American Farmland Trust

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Request for Public Input About Implementation of the Inflation Reduction Act Funding

Dear Chief Cosby:

American Farmland Trust (AFT) is pleased to submit these comments regarding the implementation of funding included in the Inflation Reduction Act (IRA). The IRA's investment in NRCS conservation programs provides an historic opportunity to advance the adoption of climate-smart agricultural practices across the nation, giving America's farmers and ranchers a once-in-a-generation chance to combat the threat of climate change. However, this opportunity is flanked by an equally remarkable challenge, as the agency must substantially ramp up program delivery over the span of just four years. AFT's recommendations are aimed at helping NRCS efficiently, effectively, and equitably deploy funding across the nation, with the goal of supporting *all* farmers and ranchers—regardless of race, gender, production system, region, or farm size—in successfully adopting climate-smart practices to support their bottom line and build resilience to, and mitigate, climate change.

Founded in 1980, AFT takes a holistic approach to agriculture, focusing on the land itself, the agricultural practices used on that land, and the farmers and ranchers who do the work. AFT has a 40-year history of engaging in research, providing technical assistance to producers, and working collaboratively with NRCS, and is currently engaged in numerous cooperative agreements with the agency. This depth of experience gives AFT unique insights into the challenges that NRCS will face, as well as how it can overcome them. In the spring of 2022, AFT hosted 14 regional workshops with over 300 attendees to hear from farmers, ranchers, technical service providers, and others about the challenges they face when accessing or working with NRCS programs, as well as opportunities to improve them. AFT's recommendations in this comment reflect the findings from these workshops; the expertise of AFT's policy, programs, and research teams; and the recommendations made by other trusted non-governmental organizations (NGOs).

Current demand for NRCS programs and services far outstrips capacity. IRA funding provides a timely opportunity to quickly expand the agency's ability to support adoption of practices that mitigate climate change. In order to expend the IRA funding within the four-year window, however, NRCS will need to find ways to both further incentivize producers to adopt

these practices, and to increase the speed at which the agency can award contracts and grants. Many of the following recommendations are focused on up-front work that will help NRCS develop long-term systems to efficiently deploy these dollars, including recommendations around streamlining programs.

As NRCS recognized in the request for information (RFI), partnerships will be a critical tool for effectively awarding IRA funding. However, they offer a wider range of benefits than simply more hands on deck. Partnerships also offer an important opportunity for NRCS to serve farmers and ranchers who have been unable to access existing conservation programs, particularly historically marginalized farmers (defined in this document as aligning with NRCS' definition for "socially disadvantaged," which includes Black, Indigenous, and People of Color [BIPOC] producers) and women, and to capitalize on innovative or tailored ground-up approaches to technical assistance.

The IRA funding also represents a singular opportunity for USDA itself to support producers who have historically been—and still are—excluded from conservation programs. AFT recommends that NRCS use existing authorities to incentivize program enrollment, build NRCS staff diversity (especially among technical assistance providers), simplify program applications, and more. AFT also urges NRCS to find ways to overcome the inherent tension between the agency's need to award contracts to larger operations for the sake of efficiency and the importance of supporting small operations.

Finally, many of the following recommendations try to address the complex reality that climate-smart practices can take years for their full suite of climate, environmental, and economic benefits to be fully realized. Without long-term adoption, these practices may only show a sliver of their full mitigation potential, and these benefits can be lost when the practice is no longer maintained, or land is converted out of agriculture. Below, AFT recommends ways that NRCS can not only provide incentives for longer-term practice adoption, but also build systems that will help producers maintain practices long after the contract ends. And while the IRA focuses on practices that mitigate climate change, AFT has also included recommendations to support adoption of practices that build resilience to current climate impacts on agriculture. Additionally, it will be critical to permanently protect more farmland and ranchland to retain the climate benefits produced by the agricultural sector and avoid conversion to land uses that produce high emissions.

This is one of three comments submitted by AFT in response to this RFI. This document responds to Question 4 and Question 5 (presented out of order below) outlined in the RFI on program delivery and partnerships. A second document covers the role of ACEP-ALE in climate mitigation. A third document covers Question 1 and Question 3 on quantification systems and how best to target IRA funding.

Question 5: How can NRCS expand capacity among partners to assist in providing outreach and technical assistance to support the implementation of IRA funding?

The successful implementation of the IRA will rest on having adequate technical assistance (TA) to help producers successfully apply for financial assistance and implement climate-smart practices. At present, the lack of available TA is one of the greatest barriers producers face in considering, adopting, and maintaining climate-smart practices. TA serves many

purposes, including outreach and help with applications, providing basic information, teaching farmers new techniques, and supporting adoption and maintenance of practices.

While NRCS has worked diligently to increase hiring in recent years, staffing remains below ideal levels for current program delivery. This capacity challenge will only be exacerbated by the addition of IRA program funding if steps are not taken to increase capacity and streamline program delivery. Fortunately, NRCS already has tools for leveraging external capacity, including cooperative agreements and its Technical Service Provider (TSP) Program. In addition to supporting more producers in adopting practices and participating in conservation programs, partnering with more external TA providers, especially community-based organizations that can provide culturally relevant services, can help NRCS reach producers and landowners who have been historically underrepresented in USDA programs.

