Statement of the California Farm Bureau

TO THE

UNITED STATES HOUSE OF REPRESENTATIVES COMMITTEE ON AGRICULTURE SUBCOMMITTEE ON CONSERVATION AND FORESTRY

FOR A HEARING ON

TITLE II CONSERVATION PROGRAMS: EXPLORING CLIMATE SMART PRACTICES

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Presented By:

Jamie Johansson

President, California Farm Bureau

California Farm Bureau

2600 River Plaza Drive | Sacramento, CA 95833 | (916) 561-5500 | www.cfbf.com

INTRODUCTION

Chairwoman Spanberger, Ranking Member LaMalfa, and Members of the Subcommittee, thank you for the opportunity to appear before you today about the important topic of Farm Bill Title II Conservation Programs and exploring climate smart agricultural practices.

My name is Jamie Johansson, President of the California Farm Bureau. California Farm Bureau is California's largest farm organization, representing over 31,000 members across 53 counties, that contribute the largest agricultural economy of any state in the nation. Our agricultural producers provide food, fiber and feed to our local communities, the nation and foreign economies across the globe. Farm Bureau strives to protect and improve the ability of farmers and ranchers engaged in production agriculture to provide a reliable supply of food and fiber through responsible stewardship of California's resources. California Farm Bureau has long served as a leading agriculture organization representing over 400 commodities with diverse production practices and continues to work collaboratively with stakeholders within our state and across the nation, including being a general member of the Food and Agriculture Climate Alliance (FACA).

In addition to serving as the California Farm Bureau President since 2017, I am also a first-generation farmer. My family grows olives and citrus fruit in Oroville, California and operates an olive oil company, Lodestar Farms. I am also a co-founder of the Sierra Oro Farm Trail Association and a former board member of the California Olive Oil Council. Additionally, I also serve on the Board of Directors for American Farm Bureau Federation.

GENERAL COMMENTS

California's farmers, ranchers and foresters are all too familiar with changing weather conditions including, but not limited to, changing hydrological conditions that result in cyclic drought and catastrophic wildfire seasons that are lengthening and burning more intensely. In addition to the numerous market impacts brought on by the COVID-19 pandemic, California producers have also grappled with burned and smoke tainted crops, dead and injured livestock, and farming at times in dangerous air quality conditions due to catastrophic wildfires and extremely limited access to personal protective equipment.

As our producers look ahead to 2021, they are once again being met by immense weather-related challenges. The most recent data provided by the U.S. Drought Monitor reports that over 97% of California is experiencing moderate (D1) to exceptional (D4) drought resulting in over 34 million Californians experiencing drought. Precipitation totals remain well below normal, and California's below-normal snowpack is melting rapidly. Dry soils are expected to reduce runoff and vegetation is already showing signs of stress. A warmer than normal summer is also forecasted meaning that there will be significant, above normal fire potential for many areas in our state starting in July and continuing through the summer and into the fall.

WILDFIRE & FOREST MANAGEMENT

California's wildfires are very personal to me; not only as the President of an organization who has heard countless stories of loss and frustration from my members but also because my employees and my family have been evacuees three times due to wildfire. Sadly, there is no fire season in California anymore; the risk is now year-round. Destructive megafires do not discriminate what or where they burn and the impacts on our water, energy, environment, and economy are being consistently felt, both in rural and urban areas. This makes it critically important that federal, state and private forest and rangeland stakeholders across ownership types, including grazing permittees, be included in emerging climate policy discussions.

Additionally, there are many forest management policies designed with preservation, rather than active management and multiple-use approaches in mind. This has resulted in restrictive and inflexible parameters that hinder improving current conditions on our forestlands despite drought, pest infestation, and backlog from underfunded management programs that lack adequate resources to realistically address the catastrophic wildfire risk we now face. During testimony last year, the U.S. Forest Service indicated that they would need $2-3 billion per year to treat the number of acres required to increase the pace and scale of forest management and get ahead of fuel levels exacerbating wildfire across the National Forest system.

