

FARM BILL 2023 Priorities & Policies



As the climate changes, farmers, ranchers, and foresters are concerned about the increasing threat of physical hazards, such as drought, flooding, and wildfires (Majkut et al., 2021). Many have been early adopters of innovative sustainable land management practices that simultaneously protect against physical hazards and help mitigate climate change. The next Farm Bill should enable producers to further develop natural climate solutions.

Farm Bill Priorities Woodwell Climate Research Center urges considerations of policies to 1) ensure carbon markets are credible, 2) utilize the Conservation and Forestry Titles for climate solutions, 3) reduce wildfire risk, 4) increase eligibility and usage of crop insurance, and 5) increase research capacity.

Below are details on priorities and policy provisions for the next Farm Bill, based on our areas of expertise.

1 Ensure Carbon Markets are Credible (Titles II & VII)

Carbon markets can provide financial benefits to producers and land managers while supplying environmental benefits to all Americans, such as reducing greenhouse gas (GHG) emissions. Carbon markets place a value on carbon stored in agricultural and forest lands, creating a credit that can be bought or sold. With the increasing emergence of voluntary carbon markets, we must ensure implementation includes transparent standards for measuring, reporting, and verifying (MRV) credits, which will allow for the long-term viability of carbon crediting programs and avoid double counting (McGlinchey et al., 2021). Currently, there are a variety of protocols for carbon credits that utilize different approaches, making it difficult to compare credits and guarantee a net reduction in GHG emissions (Oldfield et al., 2021).

The Growing Climate Solutions Act (GCSA) is an excellent start for creating carbon markets for farms across the country. The GCSA was included in the 2023 omnibus spending package and the concepts there can be carried forward in the next Farm Bill.

Policy Provisions

- A | The United States Department of Agriculture (USDA) should establish a national soil monitoring program analogous to the United States Forest Service's Forest Inventory and Analysis National Program, which would provide consistent baselines and accounting methodology.
- B | The USDA should also create a carbon bank. It would complement private sector actions by facilitating the establishment and administration of an MRV program, reducing uncertainties associated with carbon markets. Current research networks, such as the USDA Agricultural Research Service's Long-term Agroecosystem Research Network, land-grant institutions, and climate hubs can provide support for a modeling benchmark effort (with additional funding, see priority 4).
- C | The potential financial benefits of carbon credits should be made widely available, including in historically marginalized communities. Historical discrimination within the USDA against marginalized communities should be addressed as directed by the Justice for Black Farmers Act.

2 Utilize the Conservation and Forestry Titles for Climate Solutions (Titles II & VIII)

The Conservation and Forestry titles of the Farm Bill should encourage natural climate solutions. Many conservation programs, including the Conservation Reserve Program (CRP), Conservation Stewardship Program (CSP), and Environmental Quality Incentives Program (EQIP), already incentivize climate-smart practices. Most programs, however, are oversubscribed. Funding and enrollment should be increased to meet both producer demand and climate stewardship needs.

Climate-smart goals, such as reducing GHG emissions and improving soil health, should also be eligible activities under conservation programs. These practices also have significant co-benefits, such as improving soil water retention and increasing resilience. Similarly, the Healthy Forests Reserve Program (HFRP) and other incentive-based voluntary programs in the Forestry Title should increase funding and enrollment and include climate-smart practices as eligible activities.

Land naturalization is also key to achieving needed natural climate solutions. This could be accelerated by increasing enrollment for land retirement and easement programs, such as the CRP, HFRP, and Wetlands Reserve Easements.

Policy Provisions

- A | Increase funding for all three types of conservation programs—land retirement, working lands, and easement programs—to meet 100% of existing enrollment demand.
- B | Add GHG emissions reductions or climate change to the purpose, goal, or list of practices of conservation programs.
 - a | For CSP, add climate stewardship practices to the list of practices that can receive supplement payments as directed in the Climate Stewardship Act (CSA).
 - b | For EQIP, add GHG emissions reduction to the list of conservation activity plans.
- C | For easements and land retirement, prioritize contracts that are regrowing forests along rivers at risk of increased flooding due to climate change. These lands will create additional co-benefits, such as natural flood defense, wildlife corridors, and more nutrients.
- D | Increase enrollment ceiling for the CRP to 40 million acres by FY2028, including doubling the current number of acres enrolled in the Grassland Conservation Reserve Program.
- E | Increase funding for CRP's Transition Incentives Program, which offers two more years of CRP funding if the owners rent or sell land to underserved producers who commit to conservation practices.
- F | Allow for management-intensive rotational grazing on CRP land, which prevents degradation of soil and ecological function.
- G | Increase funding of the HFRP by matching the funding increase set by the Inflation Reduction Act for the Agricultural Conservation Easement Program.
- H | Create a program for private landowners to receive a financial incentive for undertaking sustainable forest management as directed by the CSA or Rural Forest Markets Act. The program should prioritize contracts with the largest carbon potential. This program could be similar to the Wildlife Habitat Incentive Program, which was not reauthorized in the 2014 Farm Bill.