Increase Investment in Cooperative Agreements to Provide Conservation Technical Assistance and Outreach

Additional cooperative agreements between NRCS and non-governmental organizations (NGOs), conservation districts, private sector entities, and other qualified groups will be essential to meeting the technical assistance and outreach demands for successful implementation of IRA funding. In addition to filling traditional NRCS staffing roles, such partnerships offer an opportunity to explore alternative and innovative approaches to education and support, such as providing culturally-relevant support or developing peer-to-peer networks of producers or landowners.

Cooperative agreements are also an opportunity to expand the reach of NRCS programs to new audiences. For instance, partnerships with organizations focused on serving historically marginalized producers, as well as non-English speaking producers, can expand NRCS program participation to equitably achieve the IRA goals of climate-smart practice adoption. These partnerships are critical to reaching communities that may not be familiar with NRCS program opportunities and/or have long-standing distrust of USDA.

Partnerships could also help reach other critical demographics. Women, for example, are underrepresented in NRCS programs. Between 2015 and 2020, NRCS awarded just 16 percent of conservation contracts to women, while only 2 percent went to women of color, even though 36 percent of the nation's producers identify as women.[i, ii] Non-operating landowners are another important community for engagement. 40 percent of agricultural land is rented, with even higher rates in some regions, including the Midwest.[iii] Many renters may only be on an annual lease, providing little incentive to make the longer-term investment necessary to reap the full benefits of conservation practices. Partnerships can help to address this by working with organizations poised to provide specialized outreach to renters and landowners.

Fortunately, there are numerous positive examples of cooperative agreements addressing these aforementioned concerns that are ripe for expansion and for serving as a model for other agreements.

Recommendation: Develop new cooperative agreements and partnerships, and expand upon those that already exist. NRCS should engage in additional cooperative agreements with NGOs and other entities as a means of expanding technical assistance capacity, including program outreach, conservation planning, and implementation of

conservation practices. Entities should be experienced in providing TA to producers and should have existing relationships and networks with the communities that they serve.

AFT, for instance, already serves in this capacity in multiple states. Through a cooperative agreement in Massachusetts AFT provides training, soil classification, conservation planning and contracting, and financial assistance implementation for NRCS. Currently, AFT's "Furthering Agricultural Conservation Planning" program supports seven AFT planners who work collaboratively with NRCS field staff. As of September 2022, AFT planners had completed over 200 Conservation Plans and assessed over 200 Applications for Financial Assistance. Currently, planners are working with nearly 100 clients, and are developing over 50 new Conservation Plans. Collectively, they are providing, or have previously provided, assistance on 30,876 acres across the commonwealth.

Recommendation: Increase the use of cooperative agreements to reach audiences underrepresented in NRCS conservation programs. In addition to expanding climate-smart practice adoption, IRA funding can be used to further advance equity through strategically targeted cooperative agreements. Such agreements must be collaboratively crafted with community-based and BIPOC-led organizations to ensure they support the needs of each organization, and enable them to work with the communities they are proposing to serve. This will be especially important in reaching BIPOC communities who may distrust USDA.

AFT has led innovative outreach efforts to women landowners and farmer-renters through its Women for the Land Initiative. This program conducts tailored outreach to these women to educate them about conservation program options and to develop the foundational peer support and confidence they need to successfully engage with USDA programming. The Initiative uses a peer-to-peer, interactive educational format called "learning circles" to effectively engage women landowners, farmers, and aspiring farmers. This type of approach could be replicated by community-based organizations to serve additional farmers currently underrepresented in NRCS programs.

Recommendation: Establish cooperative agreements in each state as part of a national initiative to develop and build capacity for peer-to-peer networks to support climate-smart practice adoption. Farmers frequently struggle to find appropriate information regarding the specifics of how to successfully implement a practice. Given that farmers often prefer to seek information from other farmers, peer-to-peer networks are critical to reducing uncertainties, particularly those related to perceived risks to yield, labor costs, and product quality that can prevent farmers from trying a new practice. In a recent survey, AFT found that most farmers already get technical assistance and education directly from other farmers, and about a third identified a consultation with an experienced farmer as one of the most helpful forms of technical assistance.

Cooperative agreements are a prime opportunity to build peer-to-peer networks, since NGOs can leverage existing relationships to get them off the ground. An example of peer-to-peer outreach can be found in AFT's upcoming work in Massachusetts and Connecticut. In these states, AFT will use NRCS funding to bring together small cohorts of farmers who will collaborate to develop their own soil health management plans. As a group, the farmers will attend classes and receive hands-on instruction, learning about NRCS-approved conservation practices, how to map their property, how to take soil samples, and more. Learning from one another's past experiences and expert help, they will design their own conservation plan to be

submitted to NRCS for potential EQIP funding.