Healthy forests provide an abundant source of clean water, clean air, wildlife habitat and unsurpassed recreational opportunities. It is estimated that California's forests store and filter more than 60% of the state's water supply and store massive amounts of carbon, assisting in our efforts to combat climate change. For these reasons, it is imperative that forest management strategies and adequate funding that significantly increase efforts to improve forest health and resilience are part of the climate conversation. This includes, but is not limited to, focusing attention on both forestry and grazing practices that can help restore forest and rangeland health, increasing our resilience to fire, and reducing fuel load on our National Forests. We must also direct resources toward reforesting the vast areas that have been harmed by recent fires.

We would also ask that the Subcommittee consider the immense impact of wildfire on agricultural producers due to the onset of a changing climate, by ensuring that sufficient disaster assistance, such as the Wildfire and Hurricane Indemnity Program Plus (WHIP+), is made available to agricultural producers who experience production losses caused by wildfire. Additionally, we urge USDA to consider making grants available to rural communities and producers to replace equipment, infrastructure and fencing damaged due to wildfire.

CLIMATE-SMART AGRICULTURE & FORESTRY PRACTICES

Because agriculture provides society with numerous benefits including, but not limited to, food security, environmental benefits and community stability, California Farm Bureau believes it is critically important that we consider the economics of the farm when considering new climate policies. Only in working together can we achieve climate solutions that not only make

agriculture more resilient, but our country stronger because competitiveness and productivity are not hampered.

California's farmers, ranchers and foresters are at the forefront of promoting soil health, utilizing water resources efficiently, enhancing wildlife on working lands, efficiently applying nutrients and caring for their animals. Through investment in agricultural research and adopting practices that improve productivity while enhancing sustainability, California's producers have a proven history of innovation. Conservation is widespread in California agriculture. Our farmers and ranchers have been managing soil health and conserving natural resources for generations and have a proven track record of doing more with less.

Examples of this include applying precision agricultural practices focused on methods that keep our soil, water and air quality as sustainable and healthy as possible. Strategies include water recharge, irrigation efficiency, energy conservation, energy production and investing in farm equipment with cleaner emissions. Depending on the operation, some farmers have also found that diversifying their operation helps make certain that their soil never fatigues. They work with a variety of different crops on the same ranch that are designed to work together. This can help stop soil erosion while keeping the ground fertile. Crop diversification can also help the producer remain economically secure because no single crop makes up most of their income.

TITLE II CONSERVATION PROGRAMS IN CALIFORNIA

Title II, the Conservation Title of the Farm Bill, incorporates several voluntary conservation initiatives that provides California farmers, ranchers and foresters with additional ability to adopt numerous conservation practices while improving agricultural production. California's producers utilize the tools included in Title II to help maintain the quality of their operations while also stewarding the environment around them. The conservation title of the 2018 farm bill makes up 7% of the bill's total projected mandatory spending over 10 years ($60 billion of the total $867 billion). Within Title II, we urge the Subcommittee to focus on the working lands portion of the conservation title.

Environmental Quality Incentives Program

We are very appreciative of the many improvements that were made by this Committee in the conservation title of the last Farm Bill. Of the conservation title programs, the Environmental Quality Incentives Program (EQIP) is by far the most utilized program in California assisting producers in achieving greater conservation goals. We particularly thank you for including funding for air quality incentives, which has been incredibly important to farmers in California who face strict air standards. EQIP has assisted farmers in making great strides in the areas of air quality and water conservation and we believe additional opportunities exist.

The 2018 Farm Bill also focused on enhancing the flexibility of conservation programs to meet producer needs and it is important that any changes to Title II do not walk back those flexibilities. California producers largely turn to the Environmental Quality Incentives Program (EQIP) because of its flexibility and wide array of uses. For this reason, California Farm Bureau was extremely

supportive of the 2018 Farm Bill's expansion and reauthorization of EQIP with increased funding levels.

In 2020, California had 1,473 active and completed EQIP contracts over nearly 408,000 treated acres of land. EQIP assists producers with making beneficial, cost-effective changes to production systems, including, but not limited to, addressing resource concerns related to organic production grazing management, fuels management, forest management, crop and livestock nutrient management, pest management, irrigation management, adaption and mitigation to increasing weather volatility, and drought resiliency measures.

