are extremely capital intensive and

often not eligible for support under existing programs?

Mr. COSBY. Thank you for the question, and we really want to thank the Committee for adding this into the 2018 Farm Bill. We have been able to establish this Office of Urban Agriculture and Innovation Production, and we have a new director there now. We have been able to do a lot of things out in the urban setting.

I was the State conservationist in Ohio, and we worked very closely in the urban areas to look at this, and we saw a lot of this during the pandemic, the food disruption. People want to grow local

and buy local, so how do we help them do that?

Then vertical farming is also something that I think has taken off, and we have a lot of abandoned buildings and different things where people can do this type of work.

We are going to be continuing to look at all the new technologies. We have offered some innovation grants out there for folks that want to do this work. We are learning a lot from that, and we are going to continue to offer that and learn from this new technology.

Senator GILLIBRAND. Thank you. Madam Chairwoman and Mr. Ranking Member, one issue that was just raised to me when I was talking to constituents is that our rural broadband money is allowed to go to the farm but not allowed to go to the businesses. One thing we should look at is, when we are talking about technology and innovation, the actual ag businesses need the same access, and so maybe figure out how to make sure—I did not think it was true but some farmers ran into this trouble. I would like to do a deep dive to make sure all ag businesses have access to technology, high-speed internet, that we can make sure it applies, and you could do it for any ag business. Make it much more ag business-related as opposed to just getting to the rural areas, the family farm, because I got that feedback which I did not realize.

Thank you all for being here. Thank you for your testimony, and thank you, Madam Chairwoman and Mr. Ranking Member.

Chairwoman STABENOW. Thank you, and thank you for raising that issue. I really would want to followup. That does not sound right to me.

Senator GILLIBRAND. In the statement some of these can go to different types of urban farming. That might be another way to use the rural broadband money, to just make sure access is there for all farm businesses.

Chairwoman STABENOW. Great idea. Senator Thune, and then I am turning the gavel over to Senator Boozman. I have to step out. This is true bipartisanship, so I am turning it over to Senator Boozman. Do not go crazy.

All right. Senator Thune.

Senator Thune. We will have passed the farm bill by the time you get back.

[Laughter.]

Senator Thune. Thank you, Madam Chair and Ranking Member Boozman, for holding today's hearing on two very important titles of the farm bill, conservation and forestry. I want to thank the USDA witnesses. Administrator Ducheneaux, it is nice to have you back here, and a fellow South Dakotan.

Let me just start by talking a little bit about the Black Hills National Forest and other forests that provide recreational opportunities and contribute significantly to local and regional economies. In the last few years, we have seen enormous wildfires across the West, which have been devastating to the local communities and that will have lasting effects on water quality, wildlife, recreation, and tourism. Proper forest management plays a critical role in maintaining forest health and reducing the threat of catastrophic wildfires.

The forest products industry has been a reliable partner in the proper management of the Black Hills National Forest, but the Black Hills is at risk of losing additional milling capacity due to the lack of timber available. The Forest Service has failed to appropriately manage the forest timber sale program, and I urge the agency to prioritize staff and resources to conduct the Natl Environmental Policy Act analysis necessary for timber sales.

The Forest Service must also consider expanding the suitable base of acres available for timber and significantly increase its collaboration with the States of South Dakota and Wyoming and industry stakeholders to find other ways to support the timber sale program. I want to urge the Forest Service to work collaboratively with State and local governments and the Black Hills National Forest Advisory Board throughout the forest plan revision process to come up with a plan that appropriately supports the future management and health of the forest and the communities that depend upon it.

Associate Chief Coleman, let me just ask, what actions is the Forest Service taking to proactively maintain the health of the for-

est and to avoid any additional mill closures?

Ms. Coleman. Thank you so much for the question, Senator Thune, and we really cannot agree more. We need a healthy, viable infrastructure with wood production to go after the work that needs to be done in these priority places. No question about that. We have been working hard to figure out what the opportunities are, volume-wise, in the Black Hills to add a reliable supply of wood products to keep those mills open.

We had that third-party review, and it looks clear that we are going to have additional volume, and now we are actually focusing in on the specifics of that, using lidar technology, and expect, by the end of the year, to have much more clear information about how we can ramp up our suitable base for timber production.

It is clear that we are doing what we can to expedite that. We did do a relook, and we do believe that there is more volume to keep these mills open, and we do, again, recognize these pieces have to work together. We have to have viable timber industry. We have to have a viable economy, as well as a strong community. We think that we are going to do our part. We know we are going to do our part to do that, and we are going to use all authorities available to us to go after this work.

Senator Thune. Thank you, and I would just encourage you to improve collaboration with the advisory board, the counties, the States, who I think have a wealth of information and insight to bring to the table when it comes to the plan revision process.

Let me just ask a quick question, and that is will the Forest Service commit to a more timely renewal process for the advisory board, moving forward?

Ms. Coleman. We will be happy to work with you on that, Senator, and make sure that our commitment is really clear. Obviously we want to strengthen our relationships with the advisory board. It has played a very important role for us. We would be happy to continue conversations about how we do that.

Senator Thune. Administration Ducheneaux, as you know, CRP program plays a critical role in conserving marginal lands and providing wildlife habitat, and I am going to continue to work to make the program a more effective working lands-oriented option for producers in the next farm bill, including through haying and grazing flexibility. Livestock grazing on CRP acres can be a particularly effective option because it can be done earlier in the year while maintaining wildlife habitat.

There was a provision in the 2018 Farm Bill that I secured to allow cost share assistance for the establishment of grazing infrastructure like fencing and water distribution on CRP acres, but I am concerned USDA has been too restrictive on providing this assistance.

We have got a bill, and I understand Senator Klobuchar asked some questions about this already, so I think you are on the record on that. I will not belabor that point.

Let me just ask what else can be done to better leverage the multiple use benefits of CRP to support producers, soil health, and wildlife habitat.

Mr. Ducheneaux. Sir, if I may, real quick, the answer I shared with Senator Klobuchar, if we can enhance the usability of these working lands it further incentivizes producers to get in, and as a livestock guy myself I like to see livestock on the landscape because I am aware of the soil health benefits that we get that can accelerate the reason for putting it in CRP and taking it out of the production it is in already.

We welcome conversations with you and your staff about flexibilities you feel we have that we are not extending. Those are some of my favorite conversations that I have had the fortune to have here.

Senator Thune. Good. Well, and we will look for ways to better target the enrollment of a lot of these marginal environmentally sensitive acres into the program and welcome your input on that. It is an important program that does offer benefits, lots of benefits, and I think there are ways that we can utilize it to make it an even stronger program, a more efficient one, and one that offers significant value. Thank you.

Thank you, Madam Chair—oh, sorry, Mr. Chair.

Senator BOOZMAN. Senator Welch.

Senator Welch. Thank you very much for the hearing. I want to thank all of the witnesses who do great work. It is nice to be on this Committee where everybody thinks you are doing great work. I represent Vermont, a small State, small farms, and I have a number of questions for you, Mr. Cosby.

The Regional Conservation Partnership Program in Vermont is successful but inaccessible in practical ways for some of our smaller farmers, and I just wanted to talk a little bit about that. We have got a great program with the \$26 million that we have received since 2015, from the USDA, for the Regional Conservation Partnership Program.

One of the challenges is that application process, and you were talking about that with one of my colleagues. The question that I have, on a very granular level, is how do we make that somewhat more accessible, especially to smaller farmers, and how do we deal with the necessity to reduce requirements on our smaller farms to allow more grant funding to be used for technical assistance? The program is there but it just is a little bit too much for it to be accessible to small farmers. It may as well not exist.

Can you answer that and what you are doing to try to make it more accessible.

Mr. Cosby. Senator, thank you for your question, and RCCP has been one of those programs that we have heard a lot about, and we are looking at how do we streamline it from top to bottom.

In the 2014 Farm Bill I had one of the first in the State of Ohio to work with Ohio, Indiana, and Michigan, and we were able to sit down and negotiate with the partner the terms of the agreement, and it was a simple process. I think from that time things have

gotten more complicated.

We are looking at how do we go back and make this less complicated and make sure that folks are able to participate because it is pretty popular. We did what we call alternative funding arrangements last year. We started with those, where we were able to work with entities and say that, hey, you run this. We will put that money out there for you to run this program. You work with the producers.

Senator Welch. Who are you working with on that?

Mr. COSBY. Well, we did this on some of the tribal lands, and it worked very well. We are going to look at how we expand that.

I think we also need to look at how do we move this more to a grants program and a programmatic one.

Senator Welch. Right. Where are you at on that?

Mr. Cosby. We are very close. We are working through it. I think when you see this next announcement on RCCP there will be

greater opportunities for grants.

Senator Welch. Okay. Now let us talk a little bit about succession planning. It is just brutal for everybody. This is not unique to Vermont, obviously. A farmer has all his or her equity, family equity, in the farm and the land, and it comes time they have got to retire. The average for us in Vermont is 56, and getting access to turn it over to younger farmers is really tough. What can we do about that, given the market realities and the legitimate retirement concerns of the folks who have been farming that land for a long time?

Mr. Cosby. I will start off and I will let my colleague here talk about that also. I am from a family farm, and I understand the generational, you know, you want to pass it down. I had to leave

the farm as a kid because there was just nothing there.

We have what we call the Beginning Farmer and Rancher Program, and we have been really trying to make it more accessible to a lot more folks, and that is in our underserved community cat-

egory. We have been doing that.

Senator WELCH. Let me just interrupt. It is really tough for anybody, right? I mean, the price of land is real high and whoever is trying to get in is going to have a real challenge. Just concretely, what can we do to help those younger farmers all across the country get access to the farmland they need?

Mr. Cosby. I think it starts, like I said—Mr. Ducheneaux here will help me with this—but I think it starts with both of our agencies is how do we get them through that process and then how do we afford to apply these conservation practices once they are in. We have seen the price of land go up, and so how do we do that?

I will kick it over to my colleague here.

Mr. DUCHENEAUX. Thank you, Senator Welch. If I may, there are two parts to this. One, we have got the Conservation Reserve Pro-

gram and it has got a Transition Incentives Program that is designed to put that next generation in touch with the previous generation that has got the Conservation Reserve Program contract, in the waning years of that contract. The idea there is we can build

a linkage. We are studying how we can improve that.

Access to capital is critical, and if a producer has to wait months to get not enough money from us, they are never going to have that opportunity. We need to continue to look at what we can do in the realm of providing thoughtful, timely financing for those young and beginning producers to be ready for that transition, because right now our tools do not work for the auction sale. They only work for that closely held generational transfer. We need to position our young and beginning farmers in a way that they have that opportunity when the opportunity is there. It is an once-in-a-lifetime deal.

Senator Welch. Thank you very much. I yield back, Mr. Chairman.

Senator BOOZMAN. Thank you. Senator Braun.

Senator Braun. Thank you, Mr. Chairman. Thank you, Mr. Chairman.

This is something dear to me because I am one of the few, I think, on the Committee that has been deeply involved in farming as a sideline activity, and first of all as a tree farmer. I just got a couple hundred trees, 100 white oak and 100 walnut, that I am going to plant over the next month. I fell in love with forestry, very underestimated in the total ag picture. For some reason that does not get easily discussed in the agricultural conversation.

The thing I hear most about, and I would like all three of you to weigh in, to the extent you are familiar with the issue, is Waters of the U.S. I am one that believes that we have got to keep our waterways clean. I have been involved in the climate discussion since I have been here. As a conservationist I know what farmers do to be the best stewards of the land out there, and generally they practice on their own and with the help of State and the Federal Gov-

ernment.

I had a dust-up right after I got here, in my own county, where we had the Indiana Department of Environmental Management and the Department of Natural Resources, through the enforcement side of it, kind of chasing farmers down on the back 40 when it would have been a waste of time. This was ditch maintenance in places where ditches hardly had any water in them.

We have been getting the kind of football passed to and from on the WOTUS ruling, and currently now it is going back to I guess

what it was in 2015.

Farmers have a tough enough job to be worried about some of that. They would like clarity, and it needs to be practical as well. Weigh in on what you think will happen there, whether you agree with the rule being put back to 2015, or if you thought it made more sense where the Trump rule took it to but never got implemented.

We will start with you, Mr. Cosby.

Mr. Cosby. Senator, thank you for the question, and we have been one of the folks that have been sitting at the table with the discussion about how this is to happen. NRCS's role in all of this is doing wetland compliance and also doing those reviews for farmers to keep them in the program, and our folks do a very effective job of that. We did close to 54,000 wetland determinations and also compliance reviews last year, and so we are out there working with the producer, hand-in-hand, to make sure they understand these rules.

Senator Braun. Are you still working off the 2015 rule then, because nothing else had really been fully implemented. Is that correct? Where are we at on how you are implementing a rule that even most farmers are confused with because it gets reset and then not reimplemented?

Mr. Cosby. Well, I know about the 2015 rule, but there has been work on the way to look at this new rule. We look at the new rule now, and we have worked very closely with the agency to do that. Like I say, we are working with farmers and producers to make sure we are doing those determinations to keep them farming and keep them in the programs.

Senator Braun. Okay.

Mr. DUCHENEAUX. Thank you for the question, Senator. We believe in the farmer and rancher and their inclination to preserve the resource for future generations. Water quality is one of them. It is a conversation we have had here quite a little today already. Our goal is to continue to provide the voluntary incentive-based tools to help farmers improve that water quality through buffer strips, through better nutrient management, improve soil health so that the water can go into the ground instead of run by it. That is where we need it, and we need to reach our aquifers. Without the water in the ground it is not going to be able to get—

Senator Braun. I agree with all that. Do you think the new rule is a better place for farmers and ranchers than where the Trump rule would have been back at the tail end? I think that was just done in literally October or November 2020. Which rule do you think is more practical? Because the feedback I am getting from farmers, and not so much ranchers, is that this is going to be more cumbersome with a lot more red tape with not the marginal bene-

fits from it.

Mr. Ducheneaux. That is not a rule that we live with on a day-to-day basis, sir. We are delivering the programs to the producers, not enforcing environmental.

Ms. Coleman. Sir, I am going to defer to my colleagues on this,

since this is an interest that is focused on ag production.

Senator Braun. I have got a little remaining time. I will ask you on the biggest thing impacting anyone investing in timber ground currently would be invasive species. We just literally lost 8 to 10 percent of our total hardwood population with the emerald ash borer, and now you have got stiltgrass, you have got all other kinds. Most tree farmers that are even somewhat sophisticated do not really know if it is invasive or not.

How much attention are we paying to that, because to me I live it every day, and when I go back on the weekends, and it looks like it is almost a problem that is so bad that we will never get it under control?

Ms. Coleman. Sir, when it comes to invasive species, they figure just as much into the effects of climate as all these other stressors

we are talking about, and the agency is paying a lot of attention. We have a very robust invasive species program, a Forest Health Program that resides in our State and private programs to work with landowners, forest owners, in particular. Because we are seeing it too, and it really does—getting our hands around that, being responsive to that is just as critical to our resiliency in our forests as any of our other authorities that we use under the farm bill.

Senator Braun. Thank you.

Senator Boozman. Senator Hoeven.

Senator HOEVEN. Thank you, Mr. Ranking Member. I appreciate

it. Thanks to our witnesses for being here.

Chief Cosby, do you agree that farm conservation programs should be voluntary, farmer friendly, and focus on locally led projects?

Mr. Cosby. I do, sir.

Senator HOEVEN. Okay. Yes, that was kind of an easy one. A no on that one would have been a problem.

Okay. Our CPP, PL-560, a number of these programs you need to get some more flexibility in those things. You can leverage them and do more if you would provide more flexibility in those programs.

I just had a roundtable out in North Dakota and we talked about that, and you are dealing with a lot of different folks, not only the farmers and the ranchers but your county commissioners, your water districts and all these kinds of things. They come up with good ideas, and we will be submitting a bunch of those as we do the farm bill markup. If you provide flexibility I think you could do a lot more with RCPP, and I think make a big impact. What is your reaction to that?

Mr. Cosby. Sir, as we work through these programs we are looking at all the flexibilities, all the authorities that we have, and also how do we tear down barriers to participation in these programs. This is something that we talk about constantly, on a daily basis,

and how do we make these programs more accessible.

Senator HOEVEN. Yes, I think you have opportunity there and

hopefully we can help you with some tools.

On your carbon capture programs, your CO2 programs, same thing. You have got to have flexibility. Cannot be a one size fits all. Farming in South Dakota, is a guy sitting next to you, and ranching, is different in South Dakota and North Dakota than it is in Alabama or Georgia. Big surprise. Some places till; some places have no-till. There are a ton of different crops. You have got to provide flexibility if you are going to make sure that those carbon capture programs are farmer friendly. What is your reaction to that?

Mr. Cosby. Sir, that is where the locally led process is so important. As we look around the country, and those folks are out there working in those local conditions, identifying what those local resource concerns are, and we will be working through that system to make sure that we are looking at everything across this country. The locally led process is important.

Senator HOEVEN. Our Ranking Member here and the Chairwoman did, I think, a pretty good job in terms of moving forward on the CO2 issue with parameters for USDA, and then the private market working with the farmer and rancher rather than a big

Federal program sucking up all the farm bill resources, which we are going to need for countercyclical safety net. What is your reaction to that?

Mr. COSBY. I think the countercyclical safety net is one of the FSA things, so I think I will turn to my colleague here.

Senator HOEVEN. No. He is next. You have got answer that.

Mr. Cosby. Okay. All right, sir.

Senator HOEVEN. He gets his chance. This is yours.

Mr. Cosby. As I said before, we will use all the authorities that we have to make sure these programs are flexible and they are locally led, because as you said, one size does not fit all, and farming across this country varies from State to State, and so we are going to continue to do that and make sure that we are opening these programs for all folks that would like to participate.

Senator HOEVEN. Okay, Administrator Ducheneaux, first off thanks for all your work at FSA, for your strong leadership, for the flexibility and the help you have given folks throughout cattle country and farm country. We really appreciate your can-do problem-solving attitude. Now if you want to tackle that last question, go ahead.

Mr. DUCHENEAUX. Thank you, Senator Hoeven. It is good to see you and I am only slightly offended that I did not get invited to the roundtable in North Dakota.

Senator HOEVEN. Oh, we should have. It was really good. Yes,

you are right.

Mr. Ducheneaux. I just want to challenge, sir, respectfully, the notion of a Federal program or a Federal Government soaking up resources. Our staff work tirelessly and poorly compensated to do this work. When we let things go like that and float out in the air without pushing back on the good work of our staff in our county offices, doing it at a rate of pay where oftentimes they are eligible for food assistance, we really have to think about the efficiency that those folks use when they deliver programs. They do it for pennies on the dollar, and we have got to make sure that we make our staff know that we appreciate that work and do not feel like they are part of a greater bureaucracy that is taking resources from them, sir.

Senator HOEVEN. Yes. I know you get it, and we actually want to get you out for some more roundtables and continue the kind of work we have been doing—

Mr. Ducheneaux. Yes, sir.

Senator Hoeven [continuing]. both on the farm side but also to get some of these assistance programs that our cattle guys need included in the farm bill. Tester and I have some amendments, bipartisan, to do that, and we will work closely with you on those and

get your input.

With the indulgence of the Ranking Member I will just finish with the Joint Chiefs Partnership Program. This is for Associate Chief Coleman. Senator Bennet of Colorado, and I, worked to pass our Joint Chiefs Landscape Restoration Partnership Act. It is really important in these areas where you have got a checkerboard of private interests, maybe Native American, BLM, Forest Service, and it is checkerboarded. The whole point of that Joint Chiefs program is so you all work together to help our farmers and ranchers

out there, because it is tough to navigate all that. We want to make sure that that program continues and we want your commitment to support it.

Ms. COLEMAN. We support it, sir.

Senator HOEVEN. Administrator, I know you do as well, so thank you for that.

Mr. DUCHENEAUX. Absolutely. I look forward to working together, sir.

Senator HOEVEN. Chief?

Mr. Cosby. Yes, sir, we really support that, and it is a great partnership between the two chiefs on the Joint Chiefs.

Senator HOEVEN. Again, thanks to all three of you. I appreciate

it. Thank you, Senator Boozman.

Senator BOOZMAN. Senator Fischer is recognized, and she also is going to take over. The only thing we have got to do around here is vote, and they are calling us and telling us to get over there. Thank you all for being here.

I think I can speak on behalf of myself and Senator Stabenow. I really appreciate you all in the sense that you are very close to the people that you serve and the people that work for you. We do appreciate your efforts and look forward to working with you in the future.

I am going to be in North Dakota in the not-too-distant future, and maybe you can sneak over there then and we will harangue you over there.

Mr. Ducheneaux. It will be great to have you.

Senator BOOZMAN. Thank you. Senator Fischer. Likewise.

Senator FISCHER. Thank you, Senator Boozman, and thank you

to the panel for being here today.

Nebraska has experienced a significant number of disasters since the 2018 Farm Bill, including historic flooding in 2019, as well as wildfires over the last several years. The Emergency Conservation Program is meant to help our producers in times like these, yet I have heard about challenges for producers utilizing that program.

In 2021, after wildfires in western Nebraska, producers were denied ECP because the source of the fire was yet to be determined, even though the spread of the fire was due to drought and to extreme wind. I have also had farmers write in about ECP, saying that paperwork was too burdensome in a time of disaster. They are trying to recover. They are not trying to fill out all this paperwork. Unfortunately, these producers Stated that they would absorb the losses and try to move on.

It was based on this type of feedback from Nebraskans that I worked with Senator Luján to introduce the ECP Improvement Act

to help expedite relief to producers.

Mr. Ducheneaux, I am glad to see in your testimony that USDA has begun making advance ECP payments available up to 25 percent of the cost for restoration activities. My bill would buildupon this by increasing the amount of advance payment a producer could receive up front. Can you discuss how implementation for advance payments of ECP has gone and how they have been helpful to producers?

Mr. DUCHENEAUX. Thank you, Senator. It is a fairly new development so we do not have a lot of data and feedback on that, but pro-

ducers are in favor of that. The challenge that we have with the ECP program, as you mentioned, there are some boxes we have to check in the delivery of those services, and really what comes to mind for me is if we had a functional emergency loan program where a producer could come in and say, "I want to leverage my next five years production against repairing this while I go through that process to get the ECP" that can then help out with the loan.

We have got an emergency loan program that does not really allow for that yet, so I think that is an opportunity to make those two programs fit better together. The advance payment, of course, is a critical part, but we still have to make sure that we are being respectful for the local environmental and cultural concerns that may exist, so the work cannot necessarily commence below the plow line on those type of projects.

We look forward to working with you on those solutions.

Senator FISCHER. Do you have any other ideas on thinking outside the box on how we can streamline that to get those payments out earlier, you know, we can increase the percentage of the payments that can go out earlier? I hear a lot of people, you wait two years to get a payment and some people are out of business by then.

Mr. Ducheneaux. Yes, ma'am, and I think we need to contemplate the cost of a producer not jumping into this program and weigh that against the other concerns that we have to evaluate as we deliver the program. Because if we are not able to help a producer in their time of need they are not going to look to the other valuable forward-thinking conservation tools that are going to help them be better positioned to mitigate the next disaster themselves. We have to really contemplate the cost of exclusion, like we need to in all of our programs, for those producers and our underserved producers all across the country.

Senator FISCHER. Thank you.

Mr. Cosby, last year the Inflation Reduction Act was passed without any input from Republicans, from this Committee or elsewhere, and it appropriated large amounts of funding toward traditionally bipartisan conservation programs. Notably, the IRA funding departed from bipartisan parameters the 2018 Farm Bill laid out on how funding for these conservation programs must be spent.

In Nebraska, livestock production is the largest segment of agriculture. One of the most popular conservation programs for livestock producers is EQIP. The IRA waived a requirement of at least 50 percent for that funding be made available for practices related to livestock production. The IRA also placed a large focus on carbon and greenhouse gas emission reduction but ignored other priority resources, concerns that this Committee has agreed on in the last farm bill, such as addressing water quantity and drought concerns.

Mr. Cosby, without the requirement for USDA to spend at least 50 percent of IRA EQIP funds on practices targeting livestock production, what percent of funding do you expect to go for livestock

producers?

Mr. COSBY. Well, that is something that we will be looking at. We just rolled this program, IRA, out. In the 2018 Farm Bill we have our traditional programs that we have been administering, and now we have the IRA dollars that are there also, and we have

identified those practices. This year we will be looking at how those IRA dollars are spent and the effectiveness of them, and then as we ramp up to move to further years we will also be looking at that.

I want to stress that all of these practices, they do certain things for soil health, when we are looking at this, and a lot of these practices that we have identified also help on the livestock side of the house. It is not all just carbon and climate. It addresses all of the resources. When our folks are out on the land working with these producers and writing these conservation plans and looking at what these resource needs are, we are recommending all of our practices that we have in our repertoire to address what those needs might be.

I think both of these, IRA and the 2018 Farm Bill, working together is going to be great. All of these programs are oversubscribed. We have an opportunity now to open the doors to a lot more producers to come in and participate. I think we are going to

learn a lot.

Senator FISCHER. Without the requirement for USDA to spend at least 50 percent of the IRA EQIP funds on practices that are targeting livestock production, what percent of funding do you expect is going to go toward livestock producers?

Mr. Cosby. Again, right now we do not know what that number

is going to be.

Senator FISCHER. If this Committee and Congress comes together, which I am sure we will—this is a very bipartisan committee. We work well together. We try to address noncontroversial issues to have in the farm bill—should not the USDA, should not your job be to follow what the authorizing committee is setting forth for these programs?

Mr. Cosby. We will follow that——

Senator FISCHER. No matter where the money is coming from?
Mr. Cosby. Whatever this Committee decides, that is what we will follow.

Senator FISCHER. Okay. I think we will have some further discussion on that in the future. I hope you are open to that.

Mr. Cosby. Yes, ma'am, I am.

Senator Fischer. [Presiding.] Okay. Thank you very much.

Seeing no other members present for the hearing I too want to thank the panel for being here today. The information you provide us is very valuable as we work toward getting this farm bill done, hopefully this year, and so I appreciate that.

The hearing record will remain open for five business days.

Thank you very much. The meeting is adjourned.

[Whereupon, at 12:20 p.m., the hearing was adjourned.]

APPENDIX

March 1, 2023

Testimony of Terry J. Cosby Chief, Natural Resources Conservation Service U.S. Department of Agriculture before the Senate Committee on Agriculture, Nutrition and Forestry March 1, 2023

Chairwoman Stabenow, Ranking Member Boozman, and Members of the Committee, thank you for the opportunity to speak with you today about the continued importance that conservation programs provide for American agriculture. In implementing the programs authorized by the 2018 Farm Bill, USDA works alongside producers to support and strengthen agriculture and work with them to protect and enhance our shared natural resources, build resiliency, and mitigate climate change.

My name is Terry Cosby, and I am honored to serve as the Chief of the Natural Resources Conservation Service (NRCS), where I have spent the past 42 years engaging with agricultural producers and rural communities, helping them to invest in the lands that they work. My great-grandfather purchased our family land in Tallahatchie County, Mississippi in the late 1800s, and the importance of conservation has been handed down through generations with that family land

The 2018 Farm Bill made it clear that voluntary conservation programs are critical to the continued viability of production agriculture. It also provided new incentives for producers and created new agricultural opportunities in urban communities.

The ongoing success of the Farm Bill conservation programs has led to greater opportunity to make financial and technical assistance available to agricultural producers and communities. Producer demand for voluntary conservation continues to result in our programs being oversubscribed. This is further driven by the opportunities available through voluntary conservation to respond and build resiliency in the face of devastating natural disasters while also reducing greenhouse gas emissions and increasing carbon sequestration to help mitigate climate change.

Recognizing the important role that conservation and watershed programs, including the Watershed Rehabilitation Program, the Watershed and Flood Prevention Operations Program, and the Emergency Watershed Protection Program , can play in addressing critical needs across the country, the Congress provided much needed additional resources through the Bipartisan Infrastructure Law (BIL) as well as generational investments provided by the Inflation Reduction Act (IRA) to implement and quantify the field scale impacts of climate smart conservation. These additional funds will continue to support producers and communities in making long-term conservation and infrastructure investments that enhance natural resources, adapt to and mitigate climate change impacts, and support increase resiliency. At NRCS, we are working to meet the needs of our customers across the country and ensure effective and efficient implementation of these laws while building upon the investments contained in the 2018 Farm Bill. We are achieving this while wisely using the resources entrusted to us by the Congress to deliver on the President's promise to grow the economy from the bottom up and middle out, not from the top down

Farm Bill Program Implementation

NRCS staff successfully implemented the programs and authorities provided under the 2018 Farm Bill and have continued to engage and support agricultural producers in ways that protect and enhance our shared natural resources.

NRCS administers a wide range of voluntary conservation programs to support private landowners. Most are authorized by the Farm Bill, including the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), Agricultural Conservation Easement Program (ACEP), Conservation Innovation Grants (CIG), and the Regional Conservation Partnership Program (RCPP). These financial assistance programs make it possible to implement the conservation plans that result from Conservation Technical Assistance (CTA) work.

NRCS also provides technical assistance, conservation planning, and support for conservation practice implementation for the Conservation Reserve Program (CRP) administered by USDA's Farm Service Agency (FSA). NRCS conservation programs are carried out through USDA's most extensive network of 2,413 service centers providing direct assistance to individual farmers, ranchers, forest landowners, and other private landowners to restore and improve our natural resources. Key priorities for the implementation of these programs and practices are decided at the local level, with input from Local Working Groups and State Technical Committees, to ensure local needs are addressed through NRCS's voluntary programs.

NRCS provides technical assistance at no cost to the producers we serve with the goal of giving our customers personalized advice and information, based on the latest science and research, to help them make informed decisions. The Conservation Technical Assistance (CTA) Program is NRCS's conservation planning program, helping to develop and deliver conservation technologies and practices to private landowners, conservation districts, Tribal Nations and other organizations. Through CTA, NRCS works with landowners and managers to develop conservation plans that outline the specific conservation activities to voluntarily conserve, maintain, and improve natural resources. CTA funding is also used to help agricultural producers comply with Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) compliance provisions, in addition to other Federal, state, tribal, and local environmental regulations. Additional funds for technical assistance are provided as part of the financial assistance programs to assist producers in implementing conservation program contracts. NRCS also has a process for certifying Technical Service Providers (TSPs), non-government entities who can provide conservation assistance to producers and thereby expand NRCS's technical capacity. NRCS also enters into cooperative agreements with non-government partners who can further assist producers by providing technical assistance.