Such peer-to-peer efforts should be expanded through IRA funding with the establishment of a national peer-to-peer initiative. As part of a national initiative, each peer-to-peer cooperative agreement holder could be responsible for building peer-to-peer opportunities within their defined area, including by:

- Learning from those willing to share about their existing peer-to-peer networks and opportunities in order to provide referrals and identify related gaps in current services.
- Seeking and providing peer-to-peer facilitation[1] training and resources to build the skills of network members, including research-informed approaches and bottom-up learning and cross-training on group facilitation practice and adult education pedagogy.
- Maintaining and promulgating a list of groups or contacts coordinating peer-to-peer events, networks, and opportunities, with matchmaking mentor/mentee listings as appropriate.
- Administering "Peer-to-Peer, Grassroots, and Building Re-Grants" to facilitate the growth of peer-to-peer networks, with funding available to small-scale efforts, particularly those that reach historically marginalized producers, without match requirements.

Recommendation: Invest in State ACEP-ALE Coordinators. The cost-shared ACEP-ALE coordinator concept started in Montana several years ago and has expanded to Washington and Texas. The model has resulted in increased coordination between NRCS and eligible entities on document reviews and application tracking. Strategic investments in these types of shared positions, which might include coordination around easements in RCPP projects as well, could greatly improve ACEP-ALE's overall functionality and allow NRCS and its partners to deploy resources more efficiently while maintaining the necessary standards for public accountability.

Recommendation: Provide greater flexibility on allowable overhead for cooperative agreements. The current cap on allowable overhead for cooperative agreements can make it challenging for partnering organizations to conduct this vital work while meeting their essential costs. This limits both the organizations that can participate as well as the depth of the support they can provide. NRCS should explore additional flexibilities on overhead to enable broader participation, including offering waivers to standard practices such as match requirements or reimbursement policies. This may particularly assist community-focused and BIPOC-serving organizations. Although they otherwise have the expertise and relationships to reach historically marginalized producers, they also tend to be smaller and have less ability to conduct cooperative agreements without the ability to recoup their full costs.

Remove Barriers in the Technical Service Provider (TSP) Program

Farmer demand for TA has long outpaced the ability of federal staff to provide it, which led to the creation of the TSP program. The TSP program adds TA capacity by certifying and contracting with third-party service providers. This program expands the reach of NRCS and allows producers to learn from providers who have local agronomic knowledge. Unfortunately,

[1] Facilitation is a specialized skill that is cultural, situational, and language-relevant. There are many ways to do this right.

there is wide recognition that the program has not lived up to its potential. The certification process can be lengthy and onerous. Even when individuals receive certification, many TSPs find that they are given little or no work from NRCS, and that the payment rates for their work are insufficient and below that of other NRCS partners doing comparable work.

The TSP program could help NRCS award IRA funding to producers in a highly impactful and efficient way, if the issues hampering its growth and effectiveness are fixed. The Keith Campbell Foundation for the Environment recently commissioned an assessment exploring actions to address technical assistance constraints, which includes a series of recommendations to NRCS to help the TSP program live up to its potential. AFT selected the following recommendations from the report, which it believes are especially well-poised to address NRCS' immediate needs based on feedback AFT received in its Farm Bill workshops.

Recommendation: Examine current barriers to provider certification and deployment. Initiate a comprehensive review of existing NRCS policy and remove barriers to increasing the availability of additional technical service providers. Factors for evaluation should include course requirements as well as course availability.

Recommendation: Expedite and simplify the TSP certification process. Such measures should include recognizing state licensure and other state laws and/or requirements, as well as private sector professional certifications, as meeting the qualifications for TSP certification. NRCS should also reduce the 60-day NRCS review period for TSPs certified by an approved entity to no more than 10 business days.

Recommendation: Increase TSP payment rates. Technical Service Payment Rates are universally derided by the private sector technical service community. Producer-acquired TSP payment rates are paid through Financial Assistance funds which are generally capped at 75-to-90 percent of the actual costs. This means that either producers must pay the difference to the TSP or the producer-acquired TSPs must discount their rates in order to get work. Additionally, TSP payment rates vary widely between states, even for the same practice in adjacent states.

Question 4: How should NRCS streamline and improve program delivery to increase efficiencies and expand access to IRA funded programs and projects for producers, particularly underserved producers?

Although they are critically important, conservation programs can be a challenge to access and use, often requiring that a producer have ample time, knowledge of NRCS programs, existing relationships with employees, that they operate a farm or ranch large enough to take advantage of economies of scale for cost-share, and other factors. In order to deploy new IRA funding in a timely manner, NRCS will need strategies to simplify and speed up application processes, make programs more attractive and accessible for all producers, and fill staff vacancies as quickly as possible.

In addition, NRCS must find ways to support producers in long-term adoption of climate-smart practices—especially those that also have environmental co-benefits such as supporting water quality and quantity. Some benefits, especially carbon sequestration, can be lost if a conservation practice is not maintained or if the land on which that practice is employed is converted out of agriculture. This means that NRCS should ensure that practices supported by IRA funding are prioritized on permanently protected agricultural land and are fully

incorporated into a farm's long-term management system by contract completion. In particular, this includes supporting farmers with adequate and appropriate financial and technical assistance through the 5-10 year transition period. This will not only provide long-lasting environmental benefits, but will be a more effective use of federal money.

