

SOIL IS OUR COMMON GROUND





A CALL FOR REGENERATION

Healthy soil is the foundation of American resilience and prosperity, yet each year we are losing 4.6 tons of American agricultural soil per acre, at a rate 10 times faster than its being replenished. Costing farmers and ranchers \$44 billion annually, and taxpayers nearly \$100 billion, the loss of healthy soils is an agricultural and economic threat. Regenerative agriculture is the solution.

Regenerate AmericaTM is a coalition-led campaign by farmers, ranchers, nonprofits, experts, companies, and citizens committed to rebuilding America's soil by making regenerative agriculture a centerpiece of the 2023 Farm Bill.

The 2023 Farm Bill is our opportunity to empower farmers and ranchers nationwide to adopt regenerative agriculture practices. These proposals and recommendations laid out in this policy platform, developed by the Regenerate AmericaTM coalition, will provide 100,000+ farmers and ranchers the resources and support to transition 100 million more acres toward regenerative agriculture across the country by 2030.

Key Opportunities in the 2023 Farm Bill:

- Advance conservation programs, education and technical assistance to support producers in building soil health and transitioning to regenerative agriculture
- Increase producer access to flexible capital for investing in soil health management systems through loan deferments and other means
- Increase research on soil health and regenerative agriculture and related extension support for producers
- Remove barriers and recognize the risk reduction benefits of soil health in crop insurance
- Rebuild and advance regional infrastructure, processing and markets for regenerative producers

Regenerative agriculture enables farmers and ranchers to rebuild healthy soils, in turn revitalizing our lands, growing healthier communities, and bringing opportunity and security to this generation and generations to come.



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EDUCATION & TECHNICAL ASSISTANCE

Conservation programs are very popular with agriculture producers, yet programs have faced cuts and have not kept pace with increasing demand. The next Farm Bill must provide the support producers need.

In 2022, three in four farmers who applied to access conservation programs were rejected.

Current conservation programs are not only underfunded and oversubscribed, but they also lack the essential technical support producers need to successfully rebuild land function, reduce dependence on costly inputs, and address resource concerns. The 2023 Farm Bill's Conservation

Title (Title II) must put farmers back in the driver's seat to build back America's soil.

By providing much needed training to the U.S. Department of Agriculture (USDA) and its technical service providers, and improving overall Conservation Technical Assistance (CTA) delivery, we can improve profitability and financial independence for farmers and ranchers; revive family farms and rural communities and increase food quality and security; sequester carbon; increase biodiversity; replenish fresh water sources; and building resilience into our lands.

Policy Recommendations:

- Increase education and training for producers to successfully implement soil health practices
- Develop and implement a new train-the-trainer, "Healthy Soils and Regenerative
 Agriculture Training Program" under CTA,
 for all NRCS staff and TSPs. Utilizing cooperative agreements with leading soil health/regenerative agriculture experts, develop a curriculum that includes input reduction methods such as diverse species cover cropping, mechanical termination, and adaptive grazing techniques. See full train-the-trainer proposal here.
- Direct NRCS to develop education and training resources for producers on healthy soil and regenerative practices (i.e. soil health and regenerative agriculture basics), and increase farmer outreach, including on where and how to access soil health equipment. See full education and training resources proposal here.

- Prioritize partner-driven soil health pilot projects and farmer-to-farmer networks through the Regional Conservation Partnership Program (RCPP). See full farmer-to-farmer networks proposal here.
- Make adjustments to conservation programs to support soil health and regenerative agriculture
- Develop a streamlined system to adopt new practice standards. Task NRCS's Science and Technology deputy area with developing a faster, more transparent process. <u>See full</u> <u>streamlining conservation proposal here</u>.