Environmental Quality Incentives Program (EQIP): In fiscal year (FY) 2022, NRCS enrolled 31,856 EQIP contracts providing over \$1.28 billion on 9.6 million acres. Additionally, through the EQIP Conservation Incentive Contracts option, offered in FY 2022 in all states, we enrolled 696 contracts providing \$ 50.5 million in conservation assistance.

Conservation Stewardship Program (CSP): In FY 2022, through CSP Classic, NRCS enrolled 5,332 CSP contracts providing over \$ 436 million on 9.5 million acres. Additionally, we renewed 2,628 CSP contracts on 3.3 million acres. Also, under CSP, in FY 2022, we enrolled 772 contracts on 48,884 acres in the CSP Grassland Conservation Initiative.

Regional Conservation Partnership Program (RCPP): In August 2022, NRCS announced new projects under the RCPP Classic and Alternative Funding Arrangement (AFA) components. \$197 million in new investments was announced for a total of 41 RCPP Classic and AFA projects. There are 400 active RCPP projects that have more than 2,000 partners.

Agricultural Conservation Easement Program (ACEP): During FY 2022, \$352M was obligated to enroll 351 new ACEP easements totaling 181,115 acres. In FY 2022 NRCS closed on 260 ACEP easements totaling over 109,449 acres. Additionally, we invested \$24.8 million in eight Wetland Reserve Enhancement Partnership projects to enable conservation partners to assist NRCS with acquiring and restoring private wetlands.

Conservation Innovation Grants (CIG): In FY 2021, NRCS awarded \$40 million to conservation partners for 37 new projects under the CIG program. These projects support widespread adoption and evaluation of innovative conservation approaches in partnership with producers and can address critical priorities including nutrient management, climate-smart agriculture, adaptation and resilience to support drought related efforts. The Soil Health Demonstration Trial component of CIG focuses exclusively on conservation practices implementation and systems that improve soil health. For FY 22, \$40 million was made available in summer 2022, with award announcements scheduled for early spring 2023.

Conservation Reserve Program (CRP): In FY 2022, NRCS provided conservation planning and technical assistance on over 5 million acres for over 64,000 new or renewed CRP contracts across the nation. Technical assistance includes but is not limited to field visits to verify practice eligibility on the landscape, conservation planning, CRP practice survey and design, practice installation, operation and maintenance of practices and practice management. NRCS provides technical assistance for emergency use of CRP such as haying and grazing. NRCS is also working with the Farm Service Agency and selected partners to support CRP Monitoring, Assessment and Evaluation projects.

<u>Conservation Compliance</u>: In FY 2022, NRCS completed over 35,700 highly erodible land determinations and over 18,800 certified wetland determinations. NRCS also completed approximately 21,200 compliance status reviews in 2022.

In addition to these overall program enrollments and project awards from the past year, NRCS made several recent announcements regarding improvements to our existing conservation programs, and there are several further opportunities that we plan to roll out in FY 2022.

Climate-Smart Agriculture and Forestry

NRCS is leveraging our conservation programs and tools to address climate change mitigation and adaptation, while continuing to take a comprehensive approach to natural resource

conservation and ensuring that underserved and urban producers receive the support they need to meet their voluntary conservation goals.

Agriculture, forestry, and rural America are both uniquely affected by climate change and positioned to be a meaningful part of the solution. The Biden-Harris USDA, under Secretary Vilsack's leadership, has embarked upon a department-wide effort to enact climate-smart agriculture, forestry, and rural clean energy policies that are voluntary, flexible, and led by producers. All along the way, NRCS is ensuring that science and rigorous monitoring underpin our work, and that underserved communities and small and medium-sized farmers participate in and benefit from this important department-wide effort.

We know voluntary conservation works, and we are committed to working with farmers, ranchers, forest landowners, and partners to leverage our resources to increase climate resilience, sequester carbon and reduce greenhouse gas emissions, enhance agricultural productivity, support rural economies, and maintain critical environmental benefits through voluntary conservation efforts. USDA's work on climate change is:

- Focused on partnerships with agriculture, forestry, tribes, businesses, and communities;
- · Voluntary and incentive-based;
- Focused on creating new opportunities and markets for agriculture and forestry;
- Focused on ensuring rural America plays a key role in our transition to cleaner sources of energy;
- · Leveraging and enhancing the quantification of climate mitigation benefits; and
- · Farmer, rancher, and private forest landowner-led.

<u>Climate-Focused Conservation Investments</u>: Many of NRCS's existing practices have climate mitigation benefits, making them climate-smart agriculture and forestry practices. Working closely alongside our partners and those we serve, NRCS has been supporting the implementation of these practices within existing conservation programs to reduce greenhouse gas emissions and sequester carbon. Many of these mitigation practices also provide other environmental co-benefits as well as critical climate adaptation benefits to help agricultural producers make their operations more resilient to climate change. In 2022, NRCS:

- Invested \$197 million for 41 locally-led projects through the RCPP that address climate change, improve water quality, combat drought, enhance soil health, support wildlife habitat and protect agriculture;
- Announced \$35 million in funding through CIG to help agricultural producers adopt innovative conservation practices and mitigate the effects of climate change on their operations;
- Expanded the **EQIP Conservation Incentive Contracts** option to nationwide availability with a \$50.9 million investment, building on the \$10 million program pilot investment in 2021. Provided over \$309 million of **EQIP** funds for producers directly tied to climate-smart agricultural and forestry practices. Provided over \$192 million of **CSP** funds for producers directly tied to climate-smart agricultural and forestry practices. Provided \$8 million in regional projects to support and expand the **monitoring of soil carbon** on working agricultural lands and assess how climate-smart practices are affecting carbon sequestration;

- Invested up to \$12 million in partnerships that expand access to conservation technical assistance for livestock producers and increase the use of conservation practices on grazing lands through the **Grazing Lands Conservation Initiative**;
- Provided new opportunities to improve nutrient management, including through
 an initiative featuring a ranking threshold for pre-approval and a streamlined and
 expedited application process for key conservation programs, outreach campaigns
 focused on the economic benefits of nutrient management and on the nutrient
 management planning process, and new agreements with key partners who have
 existing capacity to support nutrient management planning and technical assistance.

As an example of the impact of our farm bill conservation programs on climate mitigation, EQIP and CSP together delivered more than 27 million metric tonnes of CO2 equivalent (MMTCO2e) in estimated emissions reductions in 2020. Conservation Technical Assistance, which provides our nation's farmers, ranchers and forestland owners with the knowledge and tools they need to conserve, maintain and restore the natural resources on their lands and improve the health of their operations for the future, has led to an additional 54 million metric tons of CO2 equivalent reductions in 2020. USDA is continuing to expand our ability to measure, monitor, report on, and verify climate mitigation outcomes, including through additional investments provided through the Inflation Reduction Act.

In line with the whole-of-government approach to address climate change, NRCS also utilized its conservation programs in partnership with other Federal agencies to further its climate goals related to both mitigation and adaptation, including:

- Investing \$25 million as part of a collaboration with the Department of Interior's (DOI) **WaterSmart Initiative** to help farmers and ranchers in three new priority areas and 37 existing priority areas conserve water and build drought resilience in their communities, assisting communities and producers in 12 Western states. This builds on a \$21 million investment in FY 2021;
- Announcing over \$1 billion in disaster relief funds for **post-wildfire and hurricane recovery** with the Forest Service through 41 projects, including 17 new projects, that will bring together agricultural producers, forest landowners, and national forests and grasslands to improve forest health using available Farm Bill conservation programs and other authorities;
- Supporting new **Sentinel Landscapes** to strengthen military readiness and address climate change and other natural resource challenges together with Department of Defense (DoD) and Department of Interior (DOI):
- Contributing to the **Drought Resilience Interagency Working Group** to improve drought-stricken communities' longer-term resilience to drought through financial and technical assistance; and
- Soliciting proposals for Joint Chiefs' Landscape Restoration Partnership FY 2023 projects, which will build on the joint fiscal year 2022 investment of more than \$48 million (\$18 million of which was from NRCS and \$30 million from the Forest Service), for projects that will mitigate wildfire risk, protect water quality, improve wildlife habitat, restore forest ecosystems and ultimately contribute to USDA's efforts to combat climate change.

Adaptation and Resilience: NRCS is also working to implement the NRCS Climate Change Adaptation Plan, released in 2022, which identifies key actions for addressing climate change vulnerabilities within NRCS's mission, operations, and infrastructure. We will continue to improve the climate literacy of staff throughout the agency, as we did with 23 tailored "Climate Conversation" training sessions delivered in partnership with the USDA Climate Hubs, a series of Regional Climate Town Halls for all national, state, and field staff, and ongoing contributions to the Climate Hubs and continued support for resource and tool development in 2022. In addition, we are working to improve science and technology for understanding, measuring, and tracking climate-related impacts and outcomes of NRCS practices and programs. This includes actively working with subject area experts to evaluate and update the list of climate-smart mitigation activities as needed.

Inflation Reduction Act Implementation

The IRA represents the single largest investment in climate and clean energy solutions in American history. This is a historic, once-in-a-generation investment and opportunity for this country and for the rural and agricultural communities that USDA serves. IRA invests nearly \$20 billion in NRCS's conservation programs. These are programs that are well-known to farmers and ranchers and are also oversubscribed. These investments mean that more producers will have access to conservation assistance. This includes:

- \$8.45 billion for EOIP
- \$4.95 billion for RCPP
- \$3.25 billion for CSP
- \$1.4 billion for ACEP
- \$1 billion for CTA Program
- \$300 million to measure, evaluate, quantify carbon sequestration and greenhouse gas emission reductions from conservation investments

These additional funds are important investments for farmers, ranchers and private forest landowners to increase the resilience of their operations and implement mechanisms to quantify greenhouse gas emission reductions and increased carbon storage in the nation's soils and trees. These funds are on top of otherwise available program funding, and the voluntary, incentive-based approach is targeted to support climate mitigation.

NRCS is moving forward with FY 2023 implementation, while also continuing to further expand capacity for the years ahead. On February 13, 2023, USDA announced the availability of FY 2023 IRA funding for EQIP, CSP, ACEP and RCPP. Producers applying to implement climatesmart agriculture and forestry practices and systems through EQIP and CSP can now be funded through IRA, with sign-ups and priorities continuing to be set at the state and local level. Funding is provided through a competitive process and will also include opportunities to respond to unmet demand. For FY 2023, NRCS will prioritize ACEP Agricultural Land Easements (ACEP-ALE) for grasslands in areas of highest risk for conversion to non-grassland uses to prevent the release of soil carbon stores. NRCS will prioritize ACEP Wetlands Reserve Easements (ACEP-WRE) for lands that contain soils high in organic carbon. For both ACEP-ALE and ACEP-WRE, applications for the current IRA funding cycle must be submitted by

March 17, 2023, for the first funding round. NRCS will expand options for ACEP in FY 2024 and beyond as the funding levels increase.

NRCS plans to roll out the next RCPP funding opportunity in early spring, which will include IRA funds for FY 2023, targeting IRA funds to maximize climate benefits while also streamlining the process to reduce barriers for partner and producer participation. Other opportunities for agreements and partnerships at the state level will be announced for FY 2023 in the coming months as well, as state-level partnerships are a core component of expanding capacity and outreach to bring new participants in the door.

To continue to effectively implement the provisions of IRA, NRCS is developing strategies to expand capacity through hiring, target funding, streamline program delivery, leverage partnerships, advance equity, and quantify outcomes. As part of this effort, NRCS published a Federal Register Request for Information (RFI) requesting public input on various aspects of IRA implementation. Through the RFI, NRCS solicited feedback on how to maximize benefits for climate mitigation, streamline and improve program delivery to increase efficiencies, and expand program access for producers, especially underserved producers. NRCS utilized initial RFI feedback for FY 2023 and will continue to identify and adopt additional changes based on public feedback in FY 2024 and in future years.

Bipartisan Infrastructure Law Implementation

The BIL is a historic piece of legislation that allows NRCS to address a broader portfolio of priority watershed needs across the nation and US territories. BIL provided \$918 million for Watershed Programs administered by NRCS, including \$118 million for the Watershed Rehabilitation (REHAB) Program, \$500 million for the Watershed and Flood Prevention Operations (WFPO) Program, and \$300 million for the Emergency Watershed Protection Program (EWP). REHAB helps project sponsors rehabilitate aging dams that are reaching the end of their design lives and/or no longer meet federal or state standards. NRCS provides technical and financial assistance to local project sponsors to rehabilitate aging dams that protect lives, property, and infrastructure. WFPO helps units of Federal, state, local and tribal governments (project sponsors) to protect and restore watersheds up to 250,000 acres. NRCS offers financial and technical assistance through this program for erosion and sediment control; watershed protection; flood prevention; water quality improvements; rural, municipal and industrial water supply; water management; fish and wildlife habitat enhancement; and hydropower sources. EWP offers vital recovery options for local communities to help people reduce hazards to life and property caused by major storms, wildfires, floods, and other natural disasters. Through this program, NRCS provides technical and financial assistance to state, local, and tribal governments for flooding and erosion protection that threaten life and property.

In implementing BIL, NRCS has prioritized providing ongoing relief to communities impacted by severe weather events such as wildfires, floods, hurricanes, and other natural disasters. NRCS has also prioritized carrying out projects in limited resource areas or for underserved communities, including tribal communities, where there is a severe need for watershed infrastructure to protect entire communities from floods, natural disasters, and other watershed-related resource concerns.

By the end of FY 2022, NRCS had invested a total of \$803 million of BIL funds into watershed programs. \$589.5 million of these funds went to 240 projects in 39 states for WFPO and REHAB. \$213.7 million of these funds went to 26 EWP projects, which included \$133 million of BIL funding to cover 100 percent of the cost of post-wildfire recovery efforts in communities impacted by the Hermits Peak and Calf Canyon wildfire in New Mexico. NRCS, in cooperation with local sponsors, will use EWP program BIL funds to implement much-needed aerial seeding — a successful post-wildfire conservation practice that helps reduce soil erosion, restore ground cover and establish native plant species.

Drought

Producers around the country experienced drought in the last year, this is especially a challenge in the Western United States. Water supply in sufficient quantity and quality is declining in many areas of the West as it is increasingly threatened by growing demand and the impacts of climate change. Declining water supply threatens working land resources that sustain agricultural productivity and environmental quality in these areas. These interrelated threats increase challenges encountered by water resource managers and producers, but also increase the importance for NRCS to deliver conservation assistance where it can make a greater impact.

For this reason, NRCS has developed the Western Water and Working Lands Framework (Framework) for Conservation Action, which will support NRCS leaders across 17 western states in collaborating with partners and effectively delivering conservation assistance to address priority issues related to water. This is based off a landscape approach and other frameworks that NRCS has developed in recent years, including the Great Plains Grasslands Biome Framework, the Sagebrush Biome Framework, the Northern Bobwhite, Grasslands, and Savannas Framework, and the Landscape Conservation Initiative. NRCS released the Western Water Framework on February 13, 2022. The Framework identifies six major management challenges related to Western water conservation:

- · Forecasting water supply
- Sustaining agricultural productivity
- · Protecting groundwater availability
- Protecting surface water availability
- Managing and restoring rangelands and forestlands
- · Responding to disruptions from catastrophic events

The Framework also identifies available NRCS programs and resources to address these challenges, including data collection and forecasting of water supplies, disaster recovery assistance, efficient water use like precision agriculture, or supporting landscape and watersheds across the Department's climate smart agriculture work. For example, NRCS uses EQIP funds to help farmers and ranchers implement practices that conserve scarce water resources, reduce wind erosion on drought-impacted fields and improve livestock access to water. EQIP assistance may also be available for emergency animal mortality disposal from natural disasters and other causes.

While we look at immediate relief and flexibilities that producers need in the short term, we are also addressing drought resilience and asking hard questions about the programs, tools and

authorities NRCS may need to appropriately assist producers navigating drought and climate change in the future.

Additionally, many public and private sector organizations have technical or financial resources to help address water and land resource management challenges. Although NRCS does not establish water allocation policies or regulate water or land resources, NRCS does coordinate with local, state, and Federal, and tribal partners to ensure that voluntary conservation actions are considered in such decisions. NRCS uses a locally-led model to direct agency resources to vulnerable areas where those resources will address community priorities and have a greater impact.

The 2018 Farm Bill provided NRCS with multiple new avenues for addressing drought. Through the EQIP, NRCS may now provide direct program assistance to water management entities such as irrigation districts, acequias and other public or semi-public entities for the purposes of improving water use efficiencies. The 2018 Farm Bill also created the new Conservation Incentive Contracts option within EQIP to address high-priority conservation and natural resources concerns, including drought. Through up to 10-year contracts, producers manage, maintain and address important natural resource concerns and build on existing conservation efforts. In addition, NRCS utilizes waivers as needed to assist producers who are dealing with natural disasters; often, these waivers allow actions that would otherwise be prohibited to support practice implementation, such as allowing producers with applications to install practices prior to contracting.

NRCS is also coordinating across USDA and other federal agencies to ensure effective collaboration to address drought. As noted above, NRCS is investing \$25 million as part of a collaboration with the Department of Interior's (DOI) WaterSmart Initiative to help farmers and ranchers in three new priority areas and 37 existing priority areas conserve water and build drought resilience in their communities, assisting communities and producers in 12 Western states. This builds on a \$21 million investment in FY22. In addition, as part of the White House Drought Resilience Interagency Working Group, USDA is working with other member agencies to effectively deploy the \$918 million BIL investment in NRCS watershed infrastructure projects.

Equity

USDA is committed to advancing equity across our systems, processes, and policies. The President's issuance of Executive Order on Advancing Racial Equity and Support for Underserved Communities paved the way for USDA to meaningfully listen to internal and external stakeholders, understand where barriers to accessing USDA programs and services exist. NRCS is taking deliberate, bold, and historic action to dismantle barriers to equity, justice, and equal opportunity in agency programs and policies.

NRCS is committed to sustaining a culture that operates with core values of equity, justice, and equal opportunity for all. In 2022, NRCS released its *Equity Action Plan*. The NRCS Equity Action Plan provisions set forth a well-defined framework to meet the agency's equity objectives. The NRCS Equity Action Plan was developed using a framework to advance equity

in the culture of NRCS and a commitment to institutional transformation. The plan describes five strategic goals for NRCS:

- 1. Organizational Capacity for Equity
- 2. Equity Toolkits
- 3. Equity and Inclusion Data
- 4. Equity and Inclusion Partnerships
- 5. Operationalize Equity

NRCS is investing in this plan. In 2022, we awarded \$50 million in Equity Conservation Cooperative Agreements through 118 partnerships to support underserved farmers and ranchers with climate-smart agriculture and forestry. NRCS recently announced the availability of up to \$70 million in funding for Equity Conservation Cooperative Agreements, and these partnerships will be instrumental in expanding access to our Farm Bill conservation programs for underserved producers. We are also continuing to identify and eliminate barriers within our programs to expand access.

NRCS is also making progress towards accomplishing the Biden-Harris Administration's Justice40 initiative to have 40 percent of the overall benefits of Federal investments in covered programs supporting underserved communities. A key piece of NRCS's Justice40 plan methods for reducing barriers to program participation. Based on feedback from producers, communities, and organizations, NRCS updated its forms to streamline procedures and improve clarity, including around applications, applying for multiple programs, and practice approval. NRCS's Act Now Policy also helps to streamline the application process, particularly for underserved producers, by providing an opportunity for States to identify ranking pools and establish a ranking threshold at or above which they can automatically pre-approve an application for funding and move to contract obligation quickly.

Another aspect of NRCS's plan was to develop a methodology for geographically targeting underserved communities. To that end, NRCS developed geospatial data layers for internal use that include multiple datasets addressing priorities for equity, climate change, and urban agriculture to guide programmatic decision-making at national, regional, and state levels. Additionally, each NRCS State Office has been directed to appoint and maintain an Outreach Coordinator in order to increase the agency's ability to provide localized, strategic outreach to communities that NRCS has not previously served, or which may not be visible at the national level

To address concerns of Tribal Nations and producers, NRCS has published policy on Alternative Funding Arrangements (AFAs) under EQIP and CSP. AFAs provide Tribal Nations and Alaska Native Corporations with additional flexibilities for funding, planning, and administration where existing processes created barriers to program participation. Additionally, NRCS is developing systems to assure that indigenous knowledge better informs NRCS standards and program opportunities.

Urban Agriculture

NRCS supports conservation everywhere, regardless of location or size of the agricultural operation. This includes urban agriculture and innovative forms of controlled environment agriculture, including hydroponics, aquaponics, and rooftop production. USDA views supporting these operations as an important part of engaging the next generation of agricultural producers and living up to USDA's commitment to equitably support all producers. As agricultural production methods evolve, NRCS is working to innovate its programs and policies within the current legislative bounds in order to best meet customer needs.

Examples of this innovation include the creation of over 50 new payment scenarios and interim practice standards, clarification on EQIP eligibility in small-scale and innovative settings, and NRCS staff training focused on the reduction of barriers to participation of urban and innovative producers in NRCS programs.

The Office of Urban Agriculture and Innovative Production (OUAIP) hired a permanent director last year and now has 6 full-time staff and 4 detailees. OUAIP has awarded over \$55 million to date, and has given awards in 45 states and Puerto Rico. In FY22, OUAIP awarded approximately \$44 million through its funding opportunities, Urban Agriculture and Innovative Production grants and Composting and Food Waste Reduction cooperative agreements, as well as through the People's Garden Initiative, thanks to funding from the American Rescue Plan.

The Federal Advisory Committee for Urban Agriculture and Innovative Production (FAC) held its fourth public meeting on February 23, including a public comment forum. The FAC is currently drafting recommendations for the Secretary on how USDA can better support urban and innovative producers.

Additionally, to further demonstrate USDA's commitment to serving these producers, NRCS and FSA have jointly committed to opening brick and mortar urban service centers in 17 cities throughout the United States. These service centers will offer urban and innovative producers the full suite of applicable USDA programs and services and bring our employees closer to this expanding customer base.

Conclusion

None of NRCS's accomplishments would be possible without our more than 10,000 employees in every state and territory across the country. Agency employees work incredibly hard to connect with farmers, ranchers, forestland owners, tribes, and partners to implement our many programs and initiatives. I am honored to lead so many dedicated conservationists in my role. I appreciate Congress's continued support for NRCS and our work to combat climate change, address drought, ensure equity, and support voluntary conservation on working lands. Thank you for the opportunity to submit written testimony.

Testimony of Zach Ducheneaux Administrator, Farm Service Agency U.S. Department of Agriculture before the

Senate Committee on Agriculture, Nutrition and Forestry March 1, 2023

Introduction

Chair Stabenow, Ranking Member Boozman, and distinguished members of the Committee, it is an honor and privilege to appear before you today. To those who I have not yet had the pleasure of meeting, my name is Zach Ducheneaux, and since February of 2021, I have served as the Administrator of the U.S. Department of Agriculture's, Farm Service Agency (FSA). Prior to starting this job, I was a third-generation rancher on my family's ranch on the Cheyenne River Sioux Reservation.

I appreciated the opportunity to speak with many of you just a few weeks ago at this Committee's Farm Bill hearing on Commodity Programs, Crop Insurance, and Credit. I am grateful to have the opportunity to visit with you today to share how FSA's vision to strengthen and expand access to our conservation programs can improve producers' economic viability while giving them better tools to invest in the long-term well-being of their land and natural resources.

The Conservation Division at the Farm Service Agency oversees several programs that protect our drinking water, reduce soil erosion, preserve wildlife habitat, restore forests and wetlands, and improve soil health for future generations. Key FSA conservation programs also support producers whose operations are damaged by natural disasters.

I have always appreciated FSA's commitment to voluntary, producer-led, working lands conservation, and I am committed to maintaining those pillars of our conservation programs. At the same time, FSA has a unique opportunity to expand and improve these programs to bring in new and diverse partners and better empower our producers to tackle the climate crisis and build more resilience into their operations. The changes FSA has made and the changes we continue to pursue are focused on giving producers more opportunities to invest in the long-term health of their land and natural resources.

In my testimony today, I'd like to highlight some of our conservation programs, along with some of the updates and improvements our Administration has implemented over the past two years.

Farm Bill Program Implementation

The Conservation Reserve Program (CRP) is one of the largest private lands conservation programs in the United States. Through CRP, the FSA pays producers a yearly rental payment in exchange for removing environmentally sensitive land from agricultural production and planting species that will improve environmental quality. The long-term goal of the program is to reward producers who re-establish valuable land cover, which in turn helps improve soil health and water quality, prevents soil erosion, and reduces the loss of wildlife habitat. Contracts for land enrolled in CRP are typically from 10 to 15 years in length.

There are several ways agricultural producers and landowners can participate in CRP, including through our General Signup, our Grassland CRP, and our Continuous CRP. Last year, FSA accepted more than two million acres through the General Signup, more than 3.1 million acres through the Grassland Signup, and more than 877,000 acres through the Continuous CRP

Signup, resulting in about 5.1 million acres entering the program, surpassing the 3.9 million acres that exited the program.

The 2018 Farm Bill established a rising acreage cap for CRP, setting the cap at 25 million acres in 2021, 25.5 million acres in 2022, and 27 million acres in 2023. Despite Congress' work to raise these enrollment targets in the Farm Bill, in 2021, FSA faced decreasing enrollment due to a variety of factors. At the direction of Secretary Vilsack, FSA has prioritized increasing access to CRP and strengthening the climate benefits of the program through several changes, which have now put the program on an upward trajectory and helped bring participation into closer alignment with the caps established by Congress.

To increase producer interest and enrollment, FSA adjusted soil rental rates where data supported such an adjustment, increased payments for practice incentives, and increased payments for water quality practices. We also added a Climate-Smart Practice Incentive for CRP general and continuous signups to better leverage this program for positive climate outcomes, including carbon sequestration. Climate-Smart CRP practice incentives involve the establishment of trees and permanent grasses, the development of wildlife habitat, and wetland restoration. The Climate-Smart Practice Incentive is an annual payment based on the benefits of each practice type.

Additionally, we established a grassland CRP minimum rental rate. The grassland CRP program helps landowners and operators protect grassland, including rangeland, pastureland, and certain other lands, while maintaining the areas as working grazing lands. FSA updated the grassland CRP signup in fiscal year 2022 to establish a minimum rental rate of \$13 per acre that increased rental rates in 1,047 counties across the country. FSA also established National Grassland Priority Zones – the Greater Yellowstone Migration Corridor and Dust Bowl Zone –

that aim to increase enrollment of grasslands in migratory corridors and environmentally sensitive areas. In 2022, FSA expanded the Greater Yellowstone Wildlife Migration Corridor Priority Zone to include seven additional counties across Montana, Wyoming, and Idaho, to help protect the big-game animal migration corridor associated with Wyoming elk, mule deer, and antelope.

FSA's improvements to Grassland CRP have yielded rapid results. Last year's Grassland CRP signup was the highest Grassland signup ever. That record-breaking signup and continued growth in Grassland CRP demonstrates that conservation priorities and agricultural productivity not only have the capacity to coexist, but also complement and enhance one another.

Additionally, as part of FSA's Justice40 efforts, underserved producers and landowners, including beginning farmers and military veterans, were able to receive 10 additional ranking points to enhance their Grassland CRP offers. FSA accepted offers of more than 1.9 million acres from more than 5,000 underserved producers, about 87 percent of those who submitted applications. This year, FSA will be providing limited resource producers 20 additional points to enhance their offers. These ranking point incentives will continue helping small-scale operators and landowners find an entry way into the program.

Haying and grazing of CRP acres enrolled under General and Continuous CRP is authorized under certain conditions to improve the quality and performance of the CRP cover or to provide emergency relief to livestock producers due to certain natural disasters. There are two types of haying and grazing authorizations: emergency and non-emergency. Emergency haying and grazing of CRP acres may be authorized by FSA to provide relief to livestock producers in areas affected by severe drought or other natural disasters. During the 2022 program year, 1,633 counties became eligible for CRP emergency haying and grazing.

Through CRP, producers can also enroll land in FSA's Farmable Wetlands Program (FWP). FWP is designed to restore previously farmed wetlands and wetland buffers to improve both vegetation and water flow. FWP is a voluntary program to restore up to one million acres of farmable wetlands and associated buffers. Participants must agree to restore the wetlands, establish plant cover, and to not use enrolled land for commercial purposes. Plant cover may include plants that are partially submerged or specific types of trees. FSA runs the program through CRP with assistance from other government agencies and local conservation groups.

Additionally, FSA announced efforts to enhance natural resource benefits through CRP by moving State Acres for Wildlife Enhancement (SAFE) practices back to the continuous CRP signup. Producers can enroll year-round under continuous signup and be eligible for additional incentives. FSA also made Highly Erodible Land Initiative (HELI) practices available in both the general and continuous signups.

Notably, we also saw benefits from the expansion of both the Soil Health and Income Protection Program (SHIPP), which was a pilot program FSA implemented in 2021, and the Clean Lakes, Estuaries and Rivers initiative (CLEAR30), another pilot that has now expanded from twelve states in the Great Lakes and Chesapeake Bay watershed to all States and territories, allowing producers nationwide to enroll in 30-year CRP contracts for water quality practices.

FSA also continues to invest in its CRP Monitoring, Assessment, and Evaluation (MAE) program. Recently, FSA has kickstarted much-needed work to evaluate and quantify conservation benefits of its programs to inform program design and implementation. In 2022, FSA dedicated significant resources toward measuring and monitoring the climate impacts of conservation practices. In a series of multi-partner projects that involve minority serving institutions, FSA is enlisting a cadre of skilled technical experts in a field-scale measurement,

monitoring, and reporting initiative to quantify carbon sequestered and GHG gases reduced on land enrolled in CRP. In addition to these field-scale measurement projects, FSA has also invested substantial MAE resources in partnerships with organizations serving underserved producers to better understand how targeted outreach and engagement can help these producers better access and benefit from CRP. For example, MAE resources are supporting a mixed methods study led by the University of Georgia and a variety of partners, including the Southwest Georgia Project, the Eastern Band of Cherokee Indians, the Sustainable Forestry and Land Retention Program, Florida A&M University, Alcorn State University, Alabama A&M University, and other and other minority-serving organizations. This study is focused on understanding existing barriers to entry into the CRP program for underserved producers and landowners and will assess strategies to increase these landowners' participation.