3 Reduce Wildfire Risk (Title VIII)

Fuel reduction by thinning can reduce the risk of wildfire ignition. To conduct thinning for risk-mitigation, we recommend that diameter and basal area limits be established regionally, and no thinning should occur in old-growth and mature forests. These recommendations focus on maximizing the carbon potential in U.S. forests while reducing wildfire risk and avoiding GHG emissions from fires. Even with additional forest thinning, wildfire frequency and severity are increasing across the United States, especially in the West and in Alaska. As a result, additional fire management and suppression funding are needed to address the risk.

Policy Provisions

- A | Direct the U.S. Forest Service to create forest thinning regulations focused on diameter/basal area limit and old-growth forest protection. The U.S. Forest Service should solicit feedback from experts on the regulation.
- B | Increase funding for wildfire suppression and management.

4 Increase Eligibility and Usage of Crop Insurance (Titles II & XI)

While the majority of U.S. cropland is insured, only about 19% of farms hold crop insurance (Rosch, 2021). As physical hazards increase, we must reduce barriers for small-scale farmers to purchase crop insurance. Crop insurance should also incentivize conservation practices (such as cover cropping) instead of disincentivizing them. Specifically, all Natural Resource Conservation Service-endorsed practices should be established as Risk Management Agency (RMA)'s "Good Farming Practices" under the Federal Crop Insurance Corporation. These practices will increase the resilience of the farms and likely reduce crop yield losses.

Policy Provisions

- A | Maintain the conservation compliances (Highly Erodible Lands and Wetlands Conservation provision) for crop insurance subsidies.
- B | Improve enforcement of conservation compliance by developing satellite-based monitoring and other research tools.
- C | All Natural Resource Conservation Service-endorsed practices should be established as "Good Farming Practices" under the Federal Crop Insurance Corporation.
- D | Eliminate RMA penalties for crop yield reduction as a result of cover crops or other conservation practices during the initial three years of implementation.
- E | Incentivize improved soil health through crop insurance subsidies. For example, Iowa's state crop insurance created a [pilot program that provides a \\$5 per acre discount](#) for farmers that use cover crops (Illinois and Indiana have similar programs). The Pandemic Cover Crop Program is similar and could be made permanent and nationwide.

5 Increase Research Capacity (Title VII)

Best land management practices, especially when incorporating natural climate solutions, are complex and differ widely based on the ecosystem, climate, and type of agricultural production. While certain practices, such as no-till, work well and provide climate and conservation benefits for some farms that might not be the case for farms in other regions. Funding should increase for USDA's climate hubs and land-grant universities, which can study regional variability for land management practices (Oldfield et al., 2022). This investment will discourage one-size-fits-all solutions, which will not work for natural climate solutions.

Greater research capacity would also support the need for better monitoring and standardization as well as building a natural lands and environmental data infrastructure, which are needed for carbon markets.

Policy Provisions

- A | Increase USDA's annual research budget by \$1.9 billion (in line with the FY23 discretionary request) with additional funding focused on soil health, natural climate solutions, reducing GHG emissions, and the specific climate benefits of conservation programs.
- B | Increase and add new funding for external grant programs on soil health and climate change, such as grants included in the CSA and Agriculture Resilience Act.
- C | Soil health education and training should be required for all relevant USDA staff. Education and training should be available to all producers as well.
- D | As 'other producers' are the most frequent and trusted source of information for producers (Sutherland & Marchand, 2021), peer-to-peer learning and knowledge exchange efforts should be supported. Support should include creating peer knowledge exchange programs, such as the [Winnett ACES](#), [South Dakota No-Till Association](#), and a farmer-led Innovation Fund outlined in [Sen. Warren's A New Farm Economy Plan](#).

References

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