Streamline and Clarify the Application Process, and Expedite Funding for Climate-Smart Practices

NRCS conservation programs provide essential support for adopting climate-smart practices. However, the current application process can be so burdensome as to create a barrier to program access, requiring a significant amount of time and paperwork as well as general program knowledge. In fact, these barriers can be enough to deter producers from applying in the first place. Even when producers are determined to apply, they can wait for well over a year to find out whether or not their application was funded while applications are batched and ranked.

Streamlining the application process could also help NRCS advance its equity goals. Applications can be a challenge even for well-resourced and experienced producers, but small-scale and low-income producers, historically marginalized producers, and young and beginning producers are at a particular disadvantage. This may be due to greater constraints on their time, not being able to access applications, information, and support in their native language, a general lack of knowledge about NRCS processes and established relationships with NRCS agents, and more.

Recommendation: Fast-track climate-smart practices, bundles, and enhancements for funding. Following the model of the 2021 Cover Crop Initiative, NRCS should use threshold scoring to rank applications for more climate-smart practices, immediately funding those that are above the threshold. These thresholds must be program-neutral, and must not disadvantage historically marginalized or small-scale producers. NRCS can also assign additional points to, adopt national ranking criteria for, or ask questions that support, applications that include climate-smart practices.

Recommendation: Perform a comprehensive analysis to determine where slow-downs in application and/or contracting processes occur, and develop and implement an action plan to ensure that programs function efficiently to meet the needs of producers. Having a better system-wide understanding of application and contracting bottlenecks will help NRCS to most effectively intervene and streamline programs. This up-front work would help reduce bureaucratic burdens for NRCS staff and producers, increase farmer interest in programs, and help to more effectively meet conservation goals, especially in future fiscal years when IRA funding authority is set to exponentially increase.

Recommendation: Develop an entry-level program application. A simplified, "entry-level" application could enable more small-scale and historically marginalized producers to apply for conservation programs in ways that are particularly relevant for their unique needs.

Recommendation: Increase accessibility of program applications. NRCS should ensure that program applications are available in a wide variety of languages at the same time that they are released in English, remove program acronyms from promotion materials, and remove unnecessary jargon and overly technical language as much as possible. Alongside

advancements in culturally-appropriate TA, these steps will help to ensure that programs are more accessible, and that funding is awarded to more diverse producers across the country.

Expand Program Participation by Adjusting Payment Rates for Climate-Smart Practices

Although all producers want to be the best possible stewards of their land, they must balance environmental goals with economic realities. Some climate-smart practices provide important GHG, water quality, and wildlife benefits, but have little economic benefit for producers. These include structural practices such as anaerobic digesters, edge-of-field practices such as riparian buffers, and wildlife practices such as planting pollinator habitat.

Producers are also facing significant economic pressure due to inflation, global conflict, lingering pandemic impacts, and more. According to USDA ERS, the nationwide cost of production has increased dramatically, with the cost of intermediate product expenses excluding operator dwellings (e.g., fertilizer, electricity) increasing 21 percent from 2019 to 2022. The cost of fuel has also increased significantly, with diesel prices rising 77 percent in just three years.[iv]

In some cases, payment rates may only work for larger operations that can take advantage of economies of scale. In other cases, payment rates do not take local realities into account, such as when farmers must rely on expensive residential contractors to do work (e.g., install fencing), because they lack access to services geared towards agricultural needs.

Recommendation: Reexamine payment rates for climate-smart practices. In light of inflation, financial barriers to adoption, increased demand for products and services, varying cost differences by state, and other factors, payment rates for climate-smart practices should be reexamined and adjusted accordingly to maximize the ability for these programs to serve a wide variety of producers.

Recommendation: Increase payment rates for climate-smart practices, especially those that are underutilized or have a lower return on investment for producers. While some climate-smart practices have a relatively high return on investment for producers, those practices without significant direct benefits for producers (e.g., edge of field practices) may require higher financial support to encourage more widespread implementation.

Recommendation: Provide higher payment rates for lower-acreage farms and ranches. Small and midsized operations do not have the benefit of scale in implementing conservation practices, thus higher payment rates should be set for these operations. NRCS could consider using a tiered payment system, for example, offering a higher per-acre payment for the first 100 acres for climate-smart practices whose payment rates are provided on a per-acre basis.

Recommendation: Promote upfront automatic payments to all producers who are eligible. While upfront payments are allowed for some producers, the availability of this option has not always been well-advertised or utilized. NRCS should take steps to ensure that eligible producers are aware of this option.

Recommendation: Increase payment rate transparency. Currently, some enhancement and practice rates are not disclosed until months into the application process. Considering

that payment rates are sometimes too low to merit the time required for the application, it is important to disclose rates as early in the application process as possible.

Incentivize Long-Term Adoption of Climate-Smart Practices for Maximum Climate Impact

Long-term adoption of climate-smart practices, with implementation far outlasting the duration of any contract, should be the ultimate goal of NRCS working lands programs. Unfortunately, it can be a challenge to get farmers through the transition period with enough financial and technical support to ensure successful long-term adoption and incorporation into their production systems. Research shows that the agronomic benefits of soil health practices like cover crops can take years to become evident.[v] Additionally, this transition period can be economically volatile. While producers engage in the trial-and-error period necessary to determine how best to take advantage of a practice within their fields, they may experience yield fluctuations and other impacts from management changes.