The last component of CRP that I'll highlight is the Conservation Reserve Enhancement Program (CREP). CREP is a partnership program that targets specific significant conservation concerns in particular geographies, and federal resources are supplemented with non-federal resources to address those concerns. In exchange for removing environmentally sensitive land from production and establishing resource-conserving plant species, farmers and ranchers are paid an annual rental payment along with other federal and non-federal incentives, as applicable per each CREP agreement. Participation is voluntary, and the contract period is typically 10-15 years.

Through CREP, for the first time ever, three Tribal Nations are partnering with USDA to help conserve, maintain, and improve grassland productivity, reduce soil erosion, and enhance wildlife habitat. The Cheyenne River, Oglala, and Rosebud Sioux Tribes have entered into CREP agreements with FSA to enroll eligible grassland, pastureland, and other agricultural lands within

the boundaries of their reservations in this conservation program. The CREP agreements authorize enrollment of up to 1.5 million acres by the Cheyenne River Sioux Tribe, up to 1 million acres by the Oglala Sioux Tribe, and up to 600,000 acres by the Rosebud Sioux Tribe. These CREP agreements reflect the priorities and goals of USDA to broaden the scope and reach of its voluntary, incentive-based conservation programs to engage underserved communities. Looking ahead, FSA is focused on continuing to explore innovative CREP agreements with States, Tribes, and non-governmental organizations to build new partnerships, particularly in underserved communities.

USDA has made significant improvements to CREP to reduce barriers and make the program more accessible to a broad range of producers and new types of partners. In direct response to feedback from State agencies, Tribes, non-profits and other groups, USDA has updated CREP's rule regarding matching fund requirements, and invested in additional staff to work directly with partners for streamlined, partner-driven conservation efforts. A December 6, 2019, rule required that 50% of matching funds from partners be in the form of direct payments, which made it more difficult for many groups to participate as partners in CREP. With the December 13, 2021, rule change, partners can now provide their negotiated level of matching funds in the form of cash, in-kind contributions, or technical assistance. This change allows for greater flexibility and opportunity for additional partners to participate in the program.

The rule also updated policy to now provide a full annual rental payment to producers who are impacted by State, Tribal or local laws, ordinances and regulations that require a resource conserving or environmental protection measure. The previous rule reduced the rental payment made to producers who were affected by such laws.

For landowners with expiring CRP contracts, the 2018 Farm Bill authorized \$50 million for fiscal years 2019 through 2023 for the Transition Incentives Program (TIP). The program offers assistance for landowners and operators, as well as opportunities for beginning and socially disadvantaged farmers and ranchers. It provides landowners or operators with two additional annual rental payments on land enrolled in expiring CRP contracts, on the condition they sell or rent this land to a beginning farmer or rancher or to a underserved producer. Up to two additional annual CRP payments can be obtained through TIP. New landowners or renters must return the land to production using sustainable grazing or farming methods.

Next, I'll discuss FSA's Emergency Conservation Program (ECP). This program provides funding and assistance to help farmers and ranchers repair conservation structures, recover damaged farmland, and install methods for water conservation following natural disasters, including chronic disasters like severe drought.

In response to the 2021 drought, FSA expanded its policies to allow financial assistance to livestock producers for portable pumps used to temporarily pump water from available sources. This allowed producers to continue grazing activities when water sources were not safely accessible by the livestock. In fiscal year 2022, FSA allocated a total of \$171.5 million in ECP funds to assist producers in response to weather-related disasters, and has \$172 million available to provide assistance to aid producers in recovering from natural disasters.

In response to fires in 2022, FSA updated its regulations to begin allowing producers who lease Federally-owned or managed lands, including tribal trust land, as well as State land, the opportunity to participate in ECP. FSA has now made advance payments available—up to 25% of the cost—for all ECP practices before the restoration is carried out, an option that was previously only available for fence repair or replacement.

FSA also administers the Emergency Forest Restoration Program (EFRP). This program assists owners of non-industrial private forests to restore forest health damaged by natural disasters. In fiscal year 2022, FSA allocated a total of \$44.5 million in EFRP funds to assist forest landowners in response to weather-related disasters, and has \$215 million available to provide assistnace to aid producers in recovering from natural disasters.

Recently, Congress authorized FSA to pay 100% of the ECP and EEFRP cost for damage associated with the Hermit's Peak/Calf Canyon Fire in New Mexico. ECP and EFRP cost-share assistance is typically capped at 75%. The flexibilities provided by Congress are helping provide critical assistance to producers as they work to rebuild their operations and infrastructure in the continued wake of these disasters.

Following widespread damage occurring due to disasters, FSA has expedited the process for completing environmental assessment of practices and restoration activities that will not result in ground disturbance, or disturbance "above the plow-line." By streamlining the environmental compliance process for farm and forest land restoration, while maintaining the integrity of these critical process, FSA has been able approve applications for assistance in a more timely manner.

Lastly, along with its partner, the National Rural Water Association, FSA also administers the Grassroots Source Water Protection Program. Acting through local organizations (rural water authorities), this partnership helps prevent pollution of surface and ground water used as the primary source of drinking water by rural residents. Technicians from rural water authorities work with FSA and county office staff and with specialists from the USDA's Natural Resources Conservation Service (NRCS) to implement projects. In the 2022 program year, 114 source water plans with management activities were implemented in the source water areas and

12,380 hours of on-site source water-related technical assistance was provided. These recent source water plans provide protection measures for 426 public drinking water sources (393 wells and 33 surface water intakes). In FY 2022 and FY 2023, aspects of the Grassroots Source Water Protection Program were implemented in all states.

In addition to these programs, FSA continues to work with participants in administering a variety of Farm Bill conservation programs that have sunset. Even when an authorization shifts, the job of supporting farmers with long-term contracts remains for FSA and county office employees to maintain the investments made at the farm, ranch and forest level for the life of the participant contract.

Conclusion

Agricultural producers are the original conservationists, and conservation is an integral part of the work we do at FSA. We are focused on weaving conservation values into the DNA of all our programs, old and new, so that as our agricultural communities face more frequent and intense climate-induced disasters, we are better prepared to provide both relief and economic opportunity for continued conservation. I am grateful for the leadership and expertise of FSA's Conservation Division, and our staff in Headquarters and across the country working hard every day to make these programs work for the producer. We value the tools and authorities that this Committee has provided FSA so that we can better serve every farmer, rancher, and forest owner. We look forward to supporting the efforts of the Committee as they craft a new Farm Bill and I welcome your questions.

Thank you.

Statement of Angela Coleman, Associate Chief of the USDA Forest Service

Before the The Senate Committee on Agriculture, Nutrition and Forestry

Concerning A 2023 Review of the Farm Bill: Forestry and Conservation March 1, 2023

Chairwoman Stabenow, Ranking Member Boozman, and members of the Committee, thank you for the opportunity to address this Committee regarding the Farm Bill. The U.S. Department of Agriculture's Forest Service greatly appreciates the valuable programs that Congress has authorized over the past five decades through the Farm Bill to support our mission and help us confront both long-standing and emerging threats to the nation's forests and grasslands. USDA looks forward to our work with the Committee to ensure the Forest Service has the tools and flexibility it needs to address the wildfire crisis, as well as successfully implement the full breadth of the Agency's mission.

Along with the tools and investments Congress enacted in the 2018 Consolidated Appropriations Act, the bipartisan Infrastructure Investment and Jobs Act (IIJA), and the Inflation Reduction Act (IRA), the Forest Service is using Farm Bill authorities to confront the wildfire crisis, create new markets and technology for wood products, and restore forest health and resiliency through partnerships and collaboration across landscapes.

Today, I will share recent developments in implementing our Wildfire Crisis Strategy and highlight accomplishments in our use of six areas of authority from the 2018 Farm Bill that are particularly important in addressing the wildfire crisis: (1) the reauthorized Insect and Disease treatment authority (Section 603, Healthy Forests Restoration Act), (2) the expanded Good Neighbor Authority, (3) the new Tribal forestry demonstration project, (4) the Collaborative Forest Landscape Restoration Program, (5) the Wood Innovation grant programs, and (6) the Landscape Scale Restoration Program.

Climate change, wildfire and other natural disturbances do not respect land management boundaries; therefore, we need policies and management approaches - like those included in previous Farm Bills - that remove barriers and allow for shared stewardship and cross-boundary management. Throughout the 2018 Farm Bill, there are many authorities and provisions that assist the Forest Service in accomplishing our priority work across boundaries, particularly ecological restoration, support to communities, vital voluntary conservation efforts, and reducing hazardous fuels. Many of these provisions support our overall emphasis in USDA to work with private forest landowners and ranchers in looking for ways to foster new and better markets for them and continue to keep those producers on the land. In keeping with the Biden-Harris Administration's commitment to rebuild and strengthen the middle class from "the bottom up and the middle out," we're looking for ways in which we can encourage and increase the number of revenue streams available to private forest landowners and producers in forested communities so that they can benefit, not only from the sale of timber, crops, and livestock, but also be incentivized to conserve critical resources and invest in climate smart agriculture and forestry practices to sustain resilient, healthy forests and grasslands. Together, our work with all the

innovative Farm Bill provisions demonstrates our commitment to shared stewardship of the nation's forests and grasslands, while strengthening relationships with Tribes, States, and local communities.

The Wildfire Crisis Strategy

In Forest Service, we are entering our second year of carrying out our 10-year strategy for confronting the wildfire crisis in the West. Our Wildfire Crisis Strategy aims to increase science-based fuels treatments by up to four times previous treatment levels, especially in those areas most at risk. Fuels treatments by the Forest Service, together with partners, have made a difference over the years. However, the scale of treatments is outmatched by the rapid increase in the scale and severity of wildfires as climate change accelerates. This strategy calls for treating up to 20 million additional acres of National Forest System (NFS) lands over the coming decade, and working with partners, including colleagues at the U.S. Department of the Interior, to treat up to 30 million additional acres on adjoining lands of multiple ownerships, while building a long-term maintenance plan. The intent for these treatments is to reduce the wildfire risk to communities, critical infrastructure, municipal water sources, and natural resources, and to restore and maintain fire-adapted landscapes so they are more resilient.

Within IIJA, Congress provided a \$1.4 billion down payment that greatly assists in putting our Wildfire Crisis Strategy into action with investments on ten landscapes in eight Western States (Arizona, California, Colorado, Idaho, Montana, New Mexico, Oregon, and Washington). Through work on these landscapes and others, we completed treatments on 3.2 million acres nationally in 2022. We also accomplished these treatments in 118 of the 250 high-priority fire sheds identified in the Wildfire Crisis Strategy. This work was accomplished despite numerous barriers including internal staffing capacity, lack of markets for small-diameter wood, and high post-fire workloads from previous seasons. The work on these acres directly reduced risk to communities, infrastructure, and critical watersheds.

IRA funding provides the Forest Service an additional \$1.8 billion for hazardous fuels funding in the wildland-urban interface. With IRA funding, we recently selected 11 additional landscapes for treatment in seven Western States (Arizona, California, Idaho, Nevada, Oregon, Utah, and Washington). Combined with the initial investment landscapes, our actions will span 134 of the 250 high-risk fire sheds in the western U.S., with the investment we announced in January 2023 of \$930 million on 21 landscapes. These investments will help reduce the risk of wildfire to atrisk communities, Tribal lands, critical infrastructure, utility corridors, and public water sources. We listened to our partners, the public we serve, Tribes and many others regarding what mattered most to them, where opportunity is, and where challenges remain. Their feedback and our experience on these landscapes helped us identify both challenges to implementation and enabling conditions for future success. This work will mitigate risks to approximately 200 communities within these landscapes. The Wildfire Crisis Strategy builds on current work and leverages congressional authorities such as those from the 2018 Farm Bill highlighted below, as well as other authorities such as stewardship contracting which has proven invaluable in our work. The Wildfire Crisis Strategy strengthens partnerships to support our work to mitigate wildfire risk and restore forest health and resiliency over the next decade.

The Forest Service is very grateful to Congress, and this Committee in particular, for providing the resources through the Infrastructure Investments and Jobs Act and the Inflation Reduction Act to seed our initial work and put the Wildfire Crisis Strategy in motion. It is important to note that fully executing the strategy to treat 50 million acres will take continued federal investment, coupled with funding and capacity delivered from States and all of our partners in this work. I look forward to continuing this important discussion with this panel and others.

2018 Farm Bill Implementation Highlights

Insect and Disease Provisions

The 2014 Farm Bill's Insect and Disease provisions (Section 8204) set requirements for designating affected NFS lands, enabling streamlined environmental review procedures to expedite projects that reduce the risk and extent of, or increase the resilience to, insect or disease infestations. Approximately 77.5 million acres across NFS lands have been designated under Section 8204 as already experiencing, or at risk of experiencing, insect and disease infestations. We work with State forestry agencies to survey almost 500 million acres across the nation each year to understand where infestations are occurring. We have the partnerships to work across boundaries – on NFS; tribal; state and private lands; as well as other federal lands.

Through amendments to the 2003 Healthy Forests Restoration Act (HFRA), the 2014 Farm Bill also categorically excluded from the requirements of NEPA certain insect and disease projects that meet certain stringent criteria, including an acreage limitation, and are located within the designated treatment areas. The 2018 Farm Bill, through amendment to HFRA, established an additional categorical exclusion for projects that reduce hazardous fuels to be carried out in the designated treatment areas and that also meet other specific criteria and acreage limitations (Section 8407). The Forest Service has signed decisions for, or is in the process of analyzing, 287 projects encompassing approximately 565,000 acres in 35 states using these categorical exclusions. Using the Farm Bill amendments to HFRA Section 602(d), the Forest Service has expedited the NEPA process, with signed decisions or analysis underway, on 26 projects involving an EIS or an EA, encompassing over 1.5 million acres in 11 states. Additionally, the 2018 Farm Bill extended authorization of the categorical exclusion from HFRA Section 605 for wildfire resilience. The Forest Service has signed decisions for, or is in the process of analyzing, 79 projects encompassing approximately 125,000 acres in 34 states using the wildfire resilience categorical exclusion. Taken together, projects carried out under all these authorities help improve forest health while also reducing the risk of catastrophic wildfire to people, communities, utility corridors, water sources, and other natural resources.

Good Neighbor Authority

The Good Neighbor Authority (GNA) allows the Forest Service to work with States, Tribes, and counties to perform treatments across larger landscapes through partnerships. In 2014, this authority allowed the Forest Service to enter into cooperative agreements or contracts with States and Puerto Rico to perform authorized watershed restoration services by our partners on Federal lands. The 2018 Farm Bill expanded this valuable authority to Tribes and counties and allows States to maintain revenues generated from the sale of National Forest System timber for future

GNA activities (Section 8624). To date, the Forest Service has completed 380 GNA agreements in 38 states to accomplish a variety of restoration work. Timber volume awarded under GNA agreements tripled from 2018 to 2022, and we completed over 178,000 acres of restoration-based activities through GNA agreements in 2022.

Our GNA agreements are predominately with State agencies, but also include 16 Tribal agreements and 15 agreements with counties. In our Southern Region alone, for example, we have GNA agreements with one or more of the state agencies in each State and these have assisted greatly in restoring and improving forest health on thousands of acres affected by Southern Pine Beetle infestation and other natural disasters. Under a Good Neighbor Agreement with the Eastern Band of Cherokee Indians, we will work to integrate cultural and traditional ecological knowledge with silviculture and fire management on the Pisgah and Nantahala National Forests in North Carolina. In the Pacific Northwest Region, the Washington Department of Natural Resources used GNA with us to replace a perched culvert with a bridge, allowing restoration of critical upstream salmon habitat on the Olympic National Forest and improving public access. GNA authority is extremely beneficial because it improves the Agency's access to State, Tribal, and county expertise and capacity to accomplish restoration and hazardous fuels reduction work across larger landscapes. This authority also supports working and learning with our partners so we can apply collective knowledge broadly on public lands.

Tribal Forestry

USDA is responsible for managing millions of acres of Federal lands and waters that contain cultural and natural resources of significance and value to Tribes, including sacred religious sites, burial sites, wildlife resources, and sources of Indigenous foods and medicines. The 2018 Farm Bill authorized a new Tribal forestry demonstration project for tribes to propose projects on NFS lands that border or are adjacent to tribal lands using the Indian Self-Determination and Education Assistance Act. This new Forest Service authority allows the agency to enter contracts and agreements with Indian tribes to protect the tribal lands and resources from threats such as fire, insects, and disease while being informed by Tribal values and knowledge The demonstration authority pertains exclusively to the Tribal Forest Protection Act of 2004 (TFPA). As of January 2023, agreements using this authority have been executed with Confederated Tribes of the Colville Reservation, Leech Lake Band of Ojibwe, Pueblo of Acoma, Pueblo of Jemez, The Tulalip Tribes, Kalispel Tribe, San Carlos Apache Tribe, Yakama Nation, Mechoopda Indian Tribe, Pueblo of Santa Clara, and the Cow Creek Band of Umpqua Tribe of Indians. These agreements are implementing vegetation management projects to protect tribal assets and reduce hazardous fuels in critical and cultural landscapes while strengthening our government-to-government relationships with tribal nations to achieve shared stewardship and co-stewardship objectives.

In one noteworthy example, the Cow Creek Band of Umpqua Tribe of Indians and the Umpqua National Forest in Oregon signed one of the largest of all Forest Service TFPA proposals, and the largest Forest Service self-determination agreement to date, to reduce fuels in strategically important areas of NFS lands that border tribal lands, the wildland urban interface, and private property. This collaborative work will simultaneously reduce fuel concentrations enough to enable firefighters to use treatment areas as potential control lines in the event of future wildfires and reduce the severity and intensity of fire in the treated areas.

The IIJA authorizes the Forest Service to fund and implement projects using GNA and TFPA. As of today, we have received 17 TFPA proposals exceeding \$8.7 million for FY23 with a projected \$25 million in subsequent years. This is a demonstrated commitment to invest in collaborations and co-stewardship as articulated in Joint Secretarial Order 3403, Fulfilling the Trust Responsibility to Indian Tribes in the Stewardship of Federal Lands and Waters.

Collaborative Forest Landscape Restoration Program

The 2018 Farm Bill reauthorized and increased the authorization for appropriations for the Collaborative Forest Landscape Restoration Program (CFLRP) (Section 8629). Through the CFLRP, we can accomplish critical collaborative, science-based ecosystem restoration of priority forest landscapes. These projects produce significant outcomes on the landscape, including reducing the risk of catastrophic wildfire, eradicating invasive plants, restoring stream habitat, and accomplishing vital forest vegetation work through planting, seeding, and natural regeneration. Since the program inception in 2009 through fiscal year 2022, the Forest Service has funded 31 CFLRP landscapes nationwide, with fifteen such landscapes currently receiving funding. These projects have advanced treatment on over 4.6 million acres to reduce the risk of catastrophic wildfire, with treatments prioritized in high-risk areas. CLFRP projects have improved habitat for over 70 species of animals and plants and have enhanced over 1,800 miles of stream habitat. In addition, CFLRP has significant economic benefits in rural communities, supporting an average of nearly 5,000 jobs per year and a total of \$2.5 billion in total local labor income to date, including youth engagement and job training opportunities.

Wood Innovation and Community Wood Grants

The 2018 Farm Bill codified the existing Wood Innovation Grant Program and established a new program, the Community Wood Grant Program. These two grant programs support Forest Service efforts to build innovative markets for wood products and wood energy that support rural economies with more jobs and income. The financial support provided by these programs help create additional and more robust markets and capacity for sustainable forest management and hazardous fuels reduction.

The Wood Innovation Grant Program (Section 8643) allows the Forest Service to award grants to individuals, public or private entities, or State, local or Tribal governments for the purpose of advancing the use of innovative wood products. The program stimulates and expands sustainable wood products and wood energy markets, with a focus on mass timber, tall wood buildings, renewable wood energy, and technological development that supports fuel reduction and sustainable forest management.

The Community Wood Grant Program (Section 8644) supports facility expansion or new equipment for thermal wood energy (wood-to-heat) projects and innovative wood products manufacturing. In Fiscal Year 2022, the Forest Service awarded over \$32 million in grants for 99 projects using these two authorities. Just last month, we announced a Funding Opportunity for

these programs, offering \$41 million to spark innovation and create new markets for wood products and renewable wood energy. This was made possible in part by the IIJA and the IRA.

The Farm Bill has catalyzed U.S. growth in mass timber construction, supporting forest management and creating jobs. Twelve new mass timber plants have been constructed across the U.S. and over 1,600 buildings utilizing mass timber construction have been built, are under construction, or are in the design phase. For example, Vaagen Timbers in Colville, Washington, produces cross-laminated timber from forest restoration on the Colville National Forest and employs over 40 people. Building with wood is beneficial to our environment as it replaces traditional building materials that can take a great deal of energy and emissions to manufacture. It's commonsense but worth underscoring that trees keep much of the carbon that they store over their lifetime when they're milled into long-lived wood products.

Through the Community Wood Grant Program, we have supported 34 projects for wood energy facilities to produce heat or combined heat and power. Located in a range of facilities including schools, businesses, manufacturing, and government, these projects use over 136,000 green tons of wood residues and chips annually. This supports renewable energy goals, economic development, and cost-effective heating. One project benefitting from a wood energy grant in Truckee, California, produces electricity through a biomass energy system for 14 municipal buildings, using hazardous fuels material removed from high wildfire risk areas.

Landscape Scale Restoration Program

Authorized in the 2018 Farm Bill, the Landscape Scale Restoration Program is a competitive grant program that promotes collaborative, science-based restoration of priority forest landscapes and furthers priorities identified in a science-based restoration strategy, such as a State Forest Action Plan. The Forest Service delivers the program through our long-standing partnerships with State Forestry agencies, Tribes, and other stakeholders to deliver conservation projects on non-federal land.

From 2018-2022 the Forest Service awarded 255 competitive grants to support projects to 46 States, and 5 territories. \$62,000,000 in federal funding leveraged approximately \$71,000,000 in additional partner support. Funded projects reflect local forest conditions and state and regional priorities. In the western United States, many of the Landscape Scale Restoration projects reduce wildfire risk and restore priority watersheds. In the Northeast and Midwest, projects protect water quality and mitigate invasive species that threaten forest ecosystem health, wildlife, climate resilience, and economic value of forests. In the South, wildlife habitat protection to conserve threatened and endangered species is an important priority to ensure continued economic productivity of rural working lands.

In FY 2023, the Landscape Scale Restoration Program issued its first Request for Proposals for Federally Recognized Tribes and Alaska Native Corporations to restore priority forest landscapes on Tribal land, including Tribal trust land. By working across landownerships, including on Tribal Forest land, the Landscape Scale Restoration program is an important tool to restore resilience to the nation's forests. With support from IRA funding, the Forest Service is standing up new activities, using the Landscape Scale Restoration authority, to provide

incentives to Tribes and non-industrial private forest landowners to implement climate smart forestry practices that improve forest resilience.

Through educational and technical assistance supported, in part, by the agency's Forest Stewardship Program, forestry experts will provide management advice and assistance to help landowners, on a voluntary basis, implement practices and access emerging market opportunities, including carbon markets. The Forest Stewardship Program is a partnership between the Forest Service and State forestry agencies to assist private forest landowners who are responsible for the stewardship of 300 million acres of forests (nearly 40 percent of the Nation's forests).

Congressionally Authorized Land Conveyances

I am pleased to report the completion of all three NFS land conveyances authorized by the 2018 Farm Bill:

- Section 8627, Kisatchie National Forest parcel in Louisiana to Collins Camp Properties;
- Section 8631, Okhissa Lake parcel on the Homochitto National Forest in Mississippi to Scenic Rivers Development Alliance for rural economic development; and
- Section 8707, parcel to Dolores County, Colorado for the West Fork Fire Station.

Conclusion

We recognize that this Committee and others expend significant effort to draft, negotiate, and pass a new Farm Bill every five years. We appreciate your efforts and look forward to providing input as you frame and develop the 2023 Farm Bill.

DOCUMENTS SUBMITTED FOR THE RECORD

March 1, 2023

February 27, 2023

Debbie Stabenow, Chairwoman U.S. Senate Agriculture Committee

John Boozman, Ranking Member
U.S. Senate Agriculture Committee

Glenn Thompson, Chairman U.S. House Agriculture Committee

David Scott, Ranking Member
U.S. House Agriculture Committee

Dear Chairwoman Stabenow, Chairman Thompson, Ranking Member Boozman, and Ranking Member Scott.

Thank you for your essential work on behalf of farmers and ranchers, the agricultural economy, and rural communities. The undersigned national organizations represent 950 land trusts and work closely with most of the state and local public and private entities that partner with USDA on the Agricultural Conservation Easement Program (ACEP). Together, we applaud last year's historic \$20 billion investment in Farm Bill Title II conservation programs and Conservation Technical Assistance, including \$1.4 billion for ACEP. As you begin consideration of the 2023 Farm Bill, we urge you to ensure that this funding stays in Farm Bill conservation programs and recognizes the valuable benefits of working lands protection.

Permanent, voluntary conservation of working lands is an essential tool in NRCS' climate mitigation toolbox, and Congress recognized the valuable role that ACEP can play in avoiding conversion of land to developed uses that are associated with higher greenhouse gas emissions. Stemming the loss of working farms and ranches through voluntary conservation is foundational to realizing the benefits of the additional conservation investments provided through the Inflation Reduction Act, in addition to the many ways in which agricultural land protection benefits current and aspiring producers and the communities they support. As organizations, we look forward to working with Congress and USDA in the months ahead to ensure that this funding supports the full spectrum of working lands protection projects nationally.

The increased funding for Farm Bill conservation programs and Conservation Technical Assistance, along with existing Farm Bill conservation title funding, represents the best opportunity in decades to meet producer demand for conservation programs, including the oversubscribed Agricultural Conservation Easement Program. Robust agriculture conservation funding benefits all parts of the country, and voluntary working lands conservation offers farmers, ranchers, and landowners an opportunity to keep their land in agriculture for future generations, and permanently secure the conservation and climate benefits that Title II programs support. We urge you to ensure that the 2023 Farm Bill protects these generational investments in USDA conservation programs.

Sincerely,

American Farmland Trust

The Conservation Fund

Land Trust Alliance

The Nature Conservancy

¹ American Farmland Trust's *Greener Fields* reports done in California and New York found that an acre of farmland, no matter what the crop grown, produces far fewer GHG emissions than an acre of developed land, especially the type of low-density residential development that is the lead cause of farmland conversion across the country. In California, on average, urban areas emit 58 times more GHG per acre than the state's farmland; in NY, the emissions rate is 66 times more. AFT's California analysis found that reducing farmland loss in the state by 700,000 acres would reduce GHG emissions the equivalent of taking 1.9 million cars off the road each year.



Chairwoman Stabenow 731 Hart Senate Office Building Washington, DC 20510

Ranking Member Boozman 141 Hart Senate Office Building Washington, DC 20510

February 27, 2023

Chairman Thompson 400 Cannon House Office Building Washington, DC 20515

Ranking Member Scott 468 Cannon House Office Building Washington, DC 20515

Dear Chairwoman Stabenow, Chairman Thompson, Ranking Member Boozman, and Ranking Member Scott.

As you begin to consider the 2023 Farm Bill, as part of the Natural Resource Defense Council's (NRDC) Chefs for Healthy Soil coalition, the group of undersigned chefs and chef oriented non-profits urge you to protect the historic \$20 billion investment in climate-smart agriculture and conservation technical assistance provided in the Inflation Reduction Act. As a coalition of chefs who work closely with farmers and ranchers, own and operate restaurants across the country, and understand the importance of healthy soil for healthy food, we urge you to protect this funding for climate-smart agriculture and Farm Bill conservation programs. This is the largest investment in agricultural conservation and rural communities since the Dust Bowl, and farmers, ranchers, and foresters across the country are depending on these resources.

USDA's voluntary, incentive-based conservation programs enable producers to adopt practices that build soil health, sequester carbon, and reduce greenhouse gas emissions. These conservation programs also improve surface and ground water quality, increase water efficiency, build resilience against drought and flood, create habitat for fish and wildlife, and protect agricultural lands for future generations. Year after year, Farm Bill conservation programs have been critically oversubscribed and meet only a fraction of the need for voluntary conservation on the landscape. The Inflation Reduction Act's funding begins to address the funding gaps and represents the best opportunity in decades to meet producer demand for conservation programs.

Robust agricultural conservation funding benefits all parts of the country and helps energize rural economies, improve climate resilience, and ensure that our nation's farmers, ranchers, and foresters are part of the solution to climate change. The undersigned chefs urge you to protect the historic \$20 billion Inflation Reduction Act investment for Farm Bill conservation programs.