EDUCATION & TECHNICAL ASSISTANCE

Develop new programs necessary for improving soil health and helping farmers transition

- Support the NO EMITS Act to:
 - Establish a Soil Health Transition
 Incentive Program under EQIP
 - Establish a State Assistance for Soil
 Health Program and provide \$100 million
 a year out of Conservation Stewardship
 Program (CSP) funds for matching grants to
 States or tribes for state soil health programs.
 - Carve out 1% of conservation funding to provide technical assistance
 - Double funding for the Conservation Innovation Grants On-Farm Trials from \$25 million to \$50 million.
- Establish a Soil Health Equipment Grant
 Program to provide grants to producers to
 purchase soil health equipment, and to entities
 that support producers to increase accessibility
 and adoption of soil health practices by lending equipment out to producers and providing
 essential training and technical assistance. See
 full soil health equipment proposal here.

See full Conservation recommendations here.



Alicia Arcidiacono, Pacines Ranch

ACCESS TO FLEXIBLE CAPITAL

Government conservation programs alone are not meeting the need to reverse soil loss. Agriculture producers across America need greater access to patient, flexible, and affordable capital to scale up, diversity products, and sell into new climate smart and regenerative markets.

The Credit Title (V) must allow the Farm Service Agency (FSA) to unleash more private capital and support farmers and ranchers seeking to adopt soil health practices and transition to regenerative agriculture by offering deferments on FSA loans and piloting innovative Alternative Lender Projects.

ACCESS TO FLEXIBLE CAPITAL

Policy Recommendations:

- Support the Deferments to Expedite
 Financing of Essential Resilience (<u>DEFER</u>)
 Act
- Authorize the Secretary of Agriculture to allow all FSA direct loan holders to have the dollars they spend in transitioning to, or investing in, soil health management systems (specifically costs directly related to the implementation of existing approved conservation practices, including eligible equipment costs) be eligible for immediate loan deferments. Allow for up to 50% of the annual payment amount to be deferred.
- Reauthorize and <u>update</u> FSA's Cooperative Lending Pilot Projects
- Expand eligibility requirements to include other qualifying lenders, prioritizing climate smart agriculture and/or underserved producers; increase the cap on microloans; increase the pool of available guarantees from \$10 million to \$25 million; direct FSA to review all guaranteed loans to assess feasibility of adoption of the lending strategies. Draft legislative text here.

RESEARCH ON SOIL HEALTH

Research, education, and technical assistance are crucial for successful implementation of regenerative, soil health-building practices at scale, because funding for conservation practices and programs alone do not guarantee success for the farmer. Producers need accurate information about soil health and access to tools and technical support to make decisions for their operations.

Increasing research on soil health and regenerative agriculture, and providing associated extension support for producers, would help farms and ranches of all sizes transition to regenerative practices that rebuild soil health, help bridge the gap between research and success on the ground, and ensure that research is implemented effectively to benefit producers.



RESEARCH ON SOIL HEALTH

Policy Recommendations:

Increase research on soil health and regenerative agriculture, & provide associated extension support to producers to advance and better communicate research and evidence of soil health impacts.

- Develop and support regional farmer
 -to-farmer regenerative agriculture and
 soil health networks through the USDA's
 National Institute of Food and Agriculture
 (NIFA) Program (e.g. under the Sustainable
 Agriculture Research and Education (SARE)
 Program or Extension) or Climate Hubs. See full
 farmer-to-farmer networks proposal here.
- Direct USDA to develop soil health
 measurement systems to advance research
 on agriculture climate impacts. See full soil
 health measurements system proposal here.

Support the Federally Recognized Tribes
 Extension Program (FRTEP) to increase
 technical assistance on Tribal lands. Create
 pilot projects that research and validate
 Indigenous agricultural knowledge (IAK),
 Traditional Ecological Knowledge (TEK) and
 Indigenous farming practices. Develop tribal
 agriculture databases to share the benefits of
 Indigenous-led projects.

See full Research recommendations here.



CROP INSURANCE ADJUSTMENTS

The data is very clear that better soil health reduces production risks. But today, farmers applying conservation practices that build soil health and de-risk their operations are actually disadvantaged in receiving crop insurance. These disincentives mean rising costs for taxpayers, who cover 60% of the bill.