Greater availability of longer-term (five- or ten-year) contracts would give producers time to engage in this "trial and error" process and get to the point where they see the economic and agronomic benefits of the practices. Following this longer period of support, farmers would be more likely to maintain practices without the need for additional NRCS support.

Recommendation: Use IRA funding to increase use of EQIP Conservation Incentive Contracts (CIC). Created in the 2018 Farm Bill to provide 5-10 year EQIP contracts, EQIP-CIC can help farmers adopt soil health practices through difficult transition periods with enough time for practice investments to provide tangible benefits.

Re-examine and Expand the List of Approved Climate-Smart Practices and Provide Greater Support for Climate Resilience Practices through Non-IRA Conservation Program Funding

Through the IRA, Congress directed NRCS to make funds available for practices and enhancements that "directly improve soil carbon, reduce nitrogen losses, or reduce, capture, avoid, or sequester carbon dioxide, methane, or nitrous oxide emissions, associated with agricultural production." The FY2023 edition of the Climate-Smart Agriculture and Forestry (CSAF) Mitigation Activities List provides some clarity on which practices and enhancements might fit that definition and thus be eligible for IRA funding. But the understanding of how different practices support climate goals is continually evolving.

Currently, the list of NRCS-approved CSAF practices is focused on practices that will help to mitigate climate change. While this is important, it does not account for certain complexities. First, the list must be regularly updated to keep up with scientific understanding. This means adding new practices when applicable, and recognizing that the adoption of bundles of synergistic practices often provides climate benefits greater than the sum of its parts. Second, the list must include practices that *enable* climate-smart actions to occur in the first place, such as the need for irrigation in order to enable cover crops, or fencing to enable rotational grazing. Third, farmers must be supported in building resilience to the ever-increasing impacts of climate change.

Recommendation: Make all CSAF practices eligible to receive IRA funding, with an emphasis (e.g., awarding higher points on applications) on those that also help

producers adapt to climate change and/or provide environmental co-benefits. The practices on the CSAF list are included because they provide quantifiable mitigation benefits. Therefore, these practices should be eligible for IRA funding.

Recommendation: Update the CSAF list regularly to include all relevant, scientifically-informed strategies to achieve IRA goals. For example, the Soil Carbon Amendment practice (336) was published in the National Handbook of Conservation Practices in November 2022. This practice should be added to the CSAF mitigation activities list and should be eligible for IRA funding (see AFT's quantification comments for more details).

Recommendation: Incentivize the adoption of systems of CSAF practices that magnify climate mitigation benefits when adopted together. By identifying and incentivizing adoption of synergistic bundles of practices, NRCS can magnify and enhance the benefits of each one. These systems of practices can be incentivized by awarding increased points or increasing payment rates when such practices are grouped into one contract (e.g., adopting conservation tillage and cover crops together to increase carbon sequestration). This will also help NRCS continue to understand and promote the beneficial impact of adopting synergistic practices within a comprehensive management system.

Recommendation: Expand the CSAF practice list to include practices, enhancements, and bundles that *enable* the adoption of climate-smart practices. IRA funding should not be limited to the existing list of CSAF practices, but should include practices that, when bundled with CSAF practices, *enable* climate mitigation to occur. For instance, grazing management often first requires fencing, and in-field practices undertaken in the arid West, such as cover crops, require sufficient access to water. Although water conservation or irrigation practices do not directly reduce GHG emissions, they allow farmers to address climate change impacts, stay in production, and adopt climate mitigation practices. For example, irrigation water management (449), system improvements (441), groundwater recharge (815, 817), and surface water conveyance practices (430, 587, 533) help conserve water resources and facilitate the adoption of vegetative practices (e.g., cover crops, conservation cover) that produce biomass and sequester carbon, as well as other practices supporting soil, water, and air quality resource concerns. AFT has an RCPP project in the San Joaquin Valley aimed at resilience related to water that could serve as a model for this effort.

Recommendation: Empower local experts, researchers, and state offices to identify practices, enhancements, and bundles that will enable producers in their region to contribute to climate mitigation. In many parts of the arid and semi-arid West, the potential for carbon sequestration does not match the opportunities in humid climates on an acre-to-are comparison. However, these landscapes can still be enhanced through climate-smart management systems that address long-term carbon sequestration, functional water cycles, and biodiversity. The current CSAF practice list does not sufficiently support producers in arid regions in adopting climate-smart systems. Advancing climate-smart approaches in the West will rely on holistic, ecosystem-level approaches that include, but are not limited to: irrigation water management, forest and watershed health improvements (e.g., prescribed burning to reduce the risk of catastrophic wildfire), riparian and wet meadow restoration, herbaceous weed control through targeted grazing, and stream restoration and other measures to enhance drought resilience.