Sincerely,

Chefs for Healthy Soil, An NRDC Project

Abra Berens James Beard Foundation Granor Farm New York, New York

Three Oaks, Michigan

Jamie Simpson
Alex Seidel The Chefs Garden & Culinary Vegetable

Fruition & Mercantile Institute
Denver, CO Huron, OH

Alicia Walter

Stardust Jason Hammel Amenia, NY Lula Chicago, IL

Anthony Myint Zero Foodprint

Zero Foodprint Jeanne Cheng Mission Chinese Food Kye's San Francisco, CA Los Angeles, CA

Bryce Gilmore Jordan Hayes
Odd Duck/Barley Swine The Aparium Group

Austin, TX Chicago, IL

Casey Absey Josh Niernberg
Blackbird Woodfire Bin 707 Foodbar
Fargo, ND Grand Junction, CO

Margie Raimondo Lauren DeSteno
Urbana Farmstead Chef Lauren DeSteno
Little Rock, AR New York, NY

Dan Barber Marque Collins

Blue Hill at Stone Barns Hewing Hotel
Tarrytown, NY Minneapolis, MN

Daniel Asher Mary Sue Milliken
Working Title Food Group Border Grill
Boulder, CO Socalo
BBQ Mexicana

Elizabeth Mehditach Mundo Management LEZA Los Angeles, CA

Los Angeles, CA

Matthew McClure
Evan Hanczor

Woodstock Inn

Evan Hanczor Woodstock Inn Little Egg Woodstock, VT Brooklyn, NY Grand Rapids, ND Michael Goessman Mamo Hospitality LLC Sioux Falls, SD

Michael Haskett Mb>b Haskett Delicatessen Petaluma, CA

Naomi Crawford Lunchette Petaluma, CA

Nick Wallace Nick Wallace Culinary Jackson, MS

Ryan Nitschke Luna Fargo Fargo, ND

Chef Sophia Roe Fargo, ND

Terence Rogers Sullivan Scrap Kitchen Denver, CO

Toni Elkhouri Cedar's Café Melbourne, FL

Tyler Hess Loaves & Fishes Collective Santa Cruz, CA -- Nevada City, CA --- Sonoma County, CA February 28, 2023

Debbie Stabenow, Chairwoman U.S. Senate Agriculture Committee

John Boozman, Ranking Member U.S. Senate Agriculture Committee

Glenn Thompson, Chairman U.S. House Agriculture Committee

David Scott, Ranking Member U.S. House Agriculture Committee

Dear Chairwoman Stabenow, Chairman Thompson, Ranking Member Boozman, and Ranking Member Scott,

As you begin advancing the 2023 Farm Bill, the undersigned groups and entities urge you to ensure and enhance the generational benefits of forestry investments made in the 117th Congress. These investments include more than \$13 billion in comprehensive forest-climate solutions for critical issues such as wildfire risk reduction and post-burn recovery, conservation and restoration of public lands, promoting sustainable private land stewardship and climate-smart forestry, addressing deadly extreme heat, reducing energy costs, and improving economic opportunities in communities large and small across the nation.

More than investments in trees, these recently enacted forestry provisions can save lives, protect and restore critical landscapes, and capture hundreds of millions of tons of carbon, all while improving quality of life and creating good-paying jobs. These benefits will be shared by rural and urban communities alike, on both public and privately owned lands, and generate economic growth in every section of the country.

Recognizing the disparate opinions in Congress, as among the signers of this letter, on any individual piece of legislation; we all agree the investments in forest-climate solutions are a win-win for the American people and must be strengthened and protected in future bipartisan legislation.

The undersigned groups represent a diverse and broad spectrum of non-governmental organizations, the private sector, and other entities who all recognize the critical need for natural climate solutions. We urge you to ensure that the forestry title of the 2023 Farm Bill protects these investments and allows them to deliver their vital economic and community benefit.

Sincerely,

Alpine Forestry
American Forests
American Forest Foundation
Anew Climate, LLC
Appalachian Mountain Club
California Urban Forests

Carbon 180

Center for Invasive Species Prevention

Congressional Sportsmen Caucus

The Davey Tree Expert Company

Empire State Forests Products Association

Forest Stewards Guild

Forest Stewardship Council- U.S.

Green Infrastructure Center

Hispanic Access Foundation

Indiana Forestry & Woodland Owners Association

The Lyme Timber Company

The Morton Arboretum

National Alliance of Forest Owners

National Association of Forest Service Retirees

National Association of State Foresters

National Association of University Forest Resource Programs

Natural Areas Conservancy

National Wildlife Federation

National Wild Turkey Federation

Natutral Areas Conservancy

Natural Resources Defense Council

New England Forestry Foundation

PotlatchDeltic

Rayonier

REI Co-op

Rural Voices for Conservation

Salesforce

Sierra Club

Society of American Foresters

Society for Protect NH Forests

Sonen Capital

Student Conservation Association

Sustainable Forestry Initiative

Sustainable Forestry and Land Retention Network

Sustainable Northwest

The American Chestnut Foundation

The Nature Conservancy

Theodore Roosevelt Conservation Partnership

Timberland Investmestment Resources, LLC

Tree Folks

Trees Forever

Trees Louisville, Inc.

Trust for Public Land

Vermont Woodlands Association

Watershed Research & Training Center West Coast Arborist Western Environmental Law Center The Westervelt Company The Wilderness Society February 27, 2023

Debbie Stabenow, Chairwoman U.S. Senate Agriculture Committee

Glenn Thompson, Chairman U.S. House Agriculture Committee John Boozman, Ranking Member U.S. Senate Agriculture Committee

David Scott, Ranking Member
U.S. House Agriculture Committee

Dear Chairwoman Stabenow, Chairman Thompson, Ranking Member Boozman, and Ranking Member Scott,

As you begin to consider the 2023 Farm Bill, the undersigned groups urge you to protect the historic \$20 billion investment in climate-smart agriculture and conservation technical assistance and to ensure that this funding stays in climate-smart agriculture and Farm Bill conservation programs. This is the largest investment into agriculture conservation and rural communities in decades and farmers, ranchers, and foresters across the country are depending on these resources.

USDA's voluntary, incentive-based conservation programs enable producers to adopt practices that build soil health, sequester carbon, and reduce greenhouse gas emissions, while also improving surface and ground water quality, increasing water efficiency, building resilience to drought and flood, creating habitat for fish and wildlife, and protecting agricultural lands for future generations. Farm Bill conservation programs have been critically oversubscribed and meet only a fraction of the need for voluntary conservation on the landscape. The increased funding for USDA's popular and effective Farm Bill conservation programs will help to energize rural economies, improve climate resilience, and ensure that our nation's farmers, ranchers, and foresters are part of the solution to climate change.

The increased funding for Farm Bill conservation programs, climate-smart agriculture, and associated conservation technical assistance, along with existing Farm Bill conservation title funding, represents the best opportunity in decades to meet producer demand for conservation programs. Robust agriculture conservation funding benefits all parts of the country. The undersigned groups urge you to ensure that the 2023 Farm Bill protects these generational investments in climate-smart agriculture and USDA agriculture conservation programs.

Sincerely,

National Organizations

American Bird Conservancy
American Birding Association
American Friends Service Committee
American Rivers
American Sustainable Business Network
Amphibian and Reptile Conservancy
Appalachian Trail Conservancy

Association of State Floodplain Managers
Campaign for Environmental Literacy
Carbon180
Center for American Progress
Center for Food Safety
Center for Large Landscape Conservation
Central Grasslands Roadmap
Ceres

Change the Chamber

Chefs for Healthy Soil, An NRDC Project

Citizens' Climate Lobby Clean Air Task Force Climate Action Campaign Climate Action Now Climate Collaborative Climate Systems Solutions

Dairy Grazing Apprenticeship

Defenders of Wildlife

Dr. Michael Hutchins Impact on Wildlife Fund

E2 (Environmental Entrepreneurs)

Earth Force Earthjustice

Elders Climate Action Endangered Species Coalition Environment America Environmental Defense Fund

Environmental Policy Innovation Center

Environmental Working Group

Farm Action Fund Farm Aid

Food Animal Concerns Trust

Four Paws USA Green America

Hawk Migration Association of North America

Hawk Mountain Sanctuary Association

Hazon

HBCU College of Plant-Based Lifestyle Medicine

Health Care Without Harm Hempstead Project Heart

Hispanic Access Foundation

Holy Spirit Missionary Sisters, USA-JPIC Institute for Agriculture and Trade Policy

Institute for Governance & Sustainable

Development Interfaith Power & Light

International Crane Foundation
Izaak Walton League of America

Johns Hopkins Center for a Livable Future

Kiss the Ground Land Core

Latino Farmers & Ranchers International, Inc.

Latino Farmers & Ranchers Leadership Team

League of Conservation Voters

League of Women Voters of the United States

Mad Agriculture Manomet

National Association of Pediatric Nurse

Practitioners

National Audubon Society

National Caucus of Environmental Legislators National Center for Appropriate Technology National Hispanic Medical Association

National Mississippi River Museum & Aquarium National Parks Conservation Association National Sustainable Agriculture Coalition

National Wildlife Federation National Young Farmers Coalition Natural Resources Defense Council

Naturally Network

North American Grouse Partnership Organic Farming Research Foundation

Organic Trade Association Plant Based Foods Association Plant Based Foods Institute Point Blue Conservation Science Quail and Upland Wildlife Federation

Rachel Carson Council Regenerate America Coalition Resource Renewal Institute Restore America's Estuaries

River Network

Road to Recovery, Saving our Shared Birds

Rural Coalition Sierra Club

Sisters of the Holy Cross

Socially Responsible Agriculture Project

Solutions from the Land Taproot Earth Textile Exchange

The Breakthrough Institute
The Institute for Bird Populations

The International Wildlife Rehabilitation Council

The Nature Conservancy
The Pew Charitable Trusts

The Trumpeter Swan Society
The Wilderness Society
The Wildlife Society

Theodore Roosevelt Conservation Partnership

Trout Unlimited
Trust for Public Land
Union of Concerned Scientists

Voices for Progress

Voices for Flogress

Wallace Center at Winrock International Water Environment Federation

Wild Farm Alliance World Wildlife Fund

Xerces Society for Invertebrate Conservation

Businesses

A.K.A. Coach and Company

Akers Ski, Inc.

Aligned Insight Inc. - A Colorado Public Benefit

Amazone Amy's Kitchen

Ann Arbor T-shirt Company, LLC Avocado Green Mattress

Barley Swine BBQ Mexicana BeatBox Beverages

Big Tree Farms, Inc

Ben & Jerry's Homemade, Inc. Beth Price Photography

Bin 707 Foodbar Bio-Gist Ventures, LLC Bonterra Organic Estates Blackbird Woodfire

Blue Hill Border Grill

Broadside Bookshop, Inc. C. Wolfe Software Engineering Cajun Spirits Distillery, LLC

Cambridge Naturals Cedar's Cafe

Change Finance, PBC Cheboygan Brewing Company

Cherry Republic

Climate Cookery Coherence Collaborative Community Food Co-op

Compose[d]

Contempl8 T-shirts LLC

Dr. Bronner's

Durango Compost Company

EcoPlum

Eighty2degrees LLC Eleek Incorporated EnergyWorks

Ethanology Distillation Ever Better, PBC

Evergreen Sustainability, LLC

Fedco Seeds

Financial Alternatives
Fox One Solutions
Flourish Juice Co., Inc
Foresight Management

Fruition

Great Lakes Tea & Spice Company

GreenVest Haptic Lab Inc. Harbor West Design Hewing Hotel HR Connectors Iamsophiaroe

King Arthur Baking Company

Kye's

L. Mawby, LLC

Legacy Club Holdings, LLC Legacy Hospitality Holdings, Inc. Legacy Vacation Club Management, LLC Legacy Vacation Club Services, LLC

Legacy Vacation Club, LLC Legacy Vacation Resorts

LEZA

Lickinghole Creek Craft Brewery

Little Egg

Little Red Flower Truck LLC Loaves & Fishes Collective Longwave Financial

Lula

Luna Fargo Risk to Resilience Strategy
Lunchette Round Lake Group Hospitality LLC
LVC Holding Co., LLC Salt Palm Development, Inc.
LVC Timeshare Developer, LLC Sanderson Sustainable Design
LVC Timeshare Management, LLC Sierra Nevada Brewing Co.

LVR Assets, LLC Snacktivist Foods

M. B. Haskett Delicatessen Socalo
Mamo Hospitality LLC Solberg MFG

Manzana Products Co., Inc. Southern Ohio Chestnut Company LLC

 Mara Hoffman
 SPD 2021, LLC

 Marin Sunshine Realty
 SPD 2021A, LLC

 Maxie B's
 SPD 2022, LLC

 MegaFood
 SPD 545, LLC

 Mercantile
 Stardust

 Mission Chinese Food
 Steve Kaye Photo

Mundo Management Stonyfield

MyForest Foods Co.Straus Family CreameryNamu Baru Inc.Sullivan Scrap Kitchen

Natural Selections Takoma Park Silver Spring Co-op

Naturepedic Organic Mattresses & Bedding The Aparium Group
Navitas Organics The Bear Factory

Neutral FoodsThe Chefs Garden & Culinary VegetableNew Belgium BrewingInstituteNew Seasons MarketThe Farthest Pixel

Nick Wallace Culinary

No Evil Foods

North By Nature LLC

Oatly

Odd Duck

The Tartuss Tixel

The Great Bouquet

The Tofurky Company

True North Trout

Unilever United States

Upton's Naturals

Olipop Vacation Benefits, LLC
Organic Valley VF Corporation
Patagonia Web of Life Products
Peak State Wiltse Kitchen
Plastic Beach Collections Wolf & Associates
Pony Named Bill Tack Shop Woodstock Inn

Pure Strategies Working Title Food Group
Quapaw Canoe Company Yellowbilled Tours

Farms

ReEarth Zero Footprint
Reformation

REI Co-op

Remarkable Ventures Corp.

ReSeed PBC Andrews Farm

Rincon-Vitova Insectaries Angell Farm LLC

Attagrrl Farms Angelica Ridge

Bass Root Farm LLC

Beech Hill Farm

Bumpa Farm

Center View Farms Co.

Arizona Climate Action Coalition

Arkansas Interfaith Power & Light

Arkansas Valley Audubon Society

Arkansas Wildlife Federation

Cicada Calling Farm Asociacion Ecosistemas Andinos - ECOAN

Chrysalis Farm Audubon California

Clermont 140 Audubon Center at Riverlands

Double S Acres farm Audubon Connecticut

 DuChick Ranch, LLC
 Audubon Connecticut & New York

 Farthest Field Farm LLC
 Audubon Colorado Council

 Garbarino Gardens
 Audubon Great Lakes

 Geyer Farms
 Audubon Great Plains

Glaciers End Audubon Miami Valley
Granor Farm Audubon Mid-Atlantic
Gravender Farms Audubon MN IA MO

 Helios Horsepower Farm
 Audubon of Southwest Florida

 Here We Are Farm
 Audubon Society of Central Maryland

 Jóia Food & Fiber Farm
 Audubon Society of Forsyth County

 Lundberg Family Farms
 Audubon South Carolina

 Medicine Creek Farm
 Audubon Texas

 Nettie Fox Farm
 Audubon Vermont

Nightshade Farms LLC Austin Chapter, Minnesota Izaak Walton League

North Branch Farm Benzie Conservation District

Oakencroft Farm Bethesda-Chevy Chase Izaak Walton League
Oertels Roots Family Farm Bexar Audubon Society

River Queen Greens
Roots Return Heritage Farm LLC
Bird Conservation Network
Savage Acres LLC
Bird Town Pennsylvania

Schmidt Family Farms BirdAndHike.com
Two Mile Creek Organic Farms Bozeman Birders

Whippoorwill Creek Farm

Bush Lake Chapter, Minnesota Izaak Walton
Whitestone Mountain Orchard

League

Wild Tilth Farm Cacapon Institute

California Climate and Agriculture Network

Regional, State, and Local Groups:

California Environmental Voters

Calumet Region Illinois Chapter, Izaak Walton

Admiralty Audubon League

Alabama Audubon Cape Fear Audubon

Alabama State Association of Cooperatives Capital Region Land Conservancy

Albert Lea Audubon Society, Inc Carolina Farm Stewardship Association
Allegheny Plateau Audubon Society Center for Climate Change and Health

Alliance for the Great Lakes

Center for Conservation Research, Alcorn State

University, MS
Center for Rural Affairs

Center for Kurai Affairs

Central Ohio Isaac Walton League

Chesapeake Bay Foundation

Chesapeake Climate Action Network

Chesapeake Conservancy Chicago Audubon Society

Chispa Arizona

Church Women United in New York State

Citizens Committee to Complete the Refuge

City Wildlife

Climate Land Leaders

Climate Reality Chicago Metro

Climate Reality Finger Lakes Greater Region NY

Chapter

Climate Reality Project Long Island Chapter

Coastal Enterprises, Inc.

Colorado Crane Conservation Coalition, Inc.

Colorado Wildlife Federation

Community Involved in Sustaining Agriculture

CISA

Connecticut Health Professionals for Climate

Action

Conococheague Audubon Society

Conservation Alabama

Conservation Coalition of Oklahoma

Conservation Federation of Missouri

Conservation Minnesota

Conservation Voters for Idaho

Conservation Voters New Mexico

Conservation Voters of Pennsylvania

Cottage Codgers

Coulee Region Audubon Society

Cumberland-Harpeth Audubon Society

Cypress Chapter, Florida, Izaak Walton League

Delaware Interfaith Power & Light Delaware Nature Society

Delaware Valley Ornithological Club

Des Moines, Iowa Chapter, Izaak Walton League

Dietrick Institute for Applied Insect Ecology

Duval Audubon Society

Dwight Lydell, Michigan Chapter, Izaak Walton

League

Eagle Audubon Society

Earth Ministry/Washington Interfaith Power &

Light

Eastern PA Coalition for Abandoned Mine

Reclamation (EPCAMR)

Ecoclub

Edible Evanston

Endangered Habitats League

Elders Climate Action - Arizona Chapter

Empathy Surplus Network USA

Environmental Law & Policy Center

Environmental League of Massachusetts

Environmentally Concerned Citizens of South

Central Michigan

Evansville Audubon Society, Inc.

Evergreen Audubon

Faith in Place

Families for a Livable Climate

Fargo Moorhead Audubon

Florida Wildlife Federation

For Love of Water (FLOW)

Food Works

Forever Maryland

Friends of Family Farmers

Friends of the Mississippi River

Friends of Wake Soil and Water Conservation

District

Gallatin Wildlife Association

Garden of the Gods, Colorado Izaak Walton

League

Genesee Valley Audubon Society

George Miksch Sutton Avian Research Center

Georgia Conservation Voters

Georgia Interfaith Power and Light Georgia Wildlife Federation

Golden Eagle Audubon Society

Golden Gate Audubon

Grand Island, Nebraska Izaak Walton League

Grand Valley Audubon Society

Grassland 2.0

Grassland Groupies, Inc.

Grassland Water District Great Lakes Business Network Greater Ozarks Audubon Society

Green Forests Work Green Lands Blue Waters Green State Solutions

Griffith, Indiana Izaak Walton League

Halifax River Audubon

Hamilton, Ohio, Izaak Walton League Harry Enstrom Chapter, Pennsylvania, Izaak Walton League

Headwaters Chapter, Ohio Izaak Walton League

Hilton Head Island Audubon Society Hoosier Environmental Council

Hudson Carbon

Huron River Watershed Council Illinois Council Trout Unlimited

Illinois Division, Izaak Walton League of America

Illinois Environmental Council Illinois Ornithological Society Illinois Stewardship Alliance

Indiana Division, Izaak Walton League

Iowa Coldwater Conservancy

Iowa County, Iowa, Izaak Walton League

Iowa Farmers Union
Iowa Interfaith Power & Light
Iowa Rivers Revival
Island Grown Initiative

Izaak Walton League - National Great Lakes

Committee

Izaak Walton League, Loudoun County VA

Chapte

Izaak Walton League, Pennsylvania Division

Jayhawk Audubon Kansas Wildlife Federation Kerncrest Audubon

Kissimmee Valley Audubon Society Lahontan Audubon Society Lake Pepin Legacy Alliance Lancaster Farmland Trust Land Stewardship Project Lane County Audubon Society

Laney College

League of Michigan Conservation Voters League of Women Voters of Iowa Legacy Land Conservancy Lehigh Valley Audubon Society

Louis Green-Sligo Chapter, Maryland, Izaak

Walton League

Linnaean Society of New York Loudoun Wildlife Conservancy Louisiana Hypoxia Working Group

Lovey's Market

Lower Susquehanna Riverkeeper Association

LSU AgCenter Greater New Orleans

Lycoming Audubon Society

Maine Environmental Education Association

Maine Farmland Trust

Maine Organic Farmers and Gardeners

Association

Maine Public Health Association
Maine UU State Advocacy Network

Maryland Conservation Council Maryland Ornithological Society

Mass Audubon

Menunkatuck Audubon Society Michael Fields Agricultural Institute Michigan Clinicians for Climate Action Michigan Environmental Council

Michigan Food & Farming Systems (MIFFS)

Michigan Interfaith Power & Light Michigan League of Conservation Voters Michigan Sustainable Business Forum Middletown for Clean Energy

Milwaukee Riverkeeper

Minnesota River Valley Audubon Chapter Minnesota State -Vermilion Chapter Missouri Coalition for the Environment

Missouri Prairie Foundation Missouri River Bird Observatory

MM Solar Advisory

Monmouth County Audubon Society Montana Conservation Voters Montana Interfaith Power and Light Montana Wildlife Federation Montgomery Bird Club

Mountaineer Chapter of the National Audubon

Society

Natural Resources Council of Maine

Nature Forward Nature Vancouver

NC League of Conservation Voters

Nebraska Division, Izaak Walton League

New City Neighbors New Hampshire Audubon

New Hope Audubon Society

New Jersey Conservation Foundation

New Jersey League of Conservation Voters

New Mexico Audubon Council

New Mexico Interfaith Power and Light New Mexico Wildlife Federation New York City Audubon Society

New York League of Conservation Voters

NH Audubon

NJ Sustainable Business Council NM Healthy Soil Working Group North Carolina Council of Churches North Carolina Interfaith Power & Light

North Cascades Audubon Society

North Central Washington Audubon Society

North Dakota Wildlife Federation

Northeast Organic Dairy Producers Alliance

Northeast Organic Farming Association of New

Jersey NOFA NJ

Northeast Organic Farming Association of New

York

Northeast Organic Farming Association of

Vermont (NOFA-VT)

Northeast Organic Farming Association-

Interstate Council

Northeastern Wisconsin Audubon Society Northern Arizona Audubon Society Northern Az. Climate Action Coalition Northern Catskills Audubon Society Northern New York Audubon Society Northern Plains Resource Council

Northwest Arkansas Audubon Society

Oakland Audubon Society

Ohio Conservation Federation

Ohio Ecological Food and Farm Association

Ohio River Foundation

Oklahoma Black Historical Research Project, Inc.

Onondaga Audubon

Openlands

Orange Audubon Society

Oregon Climate & Agriculture Network Oregon Interfaith Power & Light Ornithological Society of Puerto Rico Palm Beach County Soil and Water

Conservation District Pasa Sustainable Agriculture Patuxent Tidewater Land Trust

PennEnvironment

PennFuture

Pennsylvania Council of Churches Pennsylvania Interfaith Power & Light

Peoria Audubon Society

Pilchuck Audubon

Platte River Whooping Crane Maintenance

Trust

Pomona Valley Audubon Society Portneuf Valley Audubon Society Prairie Lakes Audubon Chapter Prairie Rapids Audubon Society

Prairie Woods Chapter, Minnesota Izaak Walton

League

Presque Isle Audubon Society

Prince George's County Audubon Society

Project Eleven Hundred Quittapahilla Audubon Society

Ramapough Culture and Land Foundation Religious Coalition for the Great Lakes

RESTORE: The North Woods

Rockbridge Bird Club

Rutland County Audubon Society Saint Paul Audubon Society Salem Audubon Society

San Bernardino Valley Audubon Society

Savanna Institute Save Our Seabirds Save Our Seashore Save the Dunes

School Sisters of St. Francis Seminole Audubon Society

SERCAP, INC.
Sharing our roots
Sierra Club of Georgia
Sierra Forest Legacy
Silver Lining Institute

South Dakota Wildlife Federation South Florida Audubon society South Shore Audubon Society

Southern Maine Conservation Collaborative

Southern Maryland Audubon Space Coast Audubon Society

SPROUT Nola

St. Louis Audubon Society

St. Lucie Audubon

Stockbridge Audubon Society Sustainable Food Center

T. Gilbert Pearson Audubon Society Tennessee Ornithological Society Tennessee Wildlife Federation

The CLEO Institute

The Downeast Chapter of Maine Audubon

The Parrot Club

Three Rivers Waterkeeper Tijuana Paws and Whiskers Rescue

Topeka Audubon Society

Triad Wild!

Tropical Audubon Society
Trout Unlimited Chapter 420
Tucson Audubon Society
Tulare Kings Audubon Chapter
Twin Cities Trout Unlimited
Umpqua Watersheds

Unitarian Universalist Advocacy Network of IL

Utah Wildlife Federation UUSG Green Sanctuary Team Valley Forge Audubon Advocacy Valley Forge Audubon Society Ventura Audubon Society

Virginia Association for Biological Farming

Virginia Conservation Network

Wachiska Audubon Society Wake Audubon Society

Walter Breckenridge Chapter, Minnesota Izaak

Walton League

Waterkeepers Chesapeake

We All Rise

Wes Libbey Northern Lakes Chapter, Minnesota, Izaak Walton League

West Michigan Environmental Action Council West Virginia Division, Izaak Walton League

West Virginia Rivers Coalition Western Colorado Alliance

Western Cuyahoga Audubon Society Western New York Environmental Alliance Western Organization of Resource Councils

WildCare of Western New York

Will Dilg Chapter, Minnesota, Izaak Walton

League

Wisconsin Conservation Voters
Wisconsin Division Izaak Walton League
Wisconsin Environmental Initiative
Wisconsin Metro Audubon Society
Wisconsin Society for Ornithology
Wisconsin Trout Unlimited

Yellowstone Valley Audubon Society

Zumbro Valley Audubon



The Western Landowners Alliance advances policies and practices that sustain working lands, connected landscapes and native species.

February 27, 2023

Debbie Stabenow, Chairwoman U.S. Senate Committee on Agriculture

Glenn Thompson, Chairman U.S. House Committee on Agriculture

John Boozman, Ranking Member U.S. Senate Committee on Agriculture

David Scott, Ranking Member U.S. House Committee on Agriculture

Dear Chairwoman Stabenow, Chairman Thompson, Ranking Member Boozman, and Ranking Member Scott:

The Western Landowners Alliance (WLA) is a landowner-founded, landowner-led non-partisan organization that advances policies and practices that sustain working lands, connected landscapes and native species. We thank you for your leadership in promoting the role of agriculture in providing food, fiber, supporting vital fish and wildlife habitat, and other conservation values.

As an organization working with and on behalf of producers in the West, we applaud the \$20 billion investment in Farm Bill conservation programs last year along with much needed support for Conservation Technical Assistance. These funds will provide a necessary boost to working lands programs, voluntary easements, and will help spur innovation in supporting working farm and ranchland in the face of extreme drought, wildfire, and other evolving threats to the viability of western working landscapes.

As deliberations around the 2023 Farm Bill begin, we believe that it is essential that these funds remain dedicated to Title II conservation programs. The Colorado River, along with numerous other critical western river basins face unparalleled challenges. These challenges are exacerbated by rapidly increasing development pressure, deteriorating economic prospects for many producers, and other environmental pressures. At the same time, Farm Bill Conservation Title programs remain critically oversubscribed, but are adaptable to meet the needs of western producers.

To make the most of these funds, flexibility, and holistic, ecosystem-level approaches will be key. That holistic approach must also be paired with an enhanced focus on improving program delivery, simplifying the process for producers to access these programs and bolstering agency capacity. In this pivotal moment for working lands in the West, we need all tools in the toolbox. This includes ensuring that this investment in working lands conservation remains in the Conservation Title.

WESTERNLANDOWNERS.ORG

Sincerely,

Lesli Allison Executive Director

Western Landowners Alliance



ewg.org

Testimony for the record by the Environmental Working Group Submitted to the Senate Committee on Agriculture, Nutrition, & Forestry "Farm Bill 2023: Conservation and Forestry Programs" March 1, 2023

Agriculture is a significant <u>source</u> of greenhouse gas emissions. <u>Nitrous oxide</u> emissions from fertilizing crops and animal feed, and <u>methane</u> emissions from livestock and their manure, are the primary sources of these emissions. Unless we reduce agricultural emissions of nitrous oxide, carbon dioxide and methane, we will fail to achieve the greenhouse gas reductions <u>needed to</u> avoid the worst impacts of the climate crisis. Even if emissions from agriculture remain <u>steady</u> – and emissions from <u>other sectors</u> fall as much as expected – agriculture's share of U.S. emissions could top 30 percent, according to <u>climate models</u>.

U.S. agriculture accounts for at least <u>11 percent</u> of U.S. greenhouse gas emissions. When we factor in emissions from fertilizer production, as well as emissions from land clearing and plowing, agriculture's share of U.S. emissions is even higher.

Voluntary conservation programs administered by the Department of Agriculture could play a significant role in reducing greenhouse gas emissions and help ensure farms are better able to withstand the extreme weather caused by climate change. Conservation practices that reduce greenhouse gas emissions can also improve air and water quality and provide habitat for wildlife.

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USDA currently <u>turns away</u> two out of every three farmers seeking conservation assistance designed to reduce greenhouse gas emissions or meet other conservation goals. More importantly, most of the funding provided to farms that do receive USDA conservation assistance through the Environmental Quality Incentives Program (EQIP), the Conservation Stewardship Program (CSP), the Conservation Reserve Program (CRP) or the Agricultural Conservation Easement Program (ACEP) does little to reduce greenhouse emissions.

For example:

- Just 23 percent of EQIP funding supports practices that reduce greenhouse gas
 emissions, and some EQIP funding supports practices that increase emissions.
 Most EQIP funding flows to structural practices, like irrigation infrastructure, that
 do not reduce emissions.
- Although methane is a significant source of emissions, between 2017 and 2020, just \$54,000 flowed to EQIP practices designed to improve feed management.
- Just 15 states chose to provide EQIP bonus payments for practices that reduce greenhouse gas emissions, and 14 states provided bonus payments to practices that *increase* emissions.
- Almost 40 percent of <u>CSP practices offered</u> between 2017 and 2022 scored poorly for reducing greenhouse gas emissions.
- Many common CSP practices including the one receiving the most CSP funding

 do not reduce greenhouse emissions. By contrast, many of the CSP practices
 that score well for reducing emissions, such as no-till to reduce soil erosion,
 receive very little funding.



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- Most CRP acres are returned to production after contracts expire, releasing soil carbon into the atmosphere, and the number of acres enrolled in long-term CREP agreements is falling.
- Farmers who protect farmland from development through enrollment in ACEP are not required to take steps to reduce greenhouse gas emissions.

The historic funding included in the Inflation Reduction Act for conservation practices could help reduce the backlog of farmers offering to cut emissions. But Congress must also reform these programs to fulfill the promise of IRA funding and ensure it flows to greenhouse-gas-reducing practices.