The Farm Bill must remove outdated barriers in the Federal Crop Insurance Program (FCIP) and create voluntary incentives that recognize the risk-reduction benefits of soil health practices. With over 90% of US cropland enrolled in the FCIP, we must continue to protect American farmers by helping them reduce very real weather and climate related risks through the voluntary adoption of soil health practices. This is how we keep the FCIP strong in the 21st century, because without action, the cost of the program will rise by as much as \$4.2 billion annually - over 75% of insurance payouts are related to weather risks, with flood and drought alone representing over 60% of payouts.

Investing in soil health is investing in the future of the crop insurance program in America.

CROP INSURANCE ADJUSTMENTS



Policy Recommendations:

- Pass common sense, bipartisan bills that remove barriers preventing farmers from reducing on-farm risk.
- Reintroduce and support the bipartisan
 Cover Crop Flexibility Act (S.1458) to remove
 the prohibition on harvesting or grazing cover
 crops on prevented planting acres, and allow
 the USDA to adjust insurance factors pursuant to
 research on how cover cropping affects
 prevented planting and potentially lower
 premiums for farmers using cover crops.
 - Direct RMA to make educational resources and training available (including through interagency cooperation with NRCS) to producers on how to successfully implement cover crops and other soil health practices.
- Support the bipartisan Agriculture
 Innovation Act of 2022 (S.98) with the
 changes below to improve use of USDA data,
 including Risk Management Agency (RMA)
 data, in research and risk assessment.
 - Incorporate data into actuarial tables, and risk mitigation policies.

Direct RMA to study the program impacts of accounting for the risk-reduction value of soil health practices (e.g. cover crops, reduced tillage, crop rotations, etc.) in actuarial tables.

- Advance voluntary incentives that help farmers reduce risk.
- Reintroduce and support the Conservation
 Opportunity and Voluntary Environment

 Resilience Program (COVER) Act (H.R. 8527)
 to make the popular, voluntary Pandemic Cover
 Crop Program permanent, providing a premium discount for planting cover crops. This will create an unprecedented opportunity for RMA to quantify the economic benefits of cover cropping at scale in order to better assess how to incorporate those savings into risk assessment.

See full Crop Insurance recommendations <u>here</u>.

ADVANCE REGIONAL INFRASTRUCTURE

U.S.-based companies are looking to source inputs from farmers using regenerative methods with an eye towards reducing financial and supply chain risks, while responding to consumer demand. Today, 60% of US consumers want to be able to choose a product that is better for the environment, but companies trying to meet this demand are faced with the "missing middle" of the supply chain: inadequate aggregation services and lack of processing and manufacturing infrastructure.

U.S. farmers and ranchers who are growing, or want to grow, products in a regenerative manner need to be able to reach value-add markets. From their end of the supply chain, suppliers are stymied by the lack of aggregation services and processing infrastructure. The missing middle blocks producers' access to new and value-added markets, including markets that are looking for the environmental attributes that come from USDA-NRCS conservation practices.

Building the "missing middle" of the agricultural supply chain is essential to ensure producers can meet growing demand while reducing dependence on foreign inputs and providing local food security during times of crisis.

Policy Recommendations:

Support the Local Farms and Food Act of 2023

- Reduce VAPG matching requirement from 50 to 25 percent for applications from beginning and socially disadvantaged producers with an Adjusted Gross Income of \$250,000 or less.
- Increase funding for the Local Agriculture
 Market Program (LAMP) from \$50 million per year to \$75 million per year.



Support the Strengthening Local Processing Act of 2023

 Advance local markets and food systems by establishing grant programs to support small and very small meat and poultry processing establishments, expanding career training, and other mechanisms.

Make permanent the Meat & Poultry Intermediary Lending Program, Meat & Poultry Expansion Program, and Food Supply Chain Loan and Guaranteed Loan programs authorized by the American Rescue Plan Act (ARPA).

Regenerate AmericaTM is a bipartisan coalition united around the understanding that **soil is our common ground**, **and our common good**.

Visit regenerateamerica.com to learn more.