Recommendation: Work with USDA Climate Hubs to develop "Regional Resilience" lists of practices and enhancements that will help producers adapt to the extreme

weather and climate change impacts that are already occurring, like flooding, drought, and wildfires. In AFT's 2022 Farm Bill workshops, producers shared stories of revenue and land loss from extreme weather and the emotional and financial toll this is already taking on their farms and families. An upcoming report from AFT which modeled the expected impacts of climate change on apples, wheat, and corn through 2040 reveals a sobering picture of what is to come for farmers and food production even if carbon neutrality goals are achieved by mid-century. The NRCS list of CSAF mitigation practices has been useful in highlighting the practices that mitigate climate change, and has also been used by state agencies, researchers, farmers, and service providers working to meet climate goals. If NRCS were to create a parallel list highlighting regional adaptation and resilience practices, bundles, and systems, it would provide needed expertise to these groups on how conservation programs can best support farmers and ranchers in adapting and building resilience to the changes already occurring.

Recommendation: Provide additional support through non-IRA conservation program funding for practices that improve climate resilience but do not qualify as "climate-smart." NRCS should target Farm Bill program funding from EQIP and CSP toward practices on the Regional Resilience lists that are not on the CSAF list, or otherwise eligible for IRA funding. This will ensure USDA continues to address the immediate challenges farmers are facing related to climate change while also dedicating resources to necessary climate mitigation.

Increase Collection and Reporting of Practice Implementation and Producer Demographics

Data collection and analysis is an important aspect of impactful NRCS programs. Data on program participants helps to identify participation barriers, track changes in participation, target interventions to increase equity and inclusion, and inform new programs. Data on practice adoption and outcomes will help to show the interest and impact of specific practices and programs over time on GHG reductions and other environmental benefits. While NRCS already collects this data, its reporting could be improved by providing it publicly in a timely manner, and in a sufficiently detailed and disaggregated way to inform policymakers and other stakeholders.

Recommendation: Report disaggregated information on application and awardee demographics. Additional transparency about applicant and awardee demographics, disaggregated by race and gender, will help NRCS track progress toward advancing equity in programs. Alongside other efforts to build trust, and without increasing producer paperwork burdens, NRCS should publicly report on the producers that applied for, and received, technical assistance and funding by race and gender, farm size, and income level. This reporting will help determine how equitably producers are being served, and how NRCS can continue to advance equity within these programs in the future.

Recommendation: Report on climate-smart practice adoption. With new IRA funding, NRCS is charged with facilitating a major increase in climate-smart practice adoption. NRCS should make sure to carefully track these practices and measure and report on their outcomes, including but not limited to climate mitigation. NRCS should also track practice adoption and measure impact in a way that does not double-count practice acres in instances where one farm has multiple contracts. Data should be shared with other agencies that track climate mitigation efforts (e.g., EPA, DOI).

<u>Recommendation</u>: Advance the understanding of changes in practice adoption over time. USDA should collect additional information about climate-smart practice adoption in the Census of Agriculture and by other annual means. Measuring and reporting on changes over time will help policymakers, technical service providers, researchers, farmers, and others celebrate advances and identify areas for improvement to maximize impact in the future.

Improve and Increase NRCS Staffing to Provide Additional Support to All Producers

Successfully and efficiently implementing IRA funding is contingent upon NRCS having sufficient, skilled staff to conduct outreach, evaluate applications, provide on-the-ground services to producers, and more. Insufficient staffing has been one of the main reasons that NRCS is not able to reach all producers who may be interested in adopting conservation practices. The lack of staffing can slow and complicate the application process, with applicants sometimes waiting well over a year to hear whether or not their application was funded, or to receive a return phone call. Farmers may also receive inconsistent services, with some producers finding the application process bureaucratic, confusing, and challenging. Understaffing limits the agency's ability to conduct proactive outreach to producers, and staff turnover makes it challenging for producers to build relationships with their local agents.

Finally, insufficient staffing means less technical assistance in the field. The main barriers to conservation practices adoption include cost, perceived risk, and the lack of knowledge about how to adopt a practice in a way that works for the farm and climate. The only way to overcome these barriers is with expert, hands-on support, including from NRCS technical assistance providers, and financial assistance. Without access to the support they need, producers may not experiment with the practices that could ultimately benefit their operations and the environment. Or, if they do experiment, they may have limited success in implementing a practice and in the process, set both themselves and their community back, as failures and warnings are shared just as often as success stories.

This surge of IRA funding also represents a critical opportunity to diversify NRCS staffing, which will help the agency provide better services and reach additional audiences. Having a diverse workforce, and particularly having technical assistance providers with similar backgrounds as the farmers with whom they work, will improve the quality of the agency's work, and ensure that programs are equitably implemented.

<u>Recommendation</u>: Hire additional NRCS staff, placing special emphasis on diversifying the agency's workforce. NRCS should continue its efforts to rapidly expand its workforce to ensure effective IRA implementation. This surge in staffing is also an opportunity to prioritize the hiring and retention of BIPOC, women, and multilingual field staff and technical assistance providers which will enable USDA to reach and better serve additional audiences.

<u>Recommendation</u>: Increase training opportunities and requirements for NRCS employees. Continuing education is important to ensure that NRCS employees and other service providers are providing high-quality, consistent services to producers across the nation. Trainings should include: how to successfully implement climate-smart practices on different operations and in different climates; issues of special importance to historically marginalized producers (e.g., heirs' property, indigenous land titles); cultural competency; and

implicit bias training. These trainings could be housed in a reestablished NRCS Training Center and made available to TSPs and cooperative agreement holders.