To make climate change the focus of USDA conservation programs, Congress must:

- Reform CSP. Congress should reform the CSP so the reduction of greenhouse gas
 emissions is its primary purpose. Congress should reward "early adopters" by
 linking CSP eligibility to past climate stewardship; focusing funding on practices
 that reduce emissions; prioritizing contracts to reward those that include
 multiple emissions-reduction practices; and prohibiting CSP spending on
 practices that increase greenhouse gas emissions.
- Reform EQIP. Congress should expand and reform EQIP to make climate the
 primary purpose of EQIP incentive contracts; provide 90 percent cost-share for
 EQIP practices that reduce greenhouse gas emissions; reduce federal cost-sharing
 for structural practices that provide few or no environmental benefits; create a
 methane emissions demonstration project; and prohibit EQIP spending on
 practices that increase greenhouse gas emissions.

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- Reform CRP. Congress should expand and reform the CRP by increasing program funding and focusing CRP enrollment on marginal, environmentally sensitive land through long-term and permanent easements. In general, 80 percent of CRP acres should be enrolled through CLEAR-30, Conservation Reserve Enhancement Program agreements, or continuous enrollment categories.
- Reform ACEP. Reform the ACEP by increasing funding for wetland reserve
 easements; making past and future climate stewardship a condition for
 enrollment in Agricultural Land Easements (ALE); and prohibiting these
 easements on farmland that increase greenhouse gas emissions.

Thank you for the opportunity to provide testimony for the record.

QUESTIONS AND ANSWERS

March 1, 2023

U.S. Senate Committee on Agriculture, Nutrition, and Forestry
Farm Bill 2023: Conservation and Forestry Programs
March 1, 2023
Questions for the Record
Mr. Terry Cosby

Chairwoman Debbie Stabenow

1. When Congress created the Office of Urban Agriculture and Innovative Production, it was Congress' intent that this office collaborates across mission areas within the Department so that the needs of urban, indoor, and other innovative producers could be represented broadly. How has the Department collaborated on this initiative, what have been some of the successes?

Response: The Office of Urban Agriculture and Innovative Production (the Office) housed in the Natural Resources Conservation Service (NRCS) is ensuring urban and innovative producers are fully integrated across USDA mission areas and programs and that the needs of these producers are being represented broadly in several different ways. The Office is helping USDA employees at all levels understand that the Department supports agriculture regardless of the size of an operation, its location, or how the products are produced, as well as helping employees understand the unique mission and challenges these stakeholders have and the many USDA programs that can benefit them. The Office has increased the profile of urban and innovative producers, including those with indoor operations within USDA by conducting listening sessions, trainings, and webinars attended by thousands of USDA employees, including the "Urban and Innovative Agriculture 101" training series.

The Office runs an active Internal Advisory Committee (IAC), made up of representatives from agencies across the Department, to provide cross-departmental coordination and messaging. This coordination allows the Office to provide recommendations to agencies for program and policy updates and outreach and identify linkages with other programs that may not be explicitly focused on urban agriculture and innovative production. One IAC success has been the development of the USDA "<u>Urban Agriculture At-A-Glance</u>" guide. The guide has been made available to the public and is the first time 40 technical and financial assistance programs from across the Department has been summarized in a single document to benefit this stakeholder group.

The Office coordinates a joint NRCS, Farm Service Agency (FSA), and Farm Production and Conservation Business Center (FPAC) working group to create urban hubs in 17 cities housing pilot FSA Urban and Suburban County Committees, flagship People's Gardens, and

Urban Service Centers staffed jointly by FSA and NRCS that will start serving urban producers this year. The Office facilitates coordination between state leaders of NRCS and FSA in these 17 cities as well as the newly hired FSA and NRCS Urban Agriculture Coordinators at USDA headquarters to ensure the staff at the 17 Urban Service Centers are aware of programs available to assist urban producers.

The Office and the new FSA and NRCS Urban Agriculture Coordinators also collaborate with a working group of field staff from across FPAC interested in urban and innovative agriculture to ensure staff in the field and at headquarters are working together to identify and eliminate barriers to urban and innovative producers accessing other potentially helpful programs. Some examples of success from this collaboration are the creation of numerous new NRCS payment scenarios for small-scale and urban producers, the rescinding of policy which prohibited engineering practices in urban areas, clarification on Environmental Quality Incentives Program (EQIP) eligibility requirements, and the formation of urban and innovative production subcommittees on the State Technical Committees.

Due to the Office's increasing awareness of the needs of urban, indoor, and other innovative producers, numerous agencies have made progress to help these stakeholders. The Risk Management Agency (RMA) changed its Whole-Farm Revenue Protection Policy and Micro Farm Program to include urban and innovative producers and created a funding vehicle to provide grant writing and program management for underserved producers which often include urban and innovative producers. The Food Nutrition Service (FNS) has awarded multiple grants to urban farmers through its Farm to School Program, and Rural Development included urban producers as eligible organizations in its Meat and Poultry Processing Expansion Program. The Agricultural Research Service (ARS) has technical and research assistance to support controlled environment agriculture, including its Grand Tomato Challenge. Much of ARS's crop production and protection research on fruits, vegetables, and ornamentals is applicable to urban, indoor and other innovative agriculture challenges. The Office collaborated with the Forest Service (FS) to fund three urban food forest projects. In addition, the Office has funded 237 projects under the pilot compost and food waste reduction program and urban and innovative agriculture planning and implementation grant program. The Office's funded programs go through a continuous process improvement to address barriers these organizations face, which includes review by other USDA agencies. The Office regularly exchanges information, funding opportunities, and outreach events with other Federal Agencies, such as HUD, EPA, VA, and DOE to achieve its mission and statutory authority for a whole of government approach to serving urban, indoor, and innovative producers.

The Office has also participated in development of agencies' funding opportunities, hiring panels, grant and technical peer reviews, and work groups such as the Agricultural Marketing

Service's (AMS) Local and Regional Food System Workgroup, the Office of the Chief Economist's Food Loss and Waste Workgroup, and the NRCS Climate Change Adaptation Workgroup. This allows the Office the ability to inject the needs of urban, indoor, and innovative producers into other agencies' deliberations. For example, the Office was part of the review for the AMS Regional Food Business Center selection process for Tribal nations and ensured the needs of urban and innovative producers will be one of the deliverables in the national tribal business center model.

The Office has raised the awareness of the public to USDA's new commitment to urban and innovative producers, by managing the People's Garden initiative, maintaining a Federal Advisory Committee (Committee), creating a stakeholder mailing list, and distributing a newsletter. The People's Garden initiative has been a huge success with more than 1,250 registered gardens which promote resilience, community engagement, and education. More than 3,800 people have registered for the Committee public meetings with over 200 oral and written comments. The Committee regularly receives program updates and information from agency subject matter experts, including presentations on FSA farm loan programs, ARS's ongoing research to support innovative production, and Food and Nutrition Service's SNAP program. The Committee provided recommendations for the stand-up of the National Institute of Food and Agriculture (NIFA) Urban, Indoor, and Emerging Agriculture grant program. The Office's distribution list has seen an increase of 112% over the first two years and goes to over 12,000 stakeholders. The newsletter goes out to stakeholders with opportunities, happenings, and news from around the world.

2. What is the process for adoption of new practice standards at NRCS for use in EQIP and CSP? How can NRCS be more proactive in identifying conservation practices and then deploying them to the field?

Response: New conservation practices standards are developed through an Interim Standard process for a trial period of up to three (3) years. NRCS uses the trial period to determine criteria for the practice and ensure it is a viable conservation practice. Once the trial period is over, the interim standard can be converted to a new, national practice standard or retired. Interim standards with practice schedule payment scenarios are available in the Environmental Quality Incentives Program (EQIP) during the trial period. Conversion to a national practice standard makes the implementation available in EQIP and potentially the Conservation Stewardship Program (CSP). There are also opportunities to adopt new technologies and methods within existing conservation practices on a shorter timeline. This allows for new or unique situations that arise in a state, region, or nationally to be addressed. For CSP enhancements which are built off the practice standard, states can submit new enhancement requests for consideration and potential adoption in the next fiscal year through a technical review process. In addition, practice schedule payment scenario updates or

development may be requested for the next fiscal year to reflect new methods for implementing conservation practice purposes.

3. If FDA were to approve a feed additive for animals that reduced their climate impact, what steps would NRCS need to take to provide updated feed management guidance to make this product available to farmers through EQIP or CSP? Would NRCS permit an FDA-approved additive for use under any of the EQIP or CSP conservation practices?

Response: NRCS recognizes that animal agriculture is a critical component of our work to address climate change, particularly through feed management. Our current Feed Management Conservation Practice Standard (CPS) provides the opportunity for farmers to utilize feed additives through the Environmental Quality Incentives Program (EQIP) with an existing feed additive payment scenario. NRCS permits the use of Food and Drug Administration-approved products. The NRCS CPS criteria for all purposes of Feed Management specify the use of "scientifically supported and environmentally benign growth promotants, ingredients, and additives as allowed by law."

4. What EQIP conservation practices are available to assist farmers to terminate cover crops mechanically or without the use of chemicals?

Response: NRCS Conservation Practice Standard Cover Crop (Code 340) offers Environmental Quality Incentives Program payment scenarios to plant and terminate the selected cover crop. Mechanical methods such as using a roller-crimper, mowing, or smothering with plastic are included within the payment cost component for mechanical treatment.

5. How does NRCS update conservation practice standards or adopt new standards to incorporate innovative technologies like biological fertilizers. What barriers prevent tools like these from being adopted in conservation practice standards broadly?

Response: In general, NRCS uses the process of Interim Conservation Practice Standards (CPS) to acquire and assess new technologies. Interim CPS are prepared to address natural resource concerns for which there is no existing CPS, or to enable the use of new technology where existing CPS cannot be revised to include this new technology. An Interim CPS can also be used to field test new technologies. Development of an Interim CPS or evaluation of the technology will result in one of the following:

- a new national CPS,
- · tested technology incorporated into an existing CPS, or
- a decision that the new technology is not considered useable or appropriate and to discard the Interim CPS.

Interim CPS are typically issued for a period not to exceed three (3) years. This time period typically allows for adequate time to review and evaluate a new technology or procedure. Extensions to the three-year time limit can be made when data is insufficient to make a final technical evaluation. The need for the extension is documented within an evaluation report.

To integrate new and innovative technologies, including any biological fertilizers, NRCS needs information for review and evaluation regarding the biological activity or active ingredient(s) including such items as third party research results, peer reviewed scientific literature, land grant university statements of support, and any certifications prior to incorporation into the CPS. Each product must be evaluated carefully to ensure negative impacts will not result from their application. Full information regarding the content of products is needed for evaluation, as well as research results that demonstrate changes in specific soil organism populations. This is critical when the conservation practice standard will require use of the product and when financial assistance is attached.

 Please provide a state-by-state breakdown of the number of Technical Service Providers and cooperative agreements with third parties providing technical assistance to farmers for the last 5 years.

Response: The chart below shows the number of cooperative agreements from Fiscal Years 2018-2022 that have the key words Technical Assistance either in their title or in their description. There may be agreements that allow for Technical Assistance but do not spell it out specifically.

Scope	Number of Agreements	Funding
National	178	\$141,685,018
Regional/Multi-state	6	\$1,013,863
States		
Alabama	3	\$12,513,865
Alaska	7	\$904,284
Arizona	7	\$11,866,412
Arkansas	14	\$8,332,550
California	54	\$14,196,368
Caribbean Area	13	\$21,693,492
Colorado	11	\$55,217,903
Connecticut	7	\$1,779,426
Delaware	10	\$864,255
Florida	31	\$2,592,502

Georgia	72	\$73,828,53
Idaho	9	\$1,036,600
Illinois	12	\$19,487,542
Indiana	15	\$8,790,288
Iowa	11	\$22,006,716
Kansas	19	\$8,103,815
Kentucky	30	\$14,920,029
Louisiana	110	\$18,405,281
Maine	2	\$440,376
Maryland	2	\$690,850
Massachusetts	12	\$227,867
Michigan	5	\$1,089,198
Minnesota	98	\$6,760,165
Mississippi	40	17,612,562
Missouri	11	\$6,036,248
Montana	61	\$6,840,368
Nebraska	23	\$10,872,321
Nevada	6	\$5,062,302
New Hampshire	3	\$402,521
New Jersey	14	\$1,832,329
New Mexico	3	\$938,427
New York	6	\$1,560,865
North Carolina	19	\$9,347,626
Ohio	47	\$5,450,841
Oklahoma	3	\$35,00
Oregon	9	\$8,211,635
Pacific Island Area	11	\$1,086,510
Pennsylvania	5	\$3,312,243
Rhode Island	3	\$600,000
South Carolina	12	\$5,888,888
South Dakota	77	\$10,303,805
Tennessee	15	\$7,958,871
Texas	76	\$140,888,633
Utah	7	\$1,787,047
Vermont	5	\$1,610,000
Virginia	4	\$1,122,536
Washington	9	\$1,541,951
West Virginia	32	\$18,301,837
Wisconsin	15	\$2,808,231

Wyoming	4	\$478,750
States Total	1,074	\$577,634,285
National Total	178	\$141,685,018
Regional/Multi-state Total	6	\$1,013,683
Overall Five-Year Total	1,258	\$720,333,166

7. We continue to hear that the 10% set aside in EQIP for Wildlife is being managed very differently in some states than in others. Some states are allowing many practices and scenarios that are only marginally valuable for wildlife to be tallied. Can you tell us how you plan to provide more accountability and ensure that the 10% wildlife set aside effectively supports wildlife?

Response: The individual conservation practices and initiatives that are allowed to count towards the 10% wildlife goal are established at the national level. Additionally, there are currently initiatives that fall under Working Lands for Wildlife that are all designed based on the best available science and developed with partners to deliver conservation outcomes that matter for wildlife. Other initiatives like the Joint Chiefs' Landscape Restoration Partnership Program and the Longleaf Pine Initiative are developed to address shared ecosystem conservation and restoration goals that provide habitat as well as wildfire resilience and water conservation benefits.

Ranking Member John Boozman

1. I have heard frustrations from groups that the process of completing negotiations on their Climate Smart Commodity project has been taking too long. Can you tell us when those funds will begin being allocated, and, more importantly, what marketing requirements will be placed on crops produced through these projects and who will be verifying those claims?

Response: Negotiations are going well for Partnerships for Climate-Smart Commodities. These are large, complex grants with multiple partners, and we are continuing to approve grants over the next few months. We are on track to have most agreements in place by early summer. All projects have strong, innovative marketing plans and measurement, monitoring, reporting, and verification plans.

2. For the Climate Smart Commodity project, if these crops aren't sold into a value-added marketing system, would that be a violation of the CCC's charter where these funds were taken from?

Response: Partnerships for Climate Smart Commodities is authorized under Section 5(e) of the CCC Charter Act, wherein funds may be used to, "Increase the domestic consumption of agricultural commodities (other than tobacco) by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities." CCC funding under Partnerships for Climate-Smart Commodities is being used to expand markets for the resulting climate-smart commodities, as well as support the associated production practices and measurement, monitoring, reporting and verification to aid in the development of markets for such commodities, consistent with Section 5(e).

3. The Natural Resources Conservation Service (NRCS) was provided over \$18 billion through FY 2031 with the passage of the Inflation Reduction Act. The Congressional Budget Office has noted that even over this extended timeline, NRCS cannot fully spend these dollars. Would NRCS be better equipped to spend these dollars if additional natural resource concerns, not just climate-oriented projects, were permitted?

Response: We know that there is significant demand from farmers and ranchers across the country to adopt climate-smart mitigation activities. The Inflation Reduction Act provides funding for our existing and oversubscribed conservation programs to help meet this demand. NRCS is currently evaluating and implementing program policies and procedures to expedite and streamline program funding, evaluating public comments for opportunities to improve program performance, leveraging partnerships to assist in program delivery, evaluating existing conservation practices to expand the options that address climate related issues and build resiliency, and looking for new and innovative ways to meet the needs of our nation's farmers and ranchers. NRCS anticipates that there will be sufficient demand for all of the resources provided through the Inflation Reduction Act and that the agency will be able to address that demand and provide all the resources within the required budgetary window.

4. NRCS is expected to announce soon the recipients of Regional Conservation Partnership Program (RCPP) grants, a new type of RCPP contract separate from the classic or Alternative Funding Arrangement (AFA) awards. I was supportive of the 2018 Farm Bill limiting these types of awards to 15 total per year due to concerns that awarding more could shift the program from what was intended as a public private partnership, to a grant program simply giving funds away to private groups. Can you explain the main differences between the AFA awards and the grant awards?

Response: Alternative Funding Arrangements are Regional Conservation Partnership Program-specific agreement structures meant to give partners greater flexibility in the structure and implementation of their projects. These agreements allow NRCS to more closely collaborate with a partner to achieve project goals and objectives, especially with how to best provide assistance to producers. The AFAs are more conducive to a true

partnership where all parties are contributing to the overall project. Grants require that there be little interaction between NRCS and the partner.

Response: We are re-examining all our delivery options including grants, partnership agreements and grants "like" alternative funding arrangements.

5. You stated in the same response to Sen. Welch that from the first iteration of RCPP soon after the 2014 Farm Bill to today, we have gone from a simple process for NRCS to work with partners to a more complicated process. Can you list out what changes have been made, either through the 2018 Farm Bill or through agency action, that have led to this shift, and can you suggest changes Congress can make to simplify the program?

Response: The 2018 Farm Bill made significant changes to the Regional Conservation Partnership Program (RCPP), effectively creating a new program. Most significantly, it established RCPP as a standalone program, meaning that it now has its own authority to establish producer contracts and easements. In contrast, the 2014 Farm Bill required RCPP to operate under the authorities of the existing covered programs, such as EQIP, ACEP, and CSP. The other significant change was providing USDA with the authority to manage the program through programmatic agreements, versus the cooperative agreements and memoranda of understanding used under the 2014 Farm Bill. These two significant changes, led to a complete reimagining of the program and resulted in a lengthy period of regulation, policy, and guidance development at NRCS. With that developmental period behind us, RCPP projects are being successfully implemented around the country. We also recognize that the program can be further improved to be more accessible for partners and producers. We are currently engaging with stakeholders and partners to collect information that will inform continued improvements and streamlining opportunities for the delivery of RCPP. We fully recognize the need to make RCPP more attractive and easier for partners to deliver conservation and are committed to continuing to move these efforts forward in the next several months. We are actively engaged with existing conservation partners to seek feedback on program barriers and to develop the needed improvements.

Senator Amy Klobuchar

Reducing enteric methane emissions to mitigate the impacts of climate change is a key
priority for the livestock and dairy sectors. Last year, I joined a bipartisan group of senators
on a letter to FDA on this matter, and now we understand the agency could approve the first
product as early as next year — one that reduces methane by 30 percent in dairy and 50
percent in beef.

a. In anticipation of this product approval, will NRCS be ready to accept cost-share contracts next year from producers willing to adopt this practice and, importantly, will you give those contracts funding priority given the huge climate benefit?

Response: NRCS recognizes that animal agriculture plays a critical role in the nation's effort to address climate change, particularly through feed management. NRCS anticipates being ready to cost share the implementation of product(s) approved next year and beyond, given that our current NRCS Conservation Practice Standard Feed Management (Code 592) provides the opportunity for farmers to utilize feed additives through the Environmental Quality Incentives Program with an existing feed additive payment scenario. Once products are reviewed and approved by the Food and Drug Administration, we will work quickly to ensure alignment and coordination with our existing practice standards.

b. Is there anything further we on this committee can do in the Farm Bill to bolster those efforts?

Response: NRCS appreciates the continued support and interest of the Committee.

Senator Michael F. Bennet

- NRCS conservation programs like EQIP and the Watershed Flood and Prevention Program
 are popular among Colorado's farmers and ranchers, as they provide both economic and
 environmental benefits. But recently, producers in Colorado are struggling to access and use
 these conservation programs. We are seeing major NRCS staffing concerns. In Colorado,
 - a. NRCS posted a job for an engineer with a \$35,000 starting salary. This detracts from your ability to hire and retain qualified staff.

Response: The rates of pay for GS-positions are established at the Office of Personnel Management (OPM). Engineers across most of government already receive pay at a higher rate than most other occupational series, up to the GS-12 level. The entry level rate for engineers at the GS-5 level is \$42,068 for the rest of the US locality pay area (Special Rate Table Number 0414). In comparison, our most common occupations start at \$37,696, or approximately 10.4% less than engineering positions for positions located outside other locality pay areas (Salary Table-2023 Rest of United States (RUS)). NRCS certainly agrees that the existing engineering pay rate is still not enough to attract the best talent away from the private sector. NRCS has been working through the process to gain approval to join other federal agencies with higher established Special Salary Rates for engineers.

NRCS works incredibly hard to attract, hire, and retain talented staff within the parameters set by OPM. In addition to salary, NRCS uses recruitment and retention bonuses, student loan repayment programs, and remote and telework options to provide a comprehensive employment package that is attractive to well qualified applicants.

b. I've also heard from producers on the Eastern plains about the sheer costs associated with irrigation infrastructure, and how EQIP projects do not reflect rising costs from inflation.

Response: The locally led conservation approach is the foundation of NRCS's conservation delivery model. An essential element of the locally led process is input from State Technical Committees and Local Work Groups. These bodies provide recommendations to the NRCS state conservationist regarding local natural resource concerns and priorities relating to the implementation and technical aspects of natural resource conservation activities and programs, including maximum payment on conservation practices within program requirements. NRCS has established State Technical Committees and Local Working Groups in each state and allows agricultural producers and irrigation stakeholders to seek membership. NRCS is aware of the effects of rising inflation on our participants, and we have been using every tool at our disposal to help mitigate the situation. Since 2021 NRCS has provided inflation-based assistance payments to help our Environmental Quality Incentives Program (EQIP) participants with practices most impacted by the rising costs of materials. In 2021 and 2022, NRCS set aside \$80 million for these payments (called Coronavirus Agricultural Relief Payments), and as of March 1 of this year, the agency had set aside \$50 million for a new round of payments in 2023 (called Post-Inflationary Supplemental Payments). This additional financial assistance is available to participants with active EQIP contracts that include the scenarios most affected by higher material prices, including those that support several irrigation practices. In addition to the supplemental payments, NRCS has authorized States to provide full flexibility to our program participants if they need to modify or cancel their contracts due to economic hardship.

c. If we want farmers and ranchers to make use of NRCS programs, we need to hire and retain talented staff and ensure the programs have flexibility to meet our growers' needs What is NRCS doing to ensure conservation programs and practices meet the needs of our changing climate as well as our economic challenges, particularly in the West?

Response: In most instances the conservation challenges posed by climate change are economic challenges as well and addressing them can provide economic benefits. Throughout the NRCS conservation planning process, and with the use of financial assistance conservation programs, NRCS assists producers with addressing their natural resource concerns while considering the economic feasibility and options that work for

them. The Western Water and Working Lands Framework for Conservation Action, recently released by NRCS, describes what NRCS assistance is available for producers and communities facing the related threats of climate change and declining water availability. The framework is a tool to support collaboration in efforts to address not only ground and surface water sources but also challenges in sustaining agricultural productivity. Climate change is also a contributing factor to an increase in wildfire risk and associated economic challenges. NRCS works with partners though the Joint Chiefs' Landscape Restoration Partnership and through other locally led efforts to reduce wildfire risk and to help communities recover from the effects of wildfire.

 Chief Cosby, I was excited to support \$500 million for the Watershed Protection and Flood Prevention Program (PL-566) in the Bipartisan Infrastructure Law. Although, I have heard concerns with the difficulties of the limited and costly contracting requirements necessitated by NRCS.

It seems the NRCS DC office has instructed NRCS State Conservationists that the planning should be done through Indefinite Delivery Indefinite Quantity (IDIQ) contracting. IDIQ is a very specific type of contracting that allows a wide variance in the amount of money paid for contracted services, so long as the firm is pre-qualified. It seems there are only a handful of very large engineering firms that are qualified for this type of IDIQ contracting with the NRCS. Unfortunately, this means that watershed-specific alternatives to standardized small dam construction are very unlikely to be considered during the planning process, which predetermines what type of project will be built, and pre-determines that it will be an expensive planning and construction project.

To save money and consider alternatives in the planning process, will NRCS commit to using other contracting services other than IDIQ?

Response: The local sponsor and state NRCS staff can choose to complete PL-566 plans through a cooperative agreement with the local sponsoring entity, via Indefinite Delivery Indefinite Quantity (IDIQ) contract, or with NRCS in-state staff. Regardless of who completes PL-566 watershed plans, all reasonable alternatives and their impacts are considered.

NRCS is currently reviewing solicitations for new IDIQ firms that will be covering smaller regional (multi-state) areas. These Architectural and Engineering (A&E) firms meet the small business requirements and are hired based on qualifications and experience with NRCS watershed work and other Farm Bill projects. Of the four Watershed project phases (Preliminary report, Planning, Design, and Construction), the only portion required to be completed by an IDIQ firm is the preliminary report. This is an independent analysis of

existing data provided to determine project applicability for the PL-566 program. Due to the independent nature of this report, it would be a conflict of interest for the sponsor to hire this work done, so it is completed by NRCS staff or IDIQ contractors.

We estimate that 50% of the technical assistance work performed for watershed projects is completed by sponsor-hired A&E firms, with 30% by IDIQ firms and 20% by NRCS staff.

Senator Tina Smith

1. USDA's conservation programs deliver a myriad of environmental benefits including better water infiltration and retention and improved wildlife habitat. Conservation practices can also increase soil carbon – a proxy for soil health- and can help producers continue to see yields even when experiencing more extreme weather conditions. In Minnesota and across the country, there is a lot of interest in paying farmers for sequestering carbon by implementing climate-smart conservation practices. However, research gaps remain when it comes to measuring these benefits, particularly when it comes to soil carbon sequestration. For instance, there is uncertainty about carbon sequestered in soils; the carbon may be lost if an incentivized practice is retired at the end of the contract, or less carbon may be stored than is initially believed. Addressing these questions would be a win for both agriculture and the environment. Will you report back to this Committee what tools USDA has to measure benefits like greenhouse gas emissions reductions or soil carbon sequestration from conservation activities? Are there gaps in research or USDA expertise? At the end of the day, how can we best get to a standardized and comprehensive database of soil carbon?

Question 1: Will you report back to this Committee what tools USDA has to measure benefits like greenhouse gas emissions reductions or soil carbon sequestration from conservation activities?

Response: The COMET-Farm and COMET-Planner tools are currently used by the USDA's Natural Resources Conservation Service (NRCS). These tools have been developed and improved by NRCS in collaboration with Colorado State University and other partners for more than 15 years. The COMET tools leverage DayCent model (a biophysical model used to estimate soil carbon), the Soil Survey Geographic Database (SSURGO) for soils data layers and the PRISM Climate Data.

The COMET-Farm and COMET-Planner tools are publicly available to anyone with internet access. COMET-Farm has delivered more than 44,000 annual sessions since 2015 and the COMET-Planner tool has experienced more than 46,000 sessions during the same timeframe. The COMET tools are utilized by Federal, State, and Local governments, Higher Education Institutions, non-governmental organizations, agricultural industry, and agricultural

producers. NRCS is seeing agricultural producers utilize the COMET tools to evaluate the benefits of conservation practices on their farms and ranches, for example we have seen row crop farmers focus on implementing cover crops and terminating those cover crops with roller/crimper technologies. The Agency has also helped dairy producers evaluate different feed and manure management technologies that reduce the methane intensity per gallon of milk

Below are a few examples of mainstream agriculture media reporting on the agricultural climate solutions and the COMET tools.

- Carbon farming tool allows producers to evaluate contracts Western Livestock Journal
- Net returns to carbon farming tool allows producers to evaluate contracts Iowa State University Extension and Outreach
- Agriculture and Forestry Offsets in Carbon Markets: Background and Selected Issues -<u>Congressional Research Service</u>
- Solutions Series: Capturing Carbon in Soil Climate Central
- Textile Exchange Regenerative Agriculture Landscape Analysis

Additionally, NRCS provides assistance to producers through Environmental Quality Incentives Program Conservation Evaluation and Monitoring Assessments (CEMAs) for Carbon Sequestration and Greenhouse Gas Mitigation Assessment (CEMA 218) and Soil Organic Carbon Stock Monitoring (CEMA 221). The Carbon Sequestration and Greenhouse Gas Mitigation Assessment CEMA can be used concurrently or consecutively with a conservation plan to support a conservation plan focused on reducing GHG emissions and sequestering atmospheric carbon in soils and/or perennial biomass. The CEMA is intended to be comprehensive and evaluate the NRCS conservation practices and activities that provide the operations with carbon sequestration and GHG mitigation solutions. A list of these practices and activities is available at:

https://www.nrcs.usda.gov/wps/PA_NRCSConsumption/download?cid=nrcseprd1881025&ext=pdf. The Soil Organic Carbon Stock Monitoring CEMA is used to quantify the levels of organic carbon stored in the soil and monitor the change in soil carbon stocks before and after the implementation of a conservation practice or conservation plan.

Question 2: Are there gaps in research or USDA expertise?

Response: Ongoing research has resulted in improvements to our existing tools over time and additional research continues to improve estimates and address new situations. The Inflation Reduction Act (IRA) Section 21002(a)(2) provides resources to expand NRCS and broader USDA capacity in soil carbon and greenhouse gas measurement, monitoring, reporting and verification. This includes efforts to address existing soil carbon sequestration research gaps. Plans are underway to use IRA funds to support developing a publicly-available modeling 'ensemble' for soil carbon and other agricultural greenhouse gas

measurements. The ensemble modeling approach would allow multiple computer models to be utilized for a single farm/parcel soil carbon sequestration analysis. The ensemble modeling approach has been used in hurricane and weather predictions for decades and the approach could offer promising steps toward standardizing soil carbon sequestration estimations.

Question 3: At the end of the day, how can we best get to a standardized and comprehensive database of soil carbon?

Response: Building a standardized and comprehensive database of soil carbon measurements and validated model estimates is one of the goals related to the Inflation Reduction Act (IRA) Section 21002(a)(2). Planning is underway to consolidate site-specific soil carbon data into publicly available databases (as appropriate per statue and codes) that will supplement and expand the soil carbon information already available in the Soil Survey (SSURGO) database as well as information from soil carbon specific efforts including the Rapid Carbon Assessment (RCA) and the FAO Global Soil Carbon map.

