House Committee on Agriculture, Land Use, Natural Resources, and Water Oregon State Capitol 900 Court Street NE Salem, Oregon 97301

April 18, 2023

Chair Helm, Vice-Chairs Hartman and Owens and members of the Committee on Agriculture, Land Use, Natural Resources, and Water:

I'd like to provide additional information about opportunities for leveraging federal match in HB 3124, the Bipartisan Drought Relief and Water Security Package (BiDRAWS), specifically in the soil health sections of BiDRAWS.

The soil health provisions in BiDRAWS would leverage federal funds in multiple ways: <u>Direct to farmers:</u> enabling them to access NRCS conservation funds, which require cost share <u>For farm service providers</u>: providing required cost share for Regional Conservation Partnerships grants <u>Directly to the state</u>: USDA's State Assistance for Soil Health, which would require state match

Here's more detail about each of those federal match opportunities:

## Match for farmers

Natural Resources Conservation Service (NRCS) programs that provide financial support *directly to farmers* to implement stewardship practices, including soil health: There is an influx of funding through the Inflation Reduction Act for federal conservation programs including:

- Conservation Stewardship Program (CSP) at \$3.25 billion (nationally)
- Environmental Quality Incentives Program (EQIP) at \$8.45 billion (nationally)

These are cost-sharing programs that require a match from the farmer. The grants for soil health provided through the Oregon Agriculture Heritage Program could provide that cost share, enabling farmers to access that federal funding.

## Match for farm service providers/ technical assistance providers

Natural Resources Conservation Service (NRCS) programs for farm service providers: Regional Conservation Partnership Program (RCPP), received \$4.95 billion dollars through the Inflation Reduction Act. RCPP funding is intended for projects that implement innovative conservation approaches or technologies (including soil health practices), build new partnerships, and leverage the flexibility offered by this program. This is a program of NRCS that requires a match at least equal to the federal investment. The technical assistance grants for soil health provided through the Oregon Agriculture Heritage Program could provide that cost share, enabling farm service providers to access that federal funding.

## Match for the State

The Agriculture Resilience Act (HR 1840/S 1016) is a marker bill intended for inclusion in the 2023 Farm Bill. It includes a provision *that would match state investments in soil health funding.* The provision would provide grants to states with existing soil health programs. Here is a summary of the marker bill language: Sec. 304 - State Assistance for Soil Health: "Creates new USDA grants to state and tribal governments to improve soil health on agricultural lands by funding the development or implementation of state or tribal soil health plans. Implementing an approved soil health plan can include funding for any combination of technical assistance, financial assistance, R&D, education and training, and monitoring and evaluation. The federal grant is capped at \$1 million for projects to develop or modify a state or tribal soil health plan and \$5 million for projects to be used for evaluation. The new program is funded at \$60 million per year (FY2024-25), \$80 million (FY2026-27), and \$100 million (FY2028 and thereafter)."

Please support and advance HB 3124, the Bipartisan Drought Relief and Water Security Package (BiDRAWS), with the soil health provisions, so farmers, farm service providers and the state can access these federal matching funds.

Megan Kemple, Oregon Coalition to Advance Soil Health