<u>Recommendation</u>: Build the pipeline of conservation professionals. To ensure a strong applicant pool, NRCS should invest in today's students so they may become tomorrow's service providers. This could include offering more NRCS apprenticeships and internships, and partnering with universities and vocational schools to develop curricula that would make students competitive for NRCS jobs. This could also help NRCS cultivate a more diverse talent pool and staff, especially by working in relationship with Historically Black Colleges and Universities, Tribal colleges, Hispanic-serving institutions, community colleges, and programs that support socially disadvantaged populations such as MANNRS, HEAL Food Alliance School of Political Leadership, National Black Growers Council, National Women in Agriculture Association, and others.

Streamline RCPP and Support Additional Partner Technical Assistance and Outcome Tracking

The Regional Conservation Partnership Program (RCPP) is USDA's premier public-private partnership program for conservation activities. Created in the 2014 Farm Bill and substantially expanded and improved in the 2018 Farm Bill, RCPP can be a critical contributor to climate-smart practice implementation while allowing groups to work in coordination and leverage additional public and private funding. Because it was designed to provide greater flexibility than other conservation programs, RCPP can also help drive conservation innovation by enabling partners to work on a broader landscape scale and experiment with novel approaches to conservation delivery.

However, RCPP is experiencing numerous challenges in efficiently administering projects. In some cases, it can take up to two years between project announcement and launch. The proposal process imposes numerous burdens on partners, and guidance from NRCS can vary widely from state to state. The transition of RCPP in the 2018 Farm Bill from being supported by other conservation programs to having its own distinct funding has also created new challenges in implementing agricultural conservation easements within RCPP. Furthermore, there remain opportunities for NRCS to provide more robust support to RCPP awardees in developing, tracking, and reporting outcomes as requested by Congress.

Programmatic Partnership Agreements & Supplemental Agreements

While due diligence is essential for RCPP administration, the process of creating Programmatic Partnership Agreement (PPAs) and Supplemental Agreements (SAs) has become overly burdensome for both NRCS staff and partners, severely delaying the implementation of the projects and the beneficial impacts that they can have for producers, the climate, and the broader environment. Such barriers must be addressed to maximize the climate impact of IRA RCPP funding.

<u>Recommendation</u>: Establish a deadline for finalizing the Programmatic Partnership Agreement (PPA). Contract negotiation can take up to two years after an award is announced. NRCS should establish a deadline, ideally of six months, between award and project initiation. If the deadline is not met through no fault of the project partners, then the provisions included in the original award should be honored.

<u>Recommendation</u>: Maintain consistent reimbursable activities. What is allowed for reimbursement has sometimes changed over the life of projects, leading partners to essentially donate a larger share of project costs than anticipated. Activities that are noted as reimbursable in the Notice of Funding Opportunity should remain reimbursable throughout the PPA. In addition, more training on NRCS tools should be provided to project partners, and these trainings should be a reimbursable activity.

<u>Recommendation</u>: Establish clear national guidance on PPAs and SAs. Partners have reported significantly different processes in how their PPAs and SAs have been managed from state to state. National guidance for PPAs and SAs should be issued to establish clearer and more uniform standards across the county, including providing template agreements. This guidance should seek to simplify RCPP processes. Training on this guidance should be provided to NRCS staff to improve program administration consistency; training should also be offered to current awardees and prospective program applicants.

<u>Recommendation</u>: Simplify amendments to PPAs and SAs. RCPP projects involve numerous partners and can span five years, during which time there are likely to be multiple changes in the project which might necessitate amendment. However, the current amendment process is complex and absorbs an undue amount of time for both NRCS staff and for partners, leading to delays in payments as well as services and, consequently, outcomes.

General Administration & Technical Assistance

RCPP can better serve producers by enabling partners to provide additional technical assistance, by raising the award cap, and by ensuring that RCPP is part of NRCS State Office performance metrics.

<u>Recommendation</u>: Allow increased partner involvement in technical assistance. RCPP is designed to supplement NRCS technical assistance capacity by enabling partners to engage in producer outreach and practice adoption. The strict limits on the amount of TA that can be included in an RCPP application, and the burdensome process for both NRCS and partners to distinguish between and track Enhancement and Implementation technical assistance, is at odds with this goal. To help ensure that the IRA RCPP funding is spent efficiently and effectively, NRCS should raise the allowable proportion of TA in an RCPP application and award, and have the type of TA being provided to producers determine the appropriate proportion of technical assistance relative to financial assistance.

<u>Recommendation</u>: Raise the RCPP award cap. The $10 million limitation is administrative and included in the solicitations. The agency has the latitude to set a new cap or upper award limit. Given the increased funding through IRA and the opportunity it offers to pursue innovative stacked conservation projects that combine agricultural land protection and cost-shared climate-smart conservation practices, the agency should increase the maximum award limit.

<u>Recommendation</u>: Add RCPP to NRCS State Office annual performance metrics. Effective delivery and implementation of RCPP should be included as part of NRCS National and State Office annual performance metrics to ensure accountability and progress in implementing the program.