Senator Richard J. Durbin

1. The USDA is investing more than \$3.1B to support 141 pilot projects to encourage more farmers to support growing climate-smart commodities. One such project was awarded \$70M from USDA: the group is led by a nonprofit, Field to Market, and involves companies like Pepsi, Mondelez (a candy and snack company headquartered in Chicago) and the Illinois Corn Growers, who agreed to work with Illinois farmers to participate in the pilot and encourage their adoption of climate-smart conservation practices.

Illinois Corn Growers has firsthand experience with working to integrate and expand conservation in agriculture, and knows what works with farmers. For example, for years, the corn growers have received funds through the Resource Conservation Partnership Program to work with Illinois farmers to increase adoption and generate data on no-till and cover crops. This program has demonstrated increasing success.

The corn growers tell me that after this \$70M grant was awarded, USDA surprised them with a new requirement, a requirement not included in the grant stipulations. NRCS indicates any farmers who decide to participate in this pilot now must follow rules with cover crops using rigid USDA planting and removal methods, which the corn growers highlight as far more expensive and inflexible for recognizing what works for any particular farm. If farmers do not use the NRCS approach, NRCS indicates each farmer will need to complete an environmental study under NEPA before exploring an alternative approach.

I applaud the Biden Administration, and the USDA, for its leadership in these climate grants. Every farm is different, yet in this case, there now appears to be a one-size-fits-all approach, where the farmer has three choices: plant cover crops exactly how USDA instructs, or pay for a NEPA study, or not participate at all in this pilot.

- a) How would you rank these three outcomes, from most likely to be chosen by the farmer, to least likely to be chosen by the farmer?
 - b) Which of the options are likely to encourage widest adoption by the most farmers of climate-smart practices on the shortest timeframe that is widely viewed as necessary to address the urgency of climate change?
 - c) I'm told these USDA cover crop standards are the same ones that other USDA programs, like EQIP and the Conservation Stewardship Program, would pay three times more for doing—is that true?
 - d) Will NRCS reconsider its position for a revised approach that will encourage the most Illinois farmers to participate, become knowledgeable, and adopt, the climatesmart practices that work best on their farm, and will generate the science and data necessary for the urgency of addressing climate change?

Response: NRCS provides a range of voluntary conservation practice options to address producer concerns about alignment with their operational needs, including our flagship Environmental Quality Incentives Program, or EQIP.

To award Partnership for Climate Smart Commodity funding, USDA is meeting with tentative selectees and partners to understand their concerns about specific conservation practices and association rates for implementation. We are doing this to help project applicants move forward with strong agreements that include good feasible implementation strategies to benefit individual producers. These implementation strategies likely differ from those that may have been funded under RCPP or other NRCS conservation programs.

Consistent with the original Partnerships for Climate-Smart Commodities Funding Opportunity, "practices, and enhancements to existing practices, are not limited to those under existing USDA practice standards; however, compliance and reporting activities will likely be more complex for practices without existing standards." This language applies to the project applicant as they need to provide a clear description of the alternative standard or variance that is planned to be applied, and we need to evaluate if any separate reporting or additional analysis is needed.

Senator Cory Booker

 Farms with less than 180 acres represent 70% of all farms. They face a number of barriers, including a lack of familiarity with USDA programs, challenges navigating the complexity of applications, and finding enough time to apply. Can you speak to the work that is being done to reach and support small scale producers with conservation assistance?

Response: NRCS is working to improve programs and practices to best meet the needs of small-scale producers. A year ago, NRCS created more than 50 payment scenarios and interim practices to better recalibrate our Technical and Financial assistance in small-scale settings. We also hired a full time Urban Agriculture Coordinator to oversee and continue this recalibration process so that the policies, guidance, and training going out to field employees can best serve our customers, regardless of the size of the operation. Increased outreach is an important component to increase engagement with small scale customers. We are developing additional materials for State Outreach Coordinators to provide them with the tools they need to evaluate, plan, and coordinate outreach efforts that reach producers of all sizes and demographics in a timely, strategic, and equitable manner. We are also incentivizing and supporting partners to assist with outreach to small scale producers. This year's Equity in Conservation Outreach Notice of Funding Opportunity has a priority area that promotes outreach to small scale producers to increase their participation in NRCS conservation programs that meet their community's needs for sustainable food production.

Senator Ben Ray Luján

Unfortunately, wildfires are growing ever more common, especially in the West where
drought remains an ongoing condition. I've mentioned several times in this committee
that wildfires have and will continue to be a threat to New Mexicans and their livelihoods
and share the position that farm programs need additional flexibility and resources to
better address these ever-increasing disasters.

What changes do you feel need to be made to USDA disaster programs to get resources out the door faster and better support for our communities in need?

Response: Ad hoc supplemental funding for the Emergency Watershed Program (EWP) presents a challenge to sustaining a ready workforce. Unfortunately, natural disasters are an annual occurrence, and on average, NRCS responds to more than 60 EWP events a year. Consistent annual funding to provide a baseline workforce level for disaster response would help get EWP resources out the door more quickly when disaster strikes.

NRCS and the US Forest Service recently entered into a Memorandum of Understanding (MOU) to establish a collaborative relationship while carrying out watershed protection measures. The MOU clarifies agency responsibilities and improves USDA's

responsiveness to communities requesting assistance after a wildfire on National Forest System lands.

2. Our land grant institutions have long faced systematic challenges in accessing the funds they require to maintain and expand critical infrastructure, such as research labs. This is particularly true for these institutions' conservation and sustainable forestry efforts, which must expand rapidly to meet ever escalating challenges, particularly in the Southwest. For example, New Mexico State University's current facilities allow for the production of 300,000 native tree seedlings per year, which falls far short of the 5 to 6 million seedlings that are needed to support effective reforestation efforts in the Southwest. The Infrastructure Investment and Jobs Act gave USDA \$150 million for ecosystem restoration on Federal lands and another \$120 million for revegetation.

How will the USDA ensure that an appropriate portion of these funds are allocated toward infrastructural investments that enable long-term capacity building, rather than just short-term programs that may have limited impacts?

Response: Much of the FY22 and FY23 investment from IIJA's ecosystem restoration section and the REPLANT Act has been focused on building long-term nursery capacity. For example, USDA recently announced that nearly \$10 million is being invested in forest nursery and native seed partnerships, thanks to funding from the IIJA. Of the total funding, \$4.5 million is being invested in twenty-nine facilities from states, U.S. Island territories and commonwealths to modernize forest nurseries, and \$5.3 million will help increase native seed collection and native plant availability to restore and support resilient ecosystems on national forests and grasslands. Together with the \$35 million investment in Forest Service nurseries in 2022, these investments will build capacity across public and private lands to meet mounting reforestation demands.

Senator Reverend Raphael Warnock

- Natural Resource Conservation Service (NRCS) conservation programs like the
 Environmental Quality Incentives Program are heavily utilized in my state of Georgia,
 but they have been historically oversubscribed. The \$20 billion provided in the Inflation
 Reduction Act for these programs is a vital boost, however, we need to ensure that all
 farmers have the opportunity to take advantage of these programs.
 - a. How is USDA working to increase equity in NRCS programs for historically underserved farmers like small and beginning producers?

Response: The Inflation Reduction Act (IRA) is an historic investment in climate and conservation agriculture. Guidance for implementation is led by the following: "the first priority is to ensure that equity is present in the delivery and implementation of all NRCS programs and services." NRCS has developed an IRA implementation strategy that incorporates equity into our methodology for program outreach and delivery to align with the NRCS Equity Action Plan, which was released at the beginning of fiscal year 2023.

NRCS is taking action to ensure that all states and territorial areas have an equity strategy to target IRA opportunities through the development of equity and inclusion planning in NRCS State Outreach Plans. This includes identification of program barriers and inequities and quarterly reporting on actions to remove barriers and remediate inequities. NRCS State Offices and Territorial Area Offices are working to identify and engage with underserved communities and individuals who are not currently engaged with NRCS assistance to advance equity in program opportunities, highlighting the programs under IRA and Justice40. NRCS is committed to collaboration with partners, stakeholders, underserved community representatives, and tribal representatives at the decision-making level to ensure inclusion in the planning, financing, and development of IRA implementation.

The NRCS Equity Division is developing an internal *Equity Toolkits* and guidance to integrate equity principles into decision-making processes to align institutional equity into the work and practices of NRCS, to develop decisions that promote advancement of equity. The NRCS Equity Toolkits will strengthen the agency's ability to promote sound management, strong governance, and persistent dedication and commitment to advancing equity throughout agency policies, procedures, and practices. Outreach and education are an integral part of the delivery of NRCS implementation and decision making of its programs and services to ensure that they are accessible to all NRCS customers, with an emphasis on reaching historically underserved producers and underserved communities.

In addition, NRCS is investing in partnerships to reach historically underserved farmers through cooperative agreements which help NRCS to reach historically underserved audiences that may not be aware of our programs and services through organizations connected with these producers.

In Fiscal Year 2022, NRCS entered into 117 new agreements through "Equity in Conservation Outreach Cooperative Agreements", representing a \$49.3 million investment in outreach to historically underserved producers and underserved communities, and to minority students about careers with NRCS and in agriculture. Projects serve 44 states and territories and the Washington DC area along

with 3 nationwide initiatives. Of those agreements, 85 are with new partners, 15 are with tribal organizations, seven are with Historically Black Colleges and Universities (HCBUs) and the 1890s Foundation, and two are with Hispanic Serving Institutions.

In Fiscal Year 2023, NRCS is investing \$70 million in Equity in Conservation Outreach Cooperative Agreements to create equitable opportunities for historically underserved producers and underserved communities to access NRCS programs, services, and careers.

Senator Peter Welch

- Both the Agricultural Conservation Easement Program-Agricultural Land Easements (ACEP-ALE) program and the Forest Legacy Program have been very helpful in Vermont. Since 1997, NRCS funds have helped conserve 505 farms in Vermont this is a little under 90,000 acres and \$71M in NRCS investments. This includes ACEP-ALE funding. The programs conserve farmland and forestland in perpetuity, allowing Vermont to maintain its rural character. Land conservation also has climate benefits for future generations.
 - a. How can we improve ACEP-ALE to accelerate the pace of conservation and maximize climate benefits?

Response: NRCS employs a national certification process through which eligible entities may be certified. Certification allows the eligible entities administrative flexibility when participating in ACEP-ALE, based on demonstrated experience preserving agricultural land and successful participation in NRCS's Farmland Protection Program (FPP), Farm and Ranch Lands Protection Program (FRPP) or Agricultural Conservation Easement Program – Agricultural Land Easement (ACEP-ALE).

A certified eligible entity may carry out the actions required by ACEP-ALE with greater independence and without significant involvement from NRCS only through the execution of the parcel contract subject to the terms applicable to a certified eligible entity. For example, certified eligible entities close ACEP-ALE easements without NRCS approving the agricultural land easement deeds, conducting title reviews, reviewing title policy commitments, or approving appraisals prior to closing. NRCS conducts reviews of the easement acquisition transaction after closing through the quality assurance review process.

In addition, NRCS shares successful streamlining processes between states and encourages implementation of those models. For example, shared ACEP-ALE coordinators who liaise between both eligible entities and NRCS help facilitate cross

program implementation and program management. In addition, partnerships between law schools at state land grant universities and NRCS have improved knowledge and understanding of certain real estate law concepts and issues common to conservation easements along with streamlining and improving title review processes during acquisition.

b. How can we ensure farmers and eligible entities are aware of this program?

Response: States are required to announce availability of program funds and application cutoff dates, conduct outreach, and sign-ups. We are working to improve and build upon our communication work and better engage our states and territories. We have in the past developed a communication Toolkit but we are working on better ways to engage states and territories, stakeholders, and other partners to distribute the information. Activities include outreach meetings and engagement with local and regional media. We have done a lot to share the resources and recognize we can and will always improve our engagement.

c. How can we make this program more accessible to farmers and other eligible entities?

Response: Agricultural Conservation Easement Program – Agricultural Land Easement (ACEP-ALE) is available to all 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, and the Commonwealth of the Northern Mariana Islands. NRCS accepts ACEP-ALE applications on a continuous basis.

In the 2018 Farm Bill, the non-Federal share provided by the eligible entity was expanded and can be comprised of:

- I. the eligible entity's own cash resources;
- II. a landowner donation toward the easement value in the form of a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986 provided by the landowner that results in an easement purchase that is lower than the appraised fair market value of the agricultural land easement and also known as a bargain sale);
- III. the procured costs paid by the eligible entity to a third-party for the following items: an appraisal, legal boundary survey of the easement area, full phase-I environmental site assessment, title commitment or report, title insurance, or closing costs; or

IV. the eligible entity's contribution of up to two (2) percent of the fair market value of the agricultural land easement for easement stewardship and monitoring costs, from sources other than the landowner.

Moreover, the minimum cash contribution requirement was removed in the 2018 Farm Bill which was a requirement under the 2014 Farm Bill.

The aforementioned flexibilities have increased access to the program for both farmers and eligible entities. These additional flexibilities may be further highlighted through agency outreach efforts. We are looking at finding additional streamlining and improvements throughout the year.

- 2. Staff retention challenges at the Natural Resources Conservation Service (NRCS) can result in performance issues, making it harder for landowners and providers to trust in federal programs. Vermont NRCS has had great challenges in staff retention. When offices are understaffed or experience high turnover, landowners and stakeholders struggle to implement programs and grants on the ground.
 - a. How is NRCS working to attract new staff and improve staff retention to ensure landowners and stakeholders have adequate support while implementing NRCS programs?

Response: NRCS is working through the NRCS Hiring Strategy Task Force (HSTF), comprised of a substantial group of key leaders from NRCS, who work in collaboration with NRCS leaders and hiring managers, along with our colleagues in the Human Resources Division in the FPAC Business Center. As such, we work together to assess, analyze, develop, and implement a broad range of human capital strategies and actions needed for NRCS to meet current and future workforce needs and ultimately to help us to sustain our mission. We are seeking Direct Hire Authority (DHA) to meet the surge in workforce needs in our field offices as well as additional hiring authorities that are complimentary tools to DHA.

FPAC uses a broad range of Office of Personnel Management (OPM) hiring options, including the Pathways Interns and Recent Graduates Programs, non-competitive hiring for people with disabilities and veterans, recruitment through USA JOBS, and previous DHA authorizations. We have developed and are implementing recruitment plans to engage with communities, leadership groups, USDA 1890 National Scholars and 1994 Tribal Scholars programs, Hispanic Serving Institutions and other Minority Serving Institutions, agricultural extensions, and other legislative driven programs. Human Resource practitioners have also worked extensively with NRCS state offices

and hiring managers over the past several years to expand awareness and use of non-competitive and special hiring authorities to meet NRCS hiring needs.

We are actively participating in recruitment events specific to military veterans. As part of our FPAC-Mission Area diversity outreach and recruitment survey, NRCS leadership help identify and prioritize veteran recruitment events.

NRCS is also employing the use of incentives bonuses to recruit and retain employees. We are using relocation, recruitment and retention incentives; and superior qualifications, and are exploring a special salary table for to provide more competitive compensation for engineering jobs.

Senator John Fetterman

1. As you know, controlled-environment agriculture (CEA) is an important part of our nation's overall agricultural economy, allowing us to provide a year-round, domestic source of fresh fruit and vegetables to areas of the country that often rely on foreign imports for these products during certain months of the year. Pennsylvania is proud to have many CEA growers of all sizes located in the state. We are able to witness firsthand how land and water efficient these operations can be using artificial intelligence, computer vision, and other innovative technologies to grow fresh, local, climate-resilient, and specialty crops with reduced pesticide use in indoor farms or greenhouses. USDA's Office of Urban Agriculture and Innovative Production is a welcome first step, but we know there is much more that can be done to accelerate these innovations – many of which are also useful for outdoor producers. Can you tell me how NRCS, and USDA more broadly if you are able, is incorporating CEA practices and growers into existing conservation programs?

Response: NRCS is updating technical resources, such as conservation practice standards and handbooks, to assist innovative producers. We are continuing to look to identify opportunities and flexibilities within our existing set of tools to support CEA practices. Through conversations with other USDA agencies, there is a coordinated effort underway to incorporate CEA practices. For example, the Agricultural Research Service (ARS) supports research, education, and outreach activities to develop crop plants adapted for CEA systems, hydroponics and aquaponics, and pest and disease management. ARS is also coordinating with other USDA agencies, NASA, the Department of Energy and the University of Toledo to identify and address challenges faced by CEA producers. They have released a report with the partnerships' findings and are planning a CEA conference in June 2023 for further discussions. The Office of Urban Agriculture and Innovative Production is a part of the planning team for that CEA conference.

2. What should we consider for the upcoming Farm Bill to ensure CEA can continue to innovate and grow?

Response: Due to statutory limitations, NRCS may not be able to incorporate all controlled-environment agriculture (CEA) practices within a producer's conservation contract. Specifically, EQIP land eligibility requirements may create barriers to working with CEAs. For example, areas such as roof tops or converted apartment buildings, basements of residences, etc. are not eligible as they are not tied to eligible land. However, this would not exclude all CEAs facilities. NRCS has determined that if the majority of the structure is dedicated to agricultural production, it may be eligible - think greenhouses, and similar structures.

Through the USDA Internal Advisory Committee for Urban Agriculture, the Office of Urban Agriculture and Innovative Production is aware of other USDA agencies (e.g., National Institute of Food and Agriculture, National Agricultural Statistics Service, Farm Service Agency, Rural Development, Agricultural Research Service) that offer programs with great potential to spurCEA growth.

3. Looking back at the 2018 Farm Bill, will projects be adequate if they are simply extended without modernizing them? What updates are *most* needed?

Response: In programs like Environmental Quality Incentives Program (EQIP) and Agricultural Management Assistance (AMA), NRCS allows a participant to retrofit structural practices provided that the improvement will result in a documented higher level of conservation benefit (e.g., improved efficiency for irrigation water conservation) and when it is supported by the practice standard [if modernization is needed].

Additionally, the Conservation Stewardship Program encourages producers to improve and conserve the quality and condition of natural resources in a comprehensive manner by — (i) Undertaking additional conservation activities. (ii) Improving, maintaining, and managing existing conservation activities across the entire agricultural operation in a manner that increases or extends the conservation benefits in place at the time NRCS accepts a contract application. Enhancements address additional considerations or criteria that exceed the minimum requirements of the associated base conservation practice.

Senator Cindy Hyde-Smith

 While Congress and federal agencies spend a lot of time sparring about the management of lands owned by the federal government, we sometimes forget that private lands in the U.S. host the vast majority of both wetlands and endangered species — more than 80% in both cases. We are never going to be successful in preserving important habitats and endangered species unless the government works *with* private landowners rather than trying to regulate them into submission.

The Department of Agriculture manages several programs that are vital to conservation efforts on private forest and farm land, but there will never be enough federal funding to provide program dollars to reach every landowner who wants to preserve and enhance wildlife habitat. We need to ensure that landowners have easy access to the *whole range* of resources that exist for land conservation — whether federal programs, state or local government programs, non-profit organizations, land trusts, qualified estate planners, or forestry consultants. There are organizations already doing this kind of work to create an online "one-stop shop" for private landowners searching for conservation solutions. It is not a simple thing, but it seems that with very modest federal support these efforts could produce a tremendous multiplier effect for conservation on private lands.

a. What value do you see in this approach, and will you work with me and the Committee to see how the Department might support such efforts in a serious and productive manner?

Response: NRCS works in partnership with private landowners, communities, local and state governments, and other stakeholders including land trusts and non-profit organizations to promote the sustainable use and safeguard the productivity of the Nation's private working lands. The agency provides conservation planning, technical assistance, and financial assistance to farmers, ranchers, and foresters to help them conserve, enhance and protect natural resources. In addition, NRCS works with these partners to leverage resources and innovative ideas to make the landscape and critical infrastructure more resilient. While a USDA service center often serves as a gateway for private land conservation, our staff consistently provides private landowners a connection to our network of partners and their resources.

A good example of joining resources and forces is through the Regional Conservation Partnership Program. Since 2014, nearly 2,000 partners working with NRCS have contributed more than \$2 Billion to NRCS' \$1 Billion investment in 375 projects covering 50 states and Puerto Rico.

Senator Roger Marshall, M.D.

1. VPA-HIP program.

a. What is the total unmet funding need for the program? How many applications (and the dollar value) were denied as a result of the current authorized funding level?

Response: All eligible applications were funded, but nine fully eligible projects were funded at a reduced amount due to the authorized funding level. The amount of funds cut from fully eligible projects was \$6,814,476.

An additional three projects were funded at a reduced amount because they included elements of the project that were not eligible. A total of \$4,042,796 of ineligible projects expenses was cut from these three projects. Fifteen projects were funded at the full amount requested. Three applications were denied as a result of eligibility concerns. The three unfunded applicants with ineligible projects requested a total of \$5,847,307.

b. In the past 10 years, what is the per-state breakdown of awards?

Response: The breakdown of Voluntary Public Access and Habitat Incentive Program (VPA-HIP) awards per state in the past 10 years is as follows: Arkansas 1; Arizona 2; Colorado 2; Connecticut 1; Georgia 2; Iowa 2; Idaho 1; Illinois 3; Indiana 1; Kansas 2; Kentucky 1; Massachusetts 1; Michigan 3; Minnesota 2; Missouri 2; Montana 3; Nebraska 2; New Mexico 1; Ohio 1; Oklahoma 2; Oregon 2; Pennsylvania 2; South Carolina 1; South Dakota 2; Texas 2; Virginia 1; Washington 3; Wisconsin 2; Wyoming 2

c. The program funds are currently distributed in one block announcement. If the program were split into two funding announcements how would that affect the operation and distribution of the funds?

Response: Splitting the program into two funding announcements would increase the workload of the Project Branch Team and NRCS technical specialist for the administration and review of the second competition. There would be no anticipated difference in the awards granted.

d. How much of the authorized funding is used for administrative expenses? How does the administrative costs compare to similar programs at USDA?

Response: Administrative expenses are included in Voluntary Public Access and Habitat Incentive Program (VPA-HIP) award budgets as technical assistance and indirect costs. Technical assistance—which includes personnel costs—cannot

exceed 10 percent of the overall VPA-HIP funding granted to an awardee. Indirect costs—which includes expenses like office space for persons working on the grant, other office supplies needed to implement the grant. [insert salient example(s)]—are allowed for reimbursement based on the awardees Negotiated Indirect Cost Rate Agreement (NICRA) or the de minimis rate.

e. Are there legislative or administrative changes to the program that would allow for better utilization of the resources?

Response: Although NRCS has no current recommendations, we are open to discussion with your office.

2. How much funding from all sources -- Farm Bill, annual appropriations, Inflation Reduction Act, CCC, etc. -- is NRCS required to obligate this fiscal year? How much for next fiscal year?

Response: Most NRCS Farm Bill funds are available until expended, and no particular amount is required to be obligated in any particular fiscal year. NRCS programs receive applications on a continuous basis with one or more funding cut-offs scheduled during the fiscal year. NRCS works with eligible producers and landowners to obligate as much of each year's fiscal year funding as practicable. Even so, there are issues that may arise near the end of the fiscal year that may prevent timely obligation. Additionally, NRCS intentionally carries over funding to address emergency funding needs in the first quarter of the following year, such as may result from late summer hurricanes.

NRCS received funding under the Inflation Reduction Act of 2022 (IRA), and these funds must be expended by September 30, 2031. The legislation outlines explicit funding amounts per fiscal year. NRCS is working diligently with eligible producers and landowners to meet IRA priorities as expeditiously as possible, though again issues may arise near the end of any particular fiscal year that may prevent timely obligation.

Other NRCS program funding is either annual funding or biennial funding. Annual funding is provided for the Office of Urban Agriculture and Innovative Production, and such funds must be obligated by the end of the fiscal year. Biennial funding is provided for NRCS Conservation Operations, and all such funds must be obligated by the end of the fiscal year following the year in which they were made available.

3. What percentage of the funds required to be obligated this fiscal year have been obligated?

Response: According to the NRCS Operations Scorecard (data source: FMMI, 3/21/2023), the agency's overall obligation rate for this fiscal year is 12% for financial assistance funds. NRCS aims to obligate 80% of the Farm Bill program funds by June 30th, 2023, and fully obligate by the end of the fiscal year.

4. Has NRCS consulted with either the USDA Office of General Counsel or the USDA Inspector General's Office to learn best practices to ensure all funds go to the intended recipients and are not subject to waste, fraud, and abuse? If not, why not?

Response: The USDA Office of Inspector General (audit number: 10403-0005-11) engaged KPMG LLP, an independent certified public accounting firm to audit the financial statements of Natural Resources Conservation Service (NRCS) as of September 30, 2022 and 2021, and for the fiscal years then ended; to provide a report on internal controls over financial reporting; to report on whether NRCS' financial management system substantially complied with the requirements of the Federal Financial Management Improvement Act of 1996 (FFMIA); and to report any reportable noncompliance with laws, regulations, contracts, and grant agreements it tested. NRCS follows Departmental Regulation 1720-1, to implement final actions for each management decision.

In addition, the Federal Managers' Financial Integrity Act (FMFIA) requires ongoing evaluations of internal controls and financial management systems of USDA. These evaluations lead to an annual statement of assurance that obligations and costs comply with applicable laws and regulations and that federal assets are safeguarded against fraud, waste, abuse, and mismanagement known as the agency's annual financial report or AFR.

Furthermore, the Farm Production and Conservation (FPAC) Business Center's Performance, Accountability, and Risk Division completes annual Process and Compliance (PCR) Audits of the mission area, including NRCS. The findings of the Internal Auditing Branch come with concurrent recommendations for the agency to implement as part of a corrective action plan with a corresponding timeline to reach an agency management decision.

5. Will NRCS agree to request an annual audit by USDA's inspector general to ensure it complies with best practices and to identify any waste, fraud, and abuse in the newly expanded conservation programs? Will you agree to make the results of such audits simultaneously available to this Committee?

Response: We respond to any audit requests with a thorough review of our internal policies and procedures and follow corrective action plans to reach agency management

decisions, including those related to newly expanded conservation programs. USDA's inspector general develops their annual program of work independent of agency influence.

6. On an average day, what percentage of NRCS employees around the country are present in the office as opposed to teleworking?

Response: NRCS currently has 9550 employees at the state, area and field level of which 2130 (22.3%) are approved to telework on a recurring basis and 6360 (66.6%) are approved to telework on an ad-hoc/situational basis. At the full agency level NRCS currently has 10,500 employees of which 2,480 (23.6%) are approved to telework on a recurring basis and 6,763 (65.4%) are approved to telework on an ad-hoc/situational basis. National Finance Center reporting indicates that on average, NRCS employees around the country telework approximately 18% of the time each pay period. We should also note that the super majority of work for NRCS employees is in the field and is accomplished in locations in every state and territory.

7. Will you agree to provide updates to the Committee on NRCS's progress in obligating funds by providing what percentage of required funds have been obligated for each conservation program you administer on a monthly basis?

Response: We do not recommend a monthly report as there are factors involved in the implementation a monthly report that would potentially take away from providing direct support to farmers and ranchers. We are open to discussing if quarterly or biannual reporting would best meet the goals for understanding the obligation process.

Senator Tommy Tuberville

- The exorbitant funding from the Inflation Reduction Act (IRA) funding should not be limited to strictly climate change projects and activities. There are other programs within FSA and NRCS that need funding as well but may not directly involve climate change.
 - a. Will these programs be eligible for IRA funding?

Response: The IRA provide critical investments for over subscribed conservation programs, including the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP) Regional Conservation Partnership Program (RCPP), Agricultural Conservation Easement Program (ACEP), and support for administrative costs to implement expansion of these conservation programs, projects and activities.

b. Specifically, the NRCS Feral Swine Eradication and Control Pilot Program is critically important to my home state of Alabama and across the Southeast. Could IRA funding be used to increase funding to control feral swine?

Response: The Feral Swine Eradication and Control Pilot Program (FSCP) did not receive IRA funds. FSCP is the only NRCS program with authority to provide funding to control feral swine. The 2018 Farm Bill included this new pilot program to help address the threat that feral swine pose to agriculture, ecosystems and human and animal health. USDA is actively engaged with the Committee in the development of the next Farm Bill, and we would be happy to meet with you on how we can continue to address the threat that feral swine pose to agriculture, ecosystems and human and animal health.

Senator John Thune

- 1. Farmers and ranchers are constantly looking for ways to strengthen their operations through efforts to improve soil health and increase productivity. South Dakota producers currently have soil, weather, and agronomic data to support production, but that same quality of data is not available for the environmental and financial impacts of conservation practices like reduced tillage, cover crops, and nutrient management. To address this, Senator Klobuchar and I have introduced the Agriculture Innovation Act, which would improve USDA's secure and confidential data collection procedures for assessing how conservation and production practices increase crop yield, bolster soil health, and ultimately improve profitability.
 - a. Do you believe that improved data about the farm-scale effects of conservation would lead to greater adoption of voluntary conservation practices?

Response: NRCS believes that better data leads to more informed decisions and supports providing farmers and ranchers with data that can help improve profitability while supporting conservation objectives. NRCS has a range of tools that provide data on natural resource concerns, including soil health, and continues to develop and enhance these tools. Through Conservation Desktop and associated planning tools, NRCS conservation planners are able to provide farmers and ranchers with a range of site-specific data, and we continue to actively expand and improve the data available.

When evaluating soil health in-situ with producers, there are a variety of activities in which NRCS invites producers to engage. For evaluating soil health on cropland, we have a basic cropland In-Field Soil Health Assessment, which looks

at parameters that can be observed visually in-field over time or within a specific visit and is also used for Dynamic Soils Properties projects. This tool helps producers identify specific areas, such as aggregate stability, that may need attention or to be addressed with conservation practices. Additionally, NRCS is currently piloting a forestland in-field soil health assessment, and maintains Interpreting Indicators of Rangeland Health, Determining Indicators of Pasture Health, and Pasture Condition Scorecard for assessments of soil health in forestland, rangeland, and on pastures. Results of these assessments are provided to producers to assist in the development of conservation plans to address any resource issues that have been identified. NRCS also assists producers who are concerned about heavy metal contamination and other contamination with the insitu assessments done by Portable X-ray fluorescence analyzers (PXRF).

NRCS assists producers with gathering data on their operations that would need to be assessed in a laboratory setting. Conservation Evaluation and Monitoring Activities (CEMAs) are provided to producers through EQIP in PFAS Testing in Water or Soil (CEMA 209), Site Assessment and Soil Testing for Contaminants Activity (CEMA 207), Soil and Source Testing for Nutrient Management (CEMA 217), Soil Health Testing (CEMA 216), and Soil Organic Carbon Stock Monitoring (CEMA 221). The results of these laboratory assessments can help producers make decisions about conservation or production activities in their field, forest, or range operations. There are many more CEMAs that focus on areas outside of soil health that can be done to provide producers more data, such as Agricultural Energy Assessment - CEMA 228, Aquifer Flow Test - CEMA 224, Carbon Sequestration and Greenhouse Gas Mitigation Assessment - CEMA 218, Edge-of-Field Water Quality Monitoring - Data Collection and Evaluation -CEMA 201, Edge-of-Field Water Quality Monitoring - System Installation -CEMA 202, Feral Swine Damage Assessment - CEMA 297, Forest Management Assessment - CEMA 223, and Indigenous Stewardship Methods Evaluation -CEMA 222. More information about CEMAs can be found here: https://www.nrcs.usda.gov/programs-initiatives/eqip-environmental-qualityincentives/eqip-cpas-dias-and-cemas.

NRCS has developed the Producer Operations Data System to specifically collect field-level data from grant awardees on parameters relevant to soil health and economics in an effort to improve models, such as the Soil Health Assessment Protocol and Evaluation (SHAPE) model, that will provide increased information and more robust predictive function for all producers. However, more efforts to increase data sets and increase quality of data sets is needed and ongoing within NRCS so that models can serve this role for producers.

NRCS, working with the National Agricultural Statistics Service, has also developed and fielded two versions of a new survey instrument referred to as the Conservation Practice Adoption and Motivations Survey (CPAMS) – one for cultivated cropland and one for confined livestock operations. These nationwide surveys ask producers about their level of adoption of various conservation practices at the farm scale, whether they've expanded or discontinued each practice, and why they made those conservation decisions. We are in the process of analyzing the results and expect the information will help us identify motivations and barriers. Both sets of information will help us tailor policies to increase adoption of conservation practices. Additional CPAMS versions for grazing land and forest land operators are scheduled to be fielded in 2024.

The tremendous variability of soils, climate conditions, cropping systems, and ways to apply conservation practices mean that tools, models, and data will be more accurate in some scenarios than others. All of these factors – even soils – change over time. Crop genetics and conservation technologies evolve; invasive species and pests are shifting in response to climate changes; and extreme weather events can have significant and long-lasting impacts on producers and natural resources.

NRCS, along with the Agricultural Research Service and other partners, models the impacts of conservation practices on natural resources, including soil erosion, soil carbon, and sediment and nutrient loss pathways through the Conservation Effects Assessment Project (CEAP). The rapid change in crop genetics and technologies like enhanced efficiency fertilizers creates continuous challenges to keeping models current. Scientific assessment requires field research over a sufficiently broad set of conditions to accurate represent the diversity of America's agricultural production, and that takes time and money. In addition to modeling the impacts on natural resources, it is also important to model yield impacts, and these to continue to evolve with changes in agricultural technology, climate, and other factors. There are conservation practices that in certain situations create win-win outcomes for both crop yield and conservation, and there are of course tradeoffs in many scenarios. For example, cover crops can improve soil health and thereby improve resiliency, reduce risk, and eventually improve yields, but they also compete for water. Depending on soils, climate conditions, cropping decisions, and what other conservation practices are in place, cover crops can have a negative impact on yield in some scenarios.

The goal, and the challenge, is to provide scientifically accurate data – and at all costs avoid misleading America's producers. NRCS is committed to continuing to enhance the data and tools we can provide to farmers and ranchers through the voluntary conservation planning process.

b. Is NRCS willing and ready to work with this committee to promote information and tools that support the long-term profitability and resilience of our nation's farms and ranches?

Response: NRCS is committed to supporting the long-term profitability and resilience of U.S. farms and ranches through offering financial and technical assistance to conduct assessments, identify resource issues, and implement conservation solutions on producer operations in the areas of soil health, water quantity and water quality, nutrient management, and mitigating the impacts of climate change. Additionally, NRCS has several ongoing projects to increase the modeling and information available on conservation practice costs and benefits and has launched the Conservation Practice Data and Innovations site to provide conservation practice benefits and outcomes information to the public and stakeholders.

Senator Deb Fischer

- Precision ag technologies can help crop and livestock producers to be increasingly efficient. For example, these technologies can help producers in managing inputs, optimizing their water usage, or monitoring and tracking to enhance decision making.
 - a. Can you discuss how precision ag technologies can help to achieve better environmental outcomes for producers?

Response: Precision agriculture uses technologies to enhance sustainability through more efficient use of land, water, fuel, fertilizer and pesticides. Variable rate technology, crop sensors, guidance systems, etc. can reduce the amounts of water, fertilizer and pesticides applied to the land, reducing both cost and environmental impact including reduction in nitrous oxide. In addition, in-season plant tissue testing can help determine plant health and real-time crop nutrient levels to guide producer precision fertilizer decisions.

b. Are there opportunities to leverage existing conservation programs to increase adoption rates of precision agriculture technologies?

Response: The use of technology such as variable rate, real-time location information systems, etc. are components within payment scenarios to help increase adoption rates of Precision Ag technologies. NRCS is committed to ensuring that our programs and tools are compatible with and complementary to the latest technologies and innovations to support producers.

- 2. The animal feed industry is bringing forward feed solutions that will help optimize animal nutrition and health and reduce animal agriculture's environmental footprint such as feed additives in ruminants that can reduce methane levels produced by ruminants by up to 30%. Livestock producers will need access to all available strategies to be able to employ the appropriate strategies for their operations and locations. USDA's conservation programs play an important role in providing financial incentives and technical assistance to producers to implement sound environmental stewardship practices.
 - a. Last year, NRCS solicited input and comments as the agency is contemplating updates to the feed management standard and other changes to the National Handbook of Conservation Practices. What is the current status of this process?

Response: Notice of proposed revisions to the NRCS Conservation Practice Standard (CPS) Feed Management (Code 592) was posted in the Federal Register on May 22, 2022. The CPS was revised based on comments that were received by the deadline of June 16, 2022. The revised CPS was published in July 2022.

b. Technical support and service providers are needed for the feed management standard to develop operational plans and expand the adoption of these practices by livestock producers. How is NRCS working to build the necessary expertise and awareness of the feed management practice standard? What can be done to improve these efforts?

Response: NRCS is undertaking a strategic multi-pronged approach to (1) grow awareness of feed management, (2) increase its application and implementation to address natural resource concerns, and (3) apply current science and technical knowledge to demonstrate and assess its impact. This approach includes collaboration and partnership with academia, industry, and others to comprehensively address outreach and technical expertise needs in a coordinated way. Concurrently, NRCS is expanding the Technical Service Provider (TSP) program; streamlining the process for TSPs to become certified; and looking for partners who can accelerate this implementation.

U.S. Senate Committee on Agriculture, Nutrition, and Forestry
Farm Bill 2023: Conservation and Forestry Programs
March 1, 2023
Questions for the Record
Mr. Zach Ducheneaux

Chairwoman Debbie Stabenow

1. FSA recently entered into CREP agreements with three Tribal Nations in the Great Plains to conserve, maintain and improve productivity, reduce soil erosion, and enhance wildlife. This is a first of its kind with a Tribal Nation. Can you talk about that process, how FSA is working with Tribes, and if you have plans to expand this work to other areas of the country and other Tribes?

The Farm Service Agency (FSA) worked directly with representatives from each of the three Tribal Nations in the Great Plains to develop Conservation Reserve Enhancement Program (CREP) agreements designed to address their specific conservation goals and environmental objectives. Through these partnerships, FSA provides financial, educational, and technical assistance to help producers voluntarily implement practices on existing grasslands which conserve, maintain and improve productivity, reduce soil erosion, and enhance wildlife on land enrolled in the Conservation Reserve Program (CRP). As part of their matching contribution, each tribe agreed to assist with the development, implementation, and management of grazing plans, conduct outreach and education about the CREP projects, and seek producers willing to offer eligible and appropriate land for enrollment.

In expanding this work, FSA continues to identify ways to provide outreach and education about CREP partnerships and participating in other USDA programs. This has included webinars with Tribal Nations specific to CREP and conservation programs, attending conferences and meetings where FSA is able to speak to larger groups, and working directly with specific Tribes or Tribal organizations.

FSA is currently working with Tribes in Montana, North Dakota, Washington, and Wyoming on developing new Tribal CREP agreements. In October 2022, FSA met with 7 tribes in Oklahoma to discuss CREP opportunities.

2. USDA has developed an innovative pilot in Wyoming to stack CRP and EQIP practices for the benefit of wildlife, the landscape and producers. How have NRCS and FSA worked together to accomplish this work and how could this serve as a model for innovative landscape conservation moving forward?

USDA has been working in Wyoming to better leverage all of USDA's tools to support farming and ranching. This includes joint trainings, enhanced communication, and intentional alignment in state priorities with stakeholders, FSA, and NRCS. By allowing

programs to incentivize local or geographically specific priorities, states can ensure that they are enrolling the land they are most interested in.

To best serve landscape level conservation, programs should be constructed in a way that allows for the benefits to be complimentary to the overall goal. For example, to best support ranching, USDA programs that leverage funding to install or replace existing fence with wildlife friendly fence should be able to be used seamlessly with other programs like CRP or Noninsured Crop Disaster Assistance Program (NAP). While a lot of these compatibilities exist presently, future programs should be developed to support this model more seamlessly.

3. Some producers shy away from CRP because the rental rate for a 10-15 year contract is set at the beginning of the term and never adjusted for inflation. What are the barriers to FSA making annual or other mid-contract payment adjustments?

This process could be established with additional software capabilities and updated contract language; however, creating a mid-contract payment adjustment may be beneficial to some producers and detrimental to others. Because FSA uses National Agricultural Statistics Service (NASS) cash rent survey data to create annual rental rates, the annual rental rate changes from year to year. If payment were to decrease and producers would be required to take the reduction, this could incentivize highly erodible or other environmentally sensitive land returning to annual production.

Ranking Member John Boozman

- 1. When USDA announced its cover crop payment program, the justification was to help producers weather the economic challenges resulting from the pandemic. Can you explain USDA's decision making in developing a program that benefitted only a small subset of farmers who planted cover crops, rather than incentives for conservation practices that have broader farmer adoption and more equitably address the economic challenges faced by farmers?
 - (From RMA) USDA leveraged the roadmap provided by successful state cover crop programs and prioritized a process that was simple for producers and straightforward for the crop insurance industry to implement. I appreciate your comments, and we will take them under consideration for any future program.
- 2. For the cover crop payment program, what did the Department do with this cover crop data that was collected, was there a secondary goal associated with the PCCP to collect additional farmer data?

(From RMA) Proving additional benefits to farmers was the objective of the Pandemic Cover Crop Program (PCCP). Data is always important to the crop insurance program, and USDA is looking at how this data could be useful in the future.

Senator Ben Ray Luján

Unfortunately, wildfires are growing ever more common, especially in the West where
drought remains an ongoing condition. I've mentioned several times in this committee
that wildfires have and will continue to be a threat to New Mexicans and their
livelihoods, and share the position that farm programs need additional flexibility and
resources to better address these ever-increasing disasters.

What changes do you feel need to be made to USDA disaster programs to get resources out the door faster and better support for our communities in need?

As with any federal program, there are always opportunities to improve and streamline delivery for producers impacted by disasters. While every disaster is unique, there have been common challenges across all events. FSA has embraced discretionary policy to make existing programs work for producers impacted by a wide variety of disasters. For example, FSA has used ELAP to address redfish losses in the Gulf of Mexico. These expansions have been used in all disaster programs to meet the need of our producers. FSA would be happy to work with the Committee on briefings on existing programs or legislative proposals.

Senator Tommy Tuberville

- 1. In recent years, Alabama has unfortunately had a number of natural disasters which have led forest landowners to seek help from the FSA Emergency Forest Restoration Program (EFRP). Some of them have reported challenges with how the program is implemented, especially how it requires the landowner to fund reforestation up-front and then get reimbursed months down the line, which is a big challenge for property owners who have just lost everything in a natural disaster. Additionally, I've heard complaints about foresters applying for EFRP and waiting three years or more to receive notification of whether or not their application was accepted.
 - a. How does how your agency roll out EFRP after a disaster?
 - b. Can you please explain the extreme delay in the evaluation of applications and subsequent payments?

In response to both a. and b., counties approved to implement the ECP and EFRP conduct signups during a specified period, a technical service provider (TSP) such as Natural Resources Conservation Service or Forest Service assesses the needs of each application, conducts environmental assessments for practices involving ground disturbing activities and engineering for conservation structures damaged by the weather event. The availability of staffing resources to timely conduct the environmental assessments and engineering work delays FSA's ability to provide a quick turnaround on approving applications. Ensuring dedicated staffing resources are available to assist with program implementation is key to successfully getting money in the hands of producers affected by the adverse weather event.

EFRP is a participant performance-based cost-share program authorizing payments of up to 75% of eligible expenses, therefore payments are not issued until the practice is completed and the State Forestry Staff or TSP has certified the practice is complete and meets standards and specifications. EFRP policy provides an initial timeframe to complete the practice after approval of two years. The Emergency Conservation Program allows for advanced payments which have become a helpful tool to financially assist producers in responding to a disaster event. Adding this type of provision to EFRP would assist producers in responding to disaster events; however, adequate time must be given to producers before requiring funds be returned to FSA.

c. Can this Committee do anything in the Farm Bill to help the EFRP program run more smoothly?

FSA is strengthening our partnership with Forest Service and regional advocacy groups by meeting frequently and coordinating efforts when a disaster occurs. We continue to encourage FSA County Offices and County Committees to increase outreach to State or local Forestry staff to develop a state specific plan for EFRP implementation and outreach in the event of a disaster that may affect Nonindustrial Private Forest (NIPF) so that the steps for implementation are clear and responsibilities clearly defined. This could facilitate a swifter assessment of damage to NIPF, a planned joint outreach approach, and more timely implementation of the program. Additionally, allowing for advanced payments would help FSA respond to disaster events in a more efficient and timely manner.

 The Conservation Reserve Program (CRP) is important to forest landowners in Alabama as producers have planted marginal cropland in trees to help achieve soil health and other environmental benefits. Currently, Alabama has over 80,000 acres of forestland enrolled in CRP.

However, our loblolly pine trees grow to maturity in about 30 years, which means we have a lot of CRP-enrolled landowners whose trees are now ready to harvest. Unfortunately, my understanding is that FSA policy states that a CRP participant who harvests their trees is "destroying the conservation cover" and is ineligible to remain in the program – even if they immediately reforest with a new crop of trees.

It seems that FSA is disincentivizing landowners from keeping forests as forests and encouraging them when they have to harvest to change land use, potentially to solar farm or housing development.

What do you think we can do in this Farm Bill to address this situation in Alabama and across the South, and can I get your commitment to work with us on a solution?

FSA would be happy to provide technical assistance on any legislative proposals which aim to address this issue. Currently, for other practices where the producers would receive a monetary benefit from harvesting on land enrolled in CRP, FSA reduces annual rental payments by 25%. The statutory authority to allow for non-emergency haying and grazing is listed in 16 USC 3833 Sec 1233(b)(I)(B)(ii).

- 3. The current tax code has the unintended consequence of penalizing forest landowners whose timber is destroyed by a natural disaster. Under current law, the landowner is only allowed to deduct the lesser amount of the value, the cost basis, or the adjusted timber basis, which is usually \$0 after the 84-month amortization period or only a fraction of the value of the destroyed timber.
 - a. While this legislation is outside of the scope of USDA and would fall under the IRS for implementation, will you commit to working with the IRS and Congress to ensure that we address this shortcoming in the tax code for our family forest landowners?

Yes, as situations to provide our nation's forest landowners with assistance arise, we would be happy to provide technical assistance.

b. Do you have suggestions to improve the current tax code to help ease the burden on forest landowners when a disaster strikes?

FSA defers comments on the tax code to the IRS.

Senator Charles Grassley

- 1. Please describe in detail USDA's involvement in Executive Order 14008.
 - a. Who at the USDA is leading the implementation of the Executive Order?

EO 14008 on Tackling the Climate Crisis at Home and Abroad is an all-of Government approach to addressing climate change and is led by the National Climate Taskforce, which includes the Secretary of Agriculture. Implementation at USDA involves many agencies. Coordination is through the Office of the Secretary as well as the Office of Energy and Environmental Policy in the Office of the Chief Economist.

b. To what extent is USDA advocating for use of the Conservation Reserve Program in Executive Order 14008?

Equipping producers to be part of the solution to addressing climate change through voluntary, incentive-based approaches is a priority for the Department,

across all programs, including the Conservation Reserve Program (CRP). CRP is a powerful tool in climate mitigation, and acres currently enrolled in the program mitigate more than 12 million metric tons of carbon dioxide equivalent (CO2e) as we shared on April 21, 2021, in a news release titled *USDA Expands and Renews Conservation Reserve Program in Effort to Boost Enrollment and Address Climate Change*. FSA introduced Climate-Smart Practice Incentives for CRP general and continuous signups that aim to increase carbon sequestration and reduce greenhouse gas emissions. Climate-smart practices include establishment of trees and permanent grasses, development of wildlife habitat, and restoration of wetlands. FSA also moved State Acres for Wildlife Enhancement (SAFE) to continuous CRP to allow producers to sign up year-round. The Highly Erodible Land Initiative (HELI) was made available for both general and continuous signups. Grassland CRP also established National Grassland Priority Zones in the migratory corridors in the western US and environmentally sensitive areas of the dust bowl region.

c. In response to my question on the Executive Order, you said, "We have all been part of the effort to ensure we are doing our part to ensure conservation on our lands." What other USDA programs are being discussed in the context of the Executive Order?

On January 27, 2021, President Joe Biden signed Executive Order 14008
Tackling the Climate Crisis at Home and Abroad. This Executive Order directs
Federal agencies to coordinate a Governmentwide approach to combat the climate
crisis. Recognizing the important role that agriculture and forestry will play in
climate change mitigation and resilience, the Executive Order tasked the U.S.
Secretary of Agriculture to deliver a report with recommendations for a climatesmart agriculture and forestry (CSAF) strategy. In developing this strategy, the
Secretary was directed to consider CSAF practices that decrease wildfre risk
fueled by climate change, source sustainable bioproducts and fuels, and result in
conservation actions that provide measurable carbon reductions and sequestration.
Please see the 90 Day Report on Climate Smart Agriculture and Forestry, which
lays out this strategy across the Department. The USDA Climate Solutions page
also lays out actions taken by various parts of the Department.

Under EO 14008 and DR 1070-001, Agencies were responsible for creating Climate Adaptation Plans. These plans identify climate risks and prioritize actions the agencies will implement to integrate climate adaptation into their planning, programs, operations, and management. FSA has created an adaptation plan that involved all our deputy areas to analyze where our programs and services can provide climate solutions. FSA's Climate Adaptation plan can be found below:

https://www.fsa.usda.gov/programs-and-services/fsa-climate-adaptation-plan/index

d. Do public lands that allow livestock grazing qualify to be counted towards the 30-percent goal established in the Executive Order?

This determination has not been made.

2. The 2018 Farm Bill capped Conservation Reserve Program payments at 85% of the county rental rates. Yet, during the 2021 CRP sign-up, USDA added a 10% "inflation" adjustment on the base rental rate for contracts signed that year and included other environmental incentives during the sign-up. In response to my question on the rationale that FSA used, you mentioned that you would not be the appropriate person to answer my question and redirected me to the Office of General Counsel.asked that I have the legal conversation with them. Please provide the legal authority used by Office of General Counsel to allow for the 10% inflation adjustment include in a response the legal opinion that OGC shared with you regarding the on top of the 85% cap on county rental rates.

Once the Secretary has determined the mathematical product derived from multiplying the county average soil rental rate for cropland by 85 percent (for general CRP enrollment), the Secretary is authorized to adjust this number by the amount the Secretary considers necessary to encourage producers to enroll their land in CRP, using such factors as the Secretary deems appropriate, while considering the impact on local farmland rental markets, pursuant to section 1234(d)(1) of the 1985 Farm Bill, as amended.

3. What additional language would be needed in law to prevent USDA from going above this cap?

FSA would be happy to provide technical assistance on any legislative proposals that the committee may have with regard to CRP.

4. In your answer to me on how prime farmland ends up in the program, you focused your answer on the economic viability of farming operations and I certainly appreciate that we should be doing more to support economic viability. However, can you please answer specifically what factors might lead to prime farmland entering the CRP? By definition, prime farmland is not highly erodible. Can you also provide an assessment of the current prime farmland acreage in CRP as of FY 23 and if possible, break that out by General, Continuous or Grassland acres?

Prime farmland is often entered into CRP through the continuous CRP program. This is due to the fact that many soils adjacent to or near a river or stream are often classified as prime farmland. While these acres may be prime farmland, buffer practices on these acres prevent erosion and provide water quality benefits by filtering out harmful chemicals from entering watercourses.

In some instances, portions of prime farmland acreage can be enrolled into general CRP because they are within a field that contains other non-prime farmland. General CRP looks at the three predominant soils to determine the erodibility index (EI), which determines eligibility for general CRP. The 3 predominant soils must have an EI of 8 or greater. Producer field boundaries are not drawn based on soil type. If a producer submits an offer on a field and a portion of those acres are prime farmland but not included in the three predominant soils and the EI calculation of those three predominant soils is greater than 8, and the offer scores high enough to meet the Secretary's offer score cutoff, then the prime farmland acres would be accepted into general CRP.

Grassland CRP does not look at the soils to determine eligibility. Eligibility for grassland CRP is based on the presence of a permanent stand of grass, native or introduced.

U.S. Senate Committee on Agriculture, Nutrition, and Forestry
Farm Bill 2023: Conservation and Forestry Programs
March 1, 2023
Questions for the Record
Ms. Angela Coleman

Chairwoman Debbie Stabenow

STABENOW QUESTION 1: What is the biggest impediment to post fire restoration? Is it lack of resources (financial, staffing or authorities)?

RESPONSE: We have faced a variety of challenges such as staffing shortages, particularly with unit-level post-fire resource specialists, as well as housing availability and costs, similar to those faced by other state and federal land management agencies and our partners. Short- and long-term post-fire restoration on National Forest System lands is constrained by lack of a permanent funding authority for the Burned Area Recovery (BAR) program and the unpredictability associated with disaster supplemental funding.

Reforestation has historically been underfunded, and thanks to the new resources provided by the REPLANT act, we are implementing a National Forest System Reforestation Strategy to address the backlog of needs, which has been increasing along with the scale and severity of fires and other disturbances we are experiencing. We are adding agency staff and agreements with partners to increase capacity to address reforestation needs on NFS lands. We are also working with our Tribal, State, and non-profit partners to address cross-boundary reforestation needs. There is a continued need for investment in reforestation infrastructure across Federal, Tribal, State, and private lands. It is important to note that even with the additional funds from the REPLANT act, post-fire reforestation needs are projected to outpace available funds.

The emergency authorities contained within the Infrastructure Investment and Jobs Act (IIJA) enable the agency to conduct post-fire restoration activities more efficiently. Due to the reduced administrative requirements, timelines for environmental review can be shortened. These valuable authorities in the IIJA also enable more efficient implementation of fire prevention and emergency mitigation activities. Currently, nine projects are working towards expedited environmental review under this authority. We intend to use these authorities strategically and thoughtfully, in places with Tribal, community, and partner support, to plan and implement treatments around communities and critical infrastructure.

STABENOW QUESTION 2: How are wildlife considered along with other resources in the selection of projects under the Forest Stewardship Program? Shouldn't we be trying to more deliberately address species of greatest conservation need?

RESPONSE: The Forest Stewardship program provides technical assistance to private forest landowners to better steward and manage their land to provide a range of public benefits including wildlife habitat protection, wildlife corridors and connectivity, watershed protection,

recreational access, forest products and more. Research shows that wildlife is one of the top motivations for private forest landowners to own and manage their land.

The program provides professional management plans to landowners that enable participation in a variety of other state and federal assistance programs and incentives for conservation practices. Each management plan has required elements, including fish and wildlife, and threatened and endangered species sections that rely on information from State Wildlife agencies, U.S. Fish and Wildlife Service, and other information sources.

Wildlife is considered in the prioritization of national program delivery through the requirement that each State develop a State Forest Action Plan to assess the condition of forests within their boundaries and develop strategies to conserve working forest landscapes, protect forests from harm and enhance public benefits from forests. State Forest Action Plans incorporate data from State Wildlife Action Plans (a U.S. Fish and Wildlife Service requirement). Plan development incorporates expertise and partner engagement from wildlife agencies, conservation organizations, hunting and fishing enthusiasts, and other interests.

Ranking Member John Boozman

BOOZMAN QUESTION 1: If the Forest Service is required to stop harvesting trees over a certain age (i.e., "old growth" or "mature"), how would that prohibition impact the Forest Service's ability to manage and or restore National Forest System lands?

RESPONSE: The Forest Service currently stewards the largest amount of mature and old growth forests in the United States, and we take our stewardship responsibility seriously. A century of fire suppression and elimination of cultural burning, interacting with accelerating climate change, has resulted in many mature and old-growth forests that are highly vulnerable to forestreplacing fire. Additionally, mature and old-growth forests, like all forests, continue to be increasingly threatened by climate-amplified insect and disease damage, extreme weather and drought, and chronic stress. Conserving and adapting mature and old-growth forests within frequent-fire environments will require active management. Science-based vegetation management ensures that national forests, including mature forests, are conserved, restored, and made more climate resilient and that hazardous fuels reduction projects are targeted to effectively address the threats that wildfire, insects and disease, and climate change pose to these forests. Using every tool at our disposal to promote forest health and resilience and make communities safer means that we must increase the pace and scale of active vegetation management on our national forests when warranted. Substantial investment in wood products infrastructure - including both forest management capacity and wood products capacity - is needed to support our efforts to conserve and protect these forests for future generations.

BOOZMAN QUESTION 2: If the Forest Service is required to stop harvesting trees over a certain age (i.e., "old growth" or "mature"), what impacts would such a prohibition have on forest health, forest management, mitigating insects, diseases, wildfire, or other disturbances?

RESPONSE: See Response to BOOZMAN QUESTION 1.

BOOZMAN QUESTION 3: If the Forest Service is required to stop harvesting trees over a certain age (i.e., "old growth" or "mature"), how would the Forest Service meet all Forest Plan objectives under that scenario, as required by the Multiple Use-Sustained Yield Act of 1960?

RESPONSE: The inventory of mature and old-growth forests is showing that these groups are extensive, and while harvest of old-growth is rare, it is sometimes necessary to selectively manage vegetation within and around old-growth stands when they are threatened by fire, insects, disease, or other natural disturbances. It is often desirable to manage mature stands to achieve forest plan objectives and create a mosaic of conditions across the larger landscape that are more sustainable than what currently exists.

BOOZMAN QUESTION 4: In 2015, the Ninth Circuit Court ruled in Cottonwood Environmental Law Center v. United States Forest Service ("Cottonwood") that the Forest Service needed to reinitiate consultation with U.S. Fish and Wildlife Service following the 2009 designation of critical habitat for the Canada lynx. This decision established a new, ambiguous threshold for Section 7 Endangered Species Act (ESA) consultations. The Obama Administration asked the Supreme Court to review Cottonwood in 2016 but was denied. In 2018, Congress passed a partial legislative fix, but "new information" claims under the Cottonwood ruling continue to have damaging implications for forest management and forest plans. Since January 2016, there have been at least 28 lawsuits and 50 notices of intent to sue the Forest Service involving ESA new information claims, challenging both plan-level and project-level decisions. The previous administration published a proposed rule on January 12, 2021, to amend the U.S. Fish and Wildlife Service (FWS) and National Marine Fisheries Service (NMFS) interagency ESA Section 7 consultation regulations. The proposed revision would clarify consultation obligations for finalized forest and land management plans. What is the status of the administration's efforts to promulgate a final rulemaking to address the Cottonwood decision's impacts on Forest Service operations and Forest Plans?

RESPONSE: A pair of Ninth Circuit court decisions, commonly referred to as *Pacific Rivers Council (PRC)* and *Cottonwood* held that a new ESA listing of a species or critical habitat designation required the Forest Service to reinitiate consultation on approved land management plans because either the plan was an "ongoing action" (*PRC*) or because the agency retains discretion to authorize site-specific projects governed by the land management plan (LMP) (*Cottonwood*).

Congress enacted legislation in the FY 2018 Consolidated Appropriations Act (CAA) so that the Secretary of Agriculture did not need to reinitiate consultation on LMPs when a new species is listed, or critical habitat is designated in areas covered by LMPs less than 15 years old. The CAA also provided an exemption, or "safe harbor," for the re-initiation of consultation for five years from the enactment of the bill or when a species is listed, or critical habitat is designated regardless of when a land management plan had been adopted. Project-level consultation requirements were not affected by the CAA and remain applicable.

With the 2018 CAA's initial five-year threshold provision having expired on March 23, 2023, there are LMPs across the nation where new species listings or critical habitat determinations have occurred. Since enactment of the CAA, the Forest Service has maintained its responsibilities in

consulting with the Services on projects. Furthermore, the Forest Service believes that concerns with new information and newly listed species and their critical habitat are adequately addressed through consultation at the project level.

That said, your question regarding the status of finalizing the revised rule that was proposed in 2021 is best directed to the U.S. Fish and Wildlife Service and National Marine Fisheries Service.

BOOZMAN QUESTION 5: I commend the Forest Service for engaging in collaborative efforts with stakeholders, such as electric utility providers, to leverage capacity in addressing wildfire risks on National Forests System lands. What regulatory or statutory provisions currently impede or restrict the Forest Service from fully capitalizing on wildfire mitigation efforts with utility providers and other stakeholders, and what additional authorities or flexibilities, such as categorical exclusions or stewardship agreements, would assist the Forest Service in streamlining processes for electric utility entities to more efficiently and effectively remove felled timber and reduce hazardous fuels on National Forest System lands for the purpose of mitigating wildfire risk?