Protecting Agricultural Land Through RCPP

The transition of RCPP to a standalone program in the 2018 Farm Bill — rather than one supported by other conservation programs — has created new complexities in the treatment of working lands conservation easements. AFT understands that just *one* RCPP-funded conservation easement has closed under the 2018 Farm Bill authority. We encourage NRCS to adopt program efficiencies that can help to speed delivery of program benefits on the ground.

Recommendation: Recognize ACEP-certified entities and enable the use of their approved easement templates. Entities certified under ACEP-ALE should be recognized as certified for the purpose of easement acquisitions under RCPP and should be allowed to use their ACEP-approved easement templates for RCPP. Requiring experienced entities to negotiate entirely new easement deed templates for similar projects is unnecessary and diverts precious NRCS staff resources that could be better deployed elsewhere. Standardization with ACEP would increase enrollment and utilization of RCPP funding.

Recommendation: Require administrative coordination between ACEP-ALE and RCPP projects utilizing entity-held easements. Currently, RCPP and ACEP-ALE easements are administered under entirely different regulatory processes. This creates confusion for eligible entities, private conservation funders, and landowners. Coordinated administration will allow for efficient review and contracting, consistency in easement terms (or consideration of appropriate exceptions), and more effective implementation.

Recommendation: Increase cost-share amounts for RCPP easements. The cost-share limitations for RCPP are set by agency policy, not statute. The governing concept has been that the federal cost-share does not exceed the maximum rate offered under the comparable Farm Bill program. The Department should reassess this limitation with respect to easements like ACEP-ALE and increase the allowable cost-share for certain projects.

Quantification of RCPP Project Outcomes

Measuring the environmental outcomes associated with RCPP projects is critical for demonstrating the many benefits of conservation practices. Congress underscored the importance of outcomes tracking for RCPP in both the 2018 Farm Bill and the IRA. Such efforts could be significantly improved by NRCS offering additional guidance to partners on available outcomes estimation tools and methods as well as additional data to partners relevant to practices implemented in their project area.

Recommendation: Provide greater assistance for partners in quantifying project outcomes. USDA can do more to equip partners to quantify project outcomes, including by holding partner meetings focused on quantification, highlighting available tools and methods for modeling and monitoring outcomes, and building bridges between tool developers and project implementers. AFT has developed an example of this type of resource with its recent report: *A Guide to Water Quality, Climate, Social, and Economic Outcomes Estimation Tools*.

Recommendation: Provide RCPP project managers with clear and timely practice data relevant to the project area. As an RCPP project partner, AFT has experienced challenges obtaining relevant practice data for EQIP and CSP, such as which practices are being newly adopted in the project areas as a result of the RCPP project, and which practices were already implemented and where, and for how many years prior to the initiation of the

RCPP project. In the case of CSP, it would be helpful not just to have access to practice data, but to also have access to data differentiating new practices from existing practices in each contract. Without this information, it is difficult to accurately estimate project outcomes.

Recommendation: Align quantification systems and protocols between RCPP and the Partnerships for Climate-Smart Commodities (PCSC) and allocate quantification funding directly to RCPP projects. NRCS rightly prioritizes RCPP awards to projects that commit to quantifying outcomes. As it implements IRA and PCSC projects, the agency should make sure that past and future RCPP project managers are included in the following outcomes quantification advances the agency might initiate to (a) establish minimum dataset collection protocols for GHGs, soil health, and/or water quality indicators; (b) create an interoperable database of practice adoption and measured outcomes data; (c) update the 2003 NRCS National Water Quality Handbook and the 2014 GHG monitoring guidance in collaboration with EPA and USGS; and (d) share those existing monitoring protocol resources and the AFT Outcomes Estimation Tools Guides as interim resources that RCPP managers can use to measure and model their project outcomes.

Conclusion

Thank you for the opportunity to submit comments on the implementation of IRA funding and for your consideration of these recommendations. AFT looks forward to working with NRCS to support IRA implementation and advance the adoption of climate-smart agricultural practices across the nation.

Respectfully submitted,

American Farmland Trust

[i] USDA NRCS. Req99_21_NRCSGender_Race_Data_FY15toFY20.xls (Obtained under the Freedom of Information Act (2021-NRCS-00935-F) from USDA NRCS; requested as "materials on race and gender identify of NRCS program recipients from 2015-2020" January 2015-2020; received January 2021.)

[ii] USDA NASS, "2017 Census of Agriculture: Highlights: Female Producers." 2019. https://www.nass.usda.gov/Publications/Highlights/2019/2017Census_Female_Producers.pdf.

[iii] D. Bigelow, A. Borchers, and T. Hubbs, "U.S. Farmland Ownership, Tenure, and Transfer." USDA ERS, August 2016. https://www.ers.usda.gov/webdocs/publications/74672/eib-161.pdf?v=5125.9

[iv] U.S. Energy Information Administration "Petroleum and Other Liquids." https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=EMD_EPD2DXL0_PTE_R20_DPG&f=M

[v] Sustainable Agriculture Research Education, "Cover Crop Economics." June 2019. https://www.sare.org/wp-content/uploads/Cover-Crop-Economics.pdf