RESPONSE: USDA has invoked the emergency authority Congress provided under the IIJA (section 40807, Emergency Actions) across the 250 high-risk firesheds and specific post-fire recovery areas. The law authorizes the agency to take emergency actions to protect public health and safety, critical infrastructure, and natural resources on National Forest System lands. Using the right tools in the right places, the emergency authorities provide the Forest Service the opportunity to accelerate planning, consultation, contracting, hiring and implementation of fuels and forest health treatments across the 250 high-risk firesheds, including in powerline corridors and infrastructure. USDA is open to further engagement with Congress on this issue.

BOOZMAN QUESTION 6: How many acres and what percentage of the National Forest System lands are designated as highly restricted use areas (wilderness, roadless, National Monuments, Wild & Scenic River Corridors, etc.) that prohibit or limit commercial timber sales or fuel reduction projects?

RESPONSE: Of the approximately 193.1 million acres in the National Forest System (NFS), the Forest Service manages 36.6 million acres of Congressionally designated wilderness areas (18.9% of NFS), 58.2 million acres of Inventoried Roadless Areas (30.1% of NFS), 4.7 million acres of national monuments (2.4% of NFS), and about 1.25 million acres within the National Wild and Scenic Rivers System (0.6% of NFS). However, some designations overlap (e.g., a Wild & Scenic River corridor can occur within a designated wilderness area or national monument). While some of these designations do not generally allow for commercial timber sales—the Wilderness Act, for example, prohibits "commercial enterprise and "permanent road[s]""—fuels-reduction projects may occur under certain circumstances. For example, the Wilderness Act's general prohibitions on commercial activities and infrastructure do not apply when determined to be necessary for controlling fires and insect and disease infestation. Similarly, fuel reduction projects are permissible in Inventoried Roadless Areas (IRA) under certain circumstances. Therefore, it is not possible to identify the specific acreage or percentage

figures requested given that all Congressional and administrative classification systems all contain exceptions and factual variables that can vary over time.

BOOZMAN QUESTION 7: The Infrastructure Investment and Jobs Act of 2021 authorizes the Forest Service to make emergency determinations for emergency actions that can be used for an entire landscape either prior to or after an emergency event has occurred. Given the urgent need to initiate and complete hazardous fuels reduction projects, what is the status on USDA publishing the procedures and guidance for these new authorities, and how many projects has the Forest Service initiated using these new authorities?

RESPONSE: We are actively implementing Section 40807 of the Infrastructure Investment and Jobs Act of 2021. The Secretary determined an emergency situation (as defined by section 40807 of the IIJA) exists in 250 High Risk Firesheds, as identified in the Forest Service's Wildfire Crisis Strategy. The Secretary found that immediate implementation of emergency actions is necessary to provide relief from threats to public health and safety, critical infrastructure, and/or to mitigate threats to natural resources on National Forest System land or adjacent land including reservations and/or Tribal trust lands. This determination covers 27.7 million acres of National Forest System lands within these 250 firesheds. This enables the use of the "emergency action" authority which allows for fewer administrative procedures associated with NEPA, as authorized by Section 40807 of the IIJA.

Initial guidance for use of the "emergency action" authority was provided to the field in January 2023 with further direction from the Chief of the Forest Service issued in March 2023. For oversight purposes, approval for projects under this authority reside with the Chief of the Forest Service. The approval process is designed to ensure that this requirement does not hinder implementation of emergency actions on the ground. As of June 5, 2023, seven projects have been authorized using this authority and are in the planning phase for 226,095 acres of proposed treatment. All seven of these projects are focused on reducing hazardous fuels and reducing the risk of catastrophic wildfires.

BOOZMAN QUESTION 8: The Infrastructure Investment and Jobs Act of 2021 provided the Forest Service with \$160,000,000 for implementing Good Neighbor Authority (GNA) agreements entered into under section 8206 of the Agricultural Act of 2014 (16 U.S.C. 2113a). Previously, the GNA program has delivered numerous successful projects working through state and local governments. How many GNA projects has the Forest Service initiated with these additional funds?

RESPONSE: The highest priority for the Agency is addressing the wildfire crisis. In addition to addressing the wildfire crisis, our agency is focusing on restoring forests and maintaining resilient forests and communities in the face of climate change. The agency, state partners, counties and Tribes have recognized the significant investment made through IIJA under this provision.

We recognize the success of this program that has facilitated shared stewardship across the Agency under three hundred eighty (380) agreements in thirty-eight (38) states (as of March 30,

2023). The IIJA resulted in the largest dollar investment ever in this already successful program in FY22 (\$15,845,255) that contributed to signing of 40 new agreements.

BOOZMAN QUESTION 9: What actions is the Forest Service taking to build capacity, coordination, and partnerships with private landowners for the 2023 wildfire season?

RESPONSE: In 2019, the Forest Service moved out with larger scale shared decision making with States through a model of Shared Stewardship. The model set the stage for a focus on wildfire risk reduction at a landscape scale through cross-boundary collaboration. To achieve this intent, the agency-initiated pre-season engagements with partners to include States, Tribes, and Local Governments. The Agency has continued these practices and builds on those efforts for the 2023 wildfire season. Examples of these partnerships include state forestry agencies who have responsibility in many cases, for wildfire suppression on private lands, individual landowners, homeowner associations, and a host of other partners representing private landowners. In addition to these types of partnerships, our State Fire Assistance and Volunteer Fire Assistance are examples of programs which directly support increasing support for equipment, training, prevention, and mitigation work to support reduce risk of wildfire to private lands.

The recently announced projects with the Community Wildfire Defense Grants help greatly in wildfire risk reduction efforts. The Agency recently signed a Memorandum of Understanding with the National Alliance of Forest Owners (NAFO) to enhance cooperation between working private forests and land managers during wildfire response. This partnership will allow NAFO member companies to provide coordination of resources for initial attack in areas of adjoining ownership with National Forest System lands. Additionally, the Agency is funding approximately \$63 million in Potential Operation Delineations (PODs) work. PODs are fire management and planning units whose boundaries are defined by potential control features (e.g., roads, natural barriers) and within which fire risk to values can be quantified and summarized.

BOOZMAN QUESTION 10: What actions is the Forest Service taking to engage state, tribal, and private landowners to implement fuel breaks on cross-boundary lands?

RESPONSE: The Forest Service will fund multiple initiatives targeted at engaging state, tribal and private landowners to implement fuel breaks on cross-boundary lands. These initiatives include the funding of 21 landscapes that include the development of fuel breaks as well as funding approximately \$63 million in Potential Operation Delineations (PODs) work which will utilize fuel breaks to augment POD boundaries.

BOOZMAN QUESTION 11: What efforts are underway—or needed—to enhance cross-boundary coordination and cross-jurisdictional projects that are essential to mitigating wildfire risk? How is the Forest Service collaborating with other USDA agencies, like Natural Resources Conservation Service, to engage producers and forest landowners in these efforts?

RESPONSE: The Forest Service has a long history of cross boundary, collaborative work across all lands to reduce wildfire risk using a-variety of programs and tools to implement these types of projects. Examples include the wildland urban interface grants associated with the State Fire Assistance and authority to use hazardous fuels funding on non-federal land. These efforts,

combined with work on NFS lands, enable cross boundary mitigation efforts. Other examples of cross boundary work to reduce wildfire risk include the Agency's Collaborative Forest Landscape Restoration Program and the USDA Forest Service and Natural Resources Conservation Service's Joint Chiefs' Landscape Restoration Partnership program. The Bipartisan Infrastructure Law provided funding to stand up the competitive Community Wildfire Defense grant program designed to assist at risk communities, including Tribal communities, non-profit organizations, state forestry agencies and Alaska Native Corporations with planning for and mitigating wildfire risks. To date the Agency has awarded \$197 million to 99 project proposals across 22 states and 7 tribes during the first round of funding. In addition, the Bipartisan Infrastructure Law and Inflation Reduction Act offer additional resources to partner in new ways to tackle the wildfire crisis, at scale. Together, BIL and IRA are providing additional funding to the agency to address the wildfire crisis, restore ecosystems, address critical infrastructure needs and implement State, Private, and Tribal Forestry projects. The Agency has executed a suite of Keystone Agreements- large national level agreements- using these additional resources, to support wildfire mitigation across jurisdictions and through new and existing partnerships.

Senator Amy Klobuchar

KLOBUCHAR QUESTION 1: Over the last decade, forests in the United States have continued to sequester more carbon than they emit each year through removal and storage in forests and forest products. I will be introducing a bill called the Forest Inventory and Analysis Act to help states and non-profit organizations track carbon storage within our nation's forests and make decisions relating to climate change mitigation and adaptation through the Forest Inventory and Analysis program. Could you speak to the importance of leveraging public, private, and nonprofit support for the Forest Inventory and Analysis program?

RESPONSE: Support from partners, including universities, states, non-profits, and private citizens is critical to implementation of the Forest Inventory and Analysis (FIA) program. We estimate that partners have contributed in excess of \$100 million in matching resources over the past decade to enable successful FIA program implementation and expansion. Beyond contributing funding, partners also contribute in the following ways:

- States sponsor field crews that collect field inventory data.
- A multitude of private citizens allow access to their land for FIA to measure plots.
- Close partnerships with Forest Service Research and Development, academic
 institutions, non-profits, and members of industry help us analyze and model the data
 collected through the Forest Inventory and Analysis program.
- Mill owners and landowners help the Forest Inventory and Analysis program by
 answering surveys to refine understanding of the current status and future of forest
 carbon sequestration and pools across forest ecosystems and the bioeconomy.

Senator Michael F. Bennet

BENNET QUESTION 1: As you know, the East Troublesome and Cameron Peaks fires were devastating to Colorado communities and those downstream continue to suffer – like the city of Greeley. To prevent these mega-fires from happening in the first place, I introduced the Protect

the West Act, which makes a major investment in the restoration of our forests, grasslands, and watersheds – one that matches the scale of the challenge. Colorado faces the worst drought in 1,200 years. Extreme events, like mega-droughts and mega-fires in the West, will only get worse with climate change. Our forests need more resources to prevent fires in the first place, and for assistance and recovery after the fire happen.

- a. What steps can Congress take in the upcoming Farm Bill to ensure federal programs meet the challenge of long-term drought and a changing climate?
- b. What does an adequate financial investment in our National Forest System look like?

RESPONSE: We appreciate Congress's efforts to provide resources and tools to the Forest Service for carrying out all our important work. The Agency is going through a transformation as a result of investments made through the IRA and IIJA. Although these investments are the most significant in recent history for the Agency, the scale of work needed across the Agency, and in particular in the 50 million acres identified in the National Wildfire Crisis Strategy, require increased and sustained investments This year, Secretary Vilseck announced a \$930 million investment in 21 Wildfire Crisis Strategy Landscapes through IRA and IIJA. Chief Moore has shared that this investment only represents a down payment for what is needed to address the wildfire crisis. Over the long term, funding at a level necessary to address and maintain resilience of the nation's forests is critical to continuing to meet this challenge.

Long term drought and climate change are among the biggest stressors facing the nation's forests. The Agency and our partners are rising to these challenges through the Wildfire Crisis Strategy. In addition to the significant funding provided through IRA and IIJA, the authorities Congress provided thru past Farm Bills, and our continued ability to access and use those tools, has been and will continue to be critical to our success. We are always happy to further discuss adding tools to address the challenges facing the nation's forests.

BENNET QUESTION 2: It is my understanding the U.S. Forest Service is engaged in a collaborative effort with the electric utility industry to address wildfire risk in our National Forests. I am told a lot of progress is being made and I want to commend the Forest Service for taking initiative in this area. Would the Forest Service support statutory changes that could allow for more efficient fuel reduction efforts for electric utilities in certain Forests? If so, what should Congress consider in the upcoming Farm Bill?

RESPONSE: The Forest Service is open to working with Congress to consider possible efficiencies in the application of relevant environmental laws to hazardous fuels reduction projects near powerline facilities (electric utilities).

Senator Ben Ray Luján

LUJAN QUESTION 1: Unfortunately, wildfires are growing ever more common, especially in the West where drought remains an ongoing condition. I've mentioned several times in this committee that wildfires have and will continue to be a threat to New Mexicans and their

livelihoods and share the position that farm programs need additional flexibility and resources to better address these ever-increasing disasters. What changes do you feel need to be made to USDA disaster programs to get resources out the door faster and better support for our communities in need?

RESPONSE: One thing we have learned over the past two to three years after these catastrophic events is that we need to consolidate our post-fire recovery program so our delivery is more effective and efficient, and we need to prepare together effectively ahead of time with state and local agencies as well as other relevant federal agencies. Streamlined contracting provisions for post-disaster work would also help resolve one of the biggest hurdles in efficient and timely response.

Burned area recovery has benefited greatly in the past two years from Burned Area Rehabilitation (BAR) funds provided by the IIJA. New Mexico benefitted from over \$10 million in Forest Service BAR funding for the Hermit's Peak Calf Canyon Fire, which allows timely response for post-fire restoration.

The Farm Service Agency Emergency Forest Restoration Program (EFRP) is also a key program to support landowners after natural disasters. The EFRP has the potential for increased reforestation after natural disasters by improved utilization of the forestry resources within a state through increased coordination. The Forest Service would be pleased to be a partner in expanded coordination efforts.

LUJAN QUESTION 2: The Forest Service received \$1.5 billion for urban tree planting in the Inflation Reduction Act. How will the Forest Service use this funding to increase capacity of native seedlings that are urgently needed to address impacts from prolonged drought and wildfires?

RESPONSE: We are very grateful for the historic investment through the IRA of \$1.5 billion for our Urban and Community Forestry Program. The Urban and Community Forestry Program maintains and protects about 12 billion trees. It also works with cooperators to leverage private funding to increase and maintain tree canopy, resulting in about one million trees planted annually in American communities. The IRA investment is providing the necessary funding to assist urban communities in planting trees with a Notice of Funding Opportunity released in April 2023.

Likewise, the IIJA is providing the Forest Service the funds to establish and implement a national revegetation effort, helping us implement the National Seed Strategy for Rehabilitation and Restoration. A total of \$4.5 million is being invested in facilities in twenty-nine states, U.S. Island territories and commonwealths for forest nurseries modernization. An additional \$5.3 million will help increase native seed collection and native plant availability to restore and support resilient ecosystems on national forests and grasslands. This historic investment in nursery modernization and native seed collection will help build capacity across public and private lands to meet mounting reforestation demands and complements the recently announced \$35 million investment in Forest Service nurseries in support of the National Forest System Reforestation Strategy.

LUJAN QUESTION 3: Our land grant institutions have long faced systematic challenges in accessing the funds they require to maintain and expand critical infrastructure, such as research labs. This is particularly true for these institutions' conservation and sustainable forestry efforts, which must expand rapidly to meet ever escalating challenges, particularly in the Southwest. For example, New Mexico State University's current facilities allow for the production of 300,000 native tree seedlings per year, which falls far short of the 5 to 6 million seedlings that are needed to support effective reforestation efforts in the Southwest. The Infrastructure Investment and Jobs Act gave USDA \$150 million for ecosystem restoration on Federal lands and another \$120 million for revegetation.

How will the USDA ensure that an appropriate portion of these funds are allocated toward infrastructural investments that enable long-term capacity building, rather than just short-term programs that may have limited impacts?

RESPONSE: Much of the FY22 and FY23 investment from IIJA's ecosystem restoration section and the REPLANT Act has been focused on building long-term nursery capacity. For example, USDA recently announced that nearly \$10 million is being invested in forest nursery and native seed partnerships, thanks to funding from the IIJA. Of the total funding, \$4.5 million is being invested in twenty-nine facilities from states, U.S. Island territories and commonwealths to modernize forest nurseries, and \$5.3 million will help increase native seed collection and native plant availability to restore and support resilient ecosystems on national forests and grasslands. Together with the \$35 million investment in Forest Service nurseries in 2022, these investments will build capacity across public and private lands to meet mounting reforestation demands.

Senator Reverend Raphael Warnock

WARNOCK QUESTION 1: Georgia has more than 24 million acres of forests, 21 million of which are private working forests. The current tax code has the unintended consequence of penalizing forest landowners whose timber is destroyed by a natural disaster. Under current law, the landowner is only allowed to deduct the lesser amount of the value, the cost basis, or the adjusted timber basis, which is usually \$0 after the 84-month amortization period – only a fraction of the value of the destroyed timber. My legislation, the *Disaster Reforestation Act* (S. 217), would correct this inequity by amending the tax code to allow forest owners to deduct the value of their timber prior to the loss caused by a natural disaster.

a. As Congress considers this legislation, which I hope will be enacted into law in this year's farm bill, what administrative steps can USDA take now to support family forest landowners who experience a natural disaster?

RESPONSE: The Forest Service coordinates with the Natural Resources Conservation Service and the Farm Service Agency to provide assistance to family forest landowners. There is opportunity to explore improved coordination to deliver emergency assistance to landowners.

Leveraging state forestry agency capacity and relationships is especially effective for servicing non-industrial private forest landowners post-disaster.

State forestry agencies have long term relationships with forest landowners and are often the first place where landowners go for assistance. These state agencies already provide technical assistance for the Farm Service Agency Emergency Forest Restoration Program (EFRP), which the Forest Service helps to coordinate. The EFRP has the potential for increased reforestation after natural disasters by improved utilization of the forestry resources within a state, including service foresters, agency partners, and the State Forest Stewardship Committee. This coordination with state forestry agencies could provide an efficient process for identifying natural disasters and soliciting applications for landowners to receive financial and technical assistance for disaster recovery.

WARNOCK QUESTION 2: The U.S. Forest Service's Forest Inventory and Analysis (FIA) program is a critical source of national forest data. Without accurate, verified data on forests and carbon from FIA, there is not a reliable standard to understand and evaluate the carbon in U.S. forests

a. Does the FIA program have the Congressional mandate and a strategic plan necessary to accurately measure and account for the carbon stored in our nation's forests?

RESPONSE: The Renewable Resources Research Act directs the Agency to make and keep current a comprehensive survey and analysis of the present and prospective conditions of renewable resources of the forests and rangelands of the United States (Section 3(b)(1) of the Forest and Rangeland Renewable Resources Research Act of 1978. P.L. 95-307). FIA's most recent Strategic Plan was written in response to the direction in the 2014 Farm Bill. Updates that specifically mandate the collection and analysis of data associated with all forest carbon pools and associated harvested wood products, and that clarify the timing and direction for writing FIA strategic plans, would improve the value and effectiveness of the FIA program. We would like to work with the committee on how both these areas could be clarified in future legislation.

b. What resources or authorities does the FIA need to meet increasing demand for more accessible and frequently measured forest carbon data?

RESPONSE: The FIA program currently collects as much carbon data as possible with current funding levels. We welcome the opportunity to discuss these trade-offs, as well as opportunities to enhance field protocols and sampling density to more accurately and comprehensively reflect all forest carbon pools.

c. How can FIA harness new technologies like remote sensing to meet this demand?

RESPONSE: Over the past five years, Forest Inventory and Analysis (FIA) staff continued to work with remote sensing technologies to find ways to be more efficient in data collection and analysis for state and national level forest inventories. Remote sensing technologies are now routinely used to support data collection and analysis. The ongoing collection and analysis of FIA field plot data are essential to calibrating remote sensing tools and ground truthing the data

they collect. Working with our state partners, associated universities, and other federal agencies, including NASA, we found that remote sensing tools increase the accuracy and efficiency of the nationwide forest inventory.

Senator John Fetterman

FETTERMAN QUESTION 1: What is the Forest Service doing in Pennsylvania to conserve and protect national forests, and what updates to the Farm Bill could help you best serve the diverse needs of Pennsylvania's natural lands and timber industry?

RESPONSE: The Allegheny National Forest has a long history of conserving and protecting forests through collaboration with partners. The local national forest staff and Pennsylvania Department of Natural Resources Bureau of Forestry have worked together since 2018 to accomplish work under the Forest Service's Good Neighbor Authority (GNA) to improve forest habitat. The Allegheny National Forest has received \$330,000 through Good Neighbor agreement funding. Continued investments in GNA will increase the scale of opportunity on the Allegheny National Forest.

Reforestation in Pennsylvania can help meet the future needs of the state, including its watersheds and forestry sector. This work includes planting trees on former mined land and riparian buffers. Using IIJA funding and a partnership with the National Fish and Wildlife Foundation, the Forest Service is helping to support a project to reestablish 300 acres of private forest in Clearfield and Jefferson counties.

The Forest Stewardship Program is also a critical program in Pennsylvania, supporting private landowners. Working with the Pennsylvania Department of Conservation and Natural Resources and the James Finley Center for Private Forests, more than 33,000 landowners received education on how to care for their land. Over 250,000 acres are managed by private landowners using plans developed by the Forest Stewardship Program. These plans guide the landowner in the activities that they can do to keep their forests healthy and productive.

Senator Tommy Tuberville

TUBERVILLE QUESTION 1: The current tax code has the unintended consequence of penalizing forest landowners whose timber is destroyed by a natural disaster. Under current law, the landowner is only allowed to deduct the lesser amount of the value, the cost basis, or the adjusted timber basis, which is usually \$0 after the 84-month amortization period or only a fraction of the value of the destroyed timber.

a. While this legislation is outside of the scope of USDA and would fall under the IRS for implementation, will you commit to working with the IRS and Congress to ensure that we address this shortcoming in the tax code for our family forest landowners? RESPONSE: The Forest Service would be pleased to contribute subject matter expertise to this issue.

b. Do you have suggestions to improve the current tax code to help ease the burden on forest landowners when a disaster strikes?

RESPONSE: At this time, we do not have specific tax code suggestions, but we would be pleased to assemble relevant expertise to work with the Senator on this topic. We do consider ways to streamline landowner participation in USDA programs. For example, the Forest Service assists in the administration of the Farm Service Agency's Emergency Forest Restoration Program (EFRP) by coordinating state-delivered technical assistance to private landowners after disasters. Changes were enacted to EFRP in 2023 to eliminate the requirement that landowners must deduct payments from salvaged timber from financial assistance. Review of practices and procedures are ongoing to find efficiencies for streamlining reimbursement to landowners after disasters.

TUBERVILLE QUESTION 2: Ms. Coleman, what is the Forest Service's plan to expand wood markets and implement \$100 million provided under the Inflation Reduction Act (IRA) for Wood Innovation Grants?

a. What is the Forest Service doing to promote robust wood products markets and expand Wood Innovation Grants so that the timber and wood products industry stays strong?

RESPONSE: The <u>Wood Innovations Grants Program</u>, launched in 2015, stimulates, expands, and supports U.S. wood products markets and wood energy markets to support the long-term management of National Forest System and other forest lands. National focus areas include mass timber, renewable wood energy, and technological development that supports hazardous fuel reduction and sustainable forest management.

The Community Wood Grant Program, launched in 2020, provides funding for grants to install community wood energy systems or to build innovative wood product manufacturing facilities. The Forest Service expects renewable wood energy systems installed under this program to use the most stringent control technologies. The program places extra emphasis on assisting sawmills in economically challenged areas to retool or add advanced technology. In Fiscal Year 2022, the Forest Service awarded over \$32 million in grants for 99 projects using these two authorities. In February 2023, we announced a Funding Opportunity for these programs, offering \$41 million to spark innovation and create new markets for wood products and renewable wood energy.

These grant programs direct supporting near term market development for wood products and wood energy and near-term facilities investments to strengthen the wood products industry. As an example, the mass timber program has generated new markets for lumber in the country to expand opportunities in commercial, institutional, and multifamily construction that have been typically constructed from non-wood materials.

On April 6, 2023, USDA announced that \$33.7 million from the IIJA will fund projects to strengthen the wood products economy and promote sustainable forest management. This

investment supports a crucial link between resilient, healthy forests and strong rural economies and jobs in the forestry sector, especially in communities that depend on national forests and grasslands to grow and thrive. Of this amount, \$29 million is to establish, reopen, or improve businesses that purchase and process these byproducts from projects on federally managed or tribal lands at risk of wildfire, insects, and disease. More than two thirds of the funded businesses will use byproducts from forest restoration and hazardous fuels reduction on landscapes identified in the Wildfire Crisis Strategy.

b. How is the agency planning to broaden the Wood Innovation Grants to increase participation?

RESPONSE: The Program has increased outreach for Wood Innovations grant through direct contact to states, state wood industry staff, industry associations, Tribes, universities, and other potential applicants. The FY 2023 program included expanded funds from annual appropriations, the IIJA, and Inflation Reduction Act, resulting in over 200 applications, a significant increase over FY 2022. The program is an inclusive program to support broad participation in wood products and wood energy. Strong markets for all wood products support forest management, and the program is working to support that connection.

TUBERVILLE QUESTION 3: Ms. Coleman, over 93% of Alabama's forests are privately owned and our state forestry agency, the Alabama Forestry Commission, has employees that are trusted resource professionals for many of those landowners in the state. Like all states, our forestry commission led the update of our State Forest Action plan in 2020, which serves as a crucial guide to addressing the most serious threats to the forests in our State. In the Infrastructure Investment and Jobs Act (IIJA), Congress provided funding to the Forest Service to then fund the states to implement those new State Action Plans.

a. How important are Forest Action Plans to your agency and how are you implementing the infrastructure bill funding?

RESPONSE: State Forest Action Plans are important foundational planning documents that will underpin mission delivery, including IIJA and IRA delivery. We will leverage State Forest Action Plans as much as possible, relevant to each IIJA provision. However, there are instances where State Forest Action Plans may have gaps (for example, tribal land may not be included) and therefore additional planning information and engagement processes will be valuable for achieving legislative intent.

b. Is there anything this Committee can do in the Farm Bill to help further the goals of the Forest Action Plans?

RESPONSE: State Forest Action Plans provide an assessment of forest conditions and outline priorities and strategies to ensure healthy trees and forests into the future. They are updated at least every 10 years with input from partners and stakeholders and are required for states for eligibility for cooperative assistance. These plans leverage the power of local on-the-ground

knowledge to strategically assess the forest areas that have the greatest need or highest value so we will get the most out of every dollar invested.

The Forest Service is working closely with States to align State Forest Action Plans with work under the agency's 10-year Wildfire Crisis Strategy where feasible to meet cross boundary objectives. The Forest Service continues to see significant value from State Forest Action Plans, in partnership with States.

TUBERVILLE QUESTION 4: Wildfire risk reduction work, especially across ownership boundaries between federal, state, and private lands is critical in states like Alabama.

a. Is there sufficient funding in the annual appropriations process to meet the demand for cross-boundary wildfire risk reduction work?

RESPONSE: The Agency is grateful for the opportunities provided in the BIL and IRA to increase the pace and scale of our wildfire risk reduction and land management work. These investments are a critical down payment to the Agency's overall funding which is needed to truly meet the need of the wildfire crisis across the country. The Wildfire Crisis Strategy outlines the need to treat approximately 20 million acres on NFS landss. Continual funding will be needed to maintain these acres in a state of reduced fire risk.

The Wildfire Crisis Strategy calls for an additional 30 million acres to be treated on non-NFS lands to ensure adequate cross boundary wildfire risk reduction work. The Agency will continue to use appropriate funding sources to focus on the full implementation of the Wildfire Crisis strategy, utilizing programs such as State Fire Assistance, the Community Wildfire Defense Grant Program, Landscape Scale Restoration, and Cross-Boundary Hazardous Fuels funding to treat non-NFS lands in close coordination with work on federal lands. The wildfire risk reduction needs on non-NFS lands are greater than the authorized funding currently available. We look forward to working with the Committee to address this gap in funding and increase our Agency's ability to meet cross boundary wildfire risk reduction work. This cross-boundary focus is important in states such as Alabama with mixed ownership landscapes.

b. Would additional authorities and funding for cross boundary hazardous fuels work be helpful in achieving the agency's goals for treating non-federal lands as part of the wildfire crisis strategy?

RESPONSE: The Agency continues to use all the tools in the toolbox to accelerate our wildfire risk reduction work at a pace and scale to address the wildfire crisis. Funding in programs such as State Fire Assistance, Community Wildfire Defense Grants, and authority to use hazardous fuels funding on non-federal lands supports a comprehensive strategy for reducing wildfire risk. We look forward to working with the Committee to address the gap in funding and increase our Agency's ability to meet cross boundary wildfire risk reduction work.

c. If yes, how could such funding be useful for state agencies and partners in accomplishing this work? RESPONSE: The Forest Service is grateful for the support the agency has received to address the wildfire crisis, including support from the IIJA as well as the Inflation Reduction Act. This funding is the start to a long-term investment needed to address the wildfire crisis in our nation. We would be happy to talk to Congress about additional authorities for cross boundary work to help achieve our goals.

Senator John Thune

THUNE QUESTION 1: The Reforestation Strategy highlights the economic and environmental benefits of healthy forests, but the Forest Resources Association estimates there is a five-year backlog in tree planting, including wildfire recovery.

a. Congress has passed legislation like the REPLANT Act to help nurseries, but does your agency have the labor resources to reforest National Forest System lands?

RESPONSE: The increasing scale and severity of fires has stretched current capacity and funding to address the full reforestation backlog and need. We are increasing the number of agency staff and agreements with partners to expand capacity to address reforestation needs on Forest Service lands.

The Forest Service and our partners rely upon a limited pool of contractors to support the majority of reforestation activities across public and private ownerships. To successfully address increasing reforestation needs, a full range of opportunities to expand capacity should be considered.

b. If not, would you support expanding H-2B visas for tree planting and conservation if we cannot find this labor locally?

RESPONSE: The Forest Service does not use the Department of Labor (DOL) H-2B Temporary Labor Certification Program to hire Federal employees. However, the agency is aware that some of its contractors use H-2B workers to support a range of activities such as thinning, planting, nursery work, by-hand fuels and forest management work, timber management and other reforestation objectives, including labor for seed collection, nursery production, planting, and postplanting tending.

The U.S. Department of Agriculture recognizes stakeholder concerns about the H-2 programs. To address labor shortages in agriculture, USDA is offering a new grant program that also improves working conditions for both U.S.-based workers as well as H-2A agricultural workers. Moreover, Secretary Vilsack has supported bipartisan efforts that balance the needs of industry for certainty and access to a labor supply while also ensuring worker protections.

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