To help ensure climate benefits are adopted, the Natural Resources Conservation Service (NRCS) could consider prioritizing EQIP contracts that result in a reduction of emissions, boost carbon sequestration, and provide climate resilience in addition to the practice areas listed above. This would help ensure that positive climate benefits are identified and adopted as part of current and new EQIP contracts, encouraging producers to continue to adopt new climate stewardship measures voluntarily. Given the diversity of the agricultural sector, especially in states like California, we must also emphasize the importance of contacts remaining flexible for all crop types and practices. This change in prioritization would also need to be accompanied by proportionate levels of financial and technical assistance.

Conservation Innovation Grants

Feed, genetics and nutrition management should be eligible under the Conservation Innovation Grant (CIG) On-Farm Trial Program. CIG on-farm trials are a critical tool for farmers to test and prove new practices with reduced risk. While trials around feed additives and genetics are not explicitly excluded, it is also not clear that they are included. Inclusion would provide additional opportunities for farmers to test the newest technologies and evaluate their impact within their operation.

Regional Conservation Partnership Program

The Regional Conservation Partnership Program (RCPP) offers producers the opportunity to work collaboratively with NRCS and other conservation partners to work together and expand voluntary, private lands conservation. For this reason, California Farm Bureau was supportive of the change in the 2018 Farm Bill that reconfigured RCPP as a stand-alone program with its own funding and producer contracts.

Currently, California Farm Bureau is still collaborating in a RCPP partnership with other organizations in the California Bay-Delta region to address the decline of the Tricolored Blackbird. The geographic focus of this RCPP project is in the San Joaquin Valley where nesting of Tricolored Blackbird colonies on agricultural fields conflicts with producer's harvest schedule. This conflict has represented a unique challenge of finding a balance between natural habitat, protecting colonies on agricultural lands and supporting the livelihood of our dairy farmers. While the program has been successful in numerous ways, consistency in funding assistance and funding levels has been a challenge. As we seek to add additional climate smart practices, this RCPP

project is an example of the importance of funding sources being consistent, sustainable and long-term if our expectations of producers are also long-term.

Conservation Reserve Program
There has been much attention on the Conservation Reserve Program (CRP). Compared to other states, California is a relatively low user of this program with less than 100,000 acres enrolled in CRP. As mentioned above, within Title II, we urge the Subcommittee to focus on the working lands portion of the conservation title in help keep working lands working.

TITLE II CONSERVATION PROGRAM RECOMMENDATIONS

California Farm Bureau supports enhancing and expanding the ability for growers of all agricultural commodities to be able to voluntarily participate in climate-smart agriculture and forestry practices that help to sequester carbon, reduce greenhouse gas (GHG) emissions and build climate resilience. Additionally, we are aware of legislation and proposals seeking to address the current borrowing authority of the Commodity Credit Corporation (CCC). Absent additional, sustainable and long-term funding for climate-smart agriculture and forestry practices added to Title II Conservation programs, we also urge the Subcommittee to consider the additional pressure this could place on the CCC and the important programs the CCC funds.

CCC funding is a critical tool for agriculture. As more demands are put on the CCC, it is important to ensure sufficient funding remains for existing core programs. For that reason, California Farm Bureau is supportive of updating the CCC borrowing amount. In California, farmers and ranchers heavily rely on programs funded by the CCC such as:

Market Access Program & Foreign Market Development Program
California farmers and ranchers need continued investment in the Market Access Program (MAP) and the Foreign Market Development (FMD) Program. The twin challenges presented by the ongoing COVID-19 pandemic as well as spikes in competitors' export promotion programs and activities highlight the need for continued investment in these public-private partnerships. In 2019, California exported nearly $21.7 billion in agricultural goods. Programs like MAP and FMD will continue helping us export to current markets as well as new and emerging markets. It is critical the CCC funds be used for these programs to help U.S. farmers, ranchers and food exporters keep pace and to help us make up for lost time after two and half years of trade conflict and retaliatory tariffs.

Market Facilitation Program
As trade negotiations and tariff issues persist, it is important that we continue supporting our farmers and ranchers through policies and programs such as the Market Facilitation Program (MFP). MFP was created to help those who were impacted by the retaliatory tariffs which resulted in the loss of certain exporting markets. The MFP helped address the financial hit farmers took due to the tariffs. Although the program did not provide relief to all producers, it did help the dairy industry, along with walnuts, pecans and table grape growers in California.

Coronavirus Food Assistance Program
Direct payments through the CCC to producers impacted by the pandemic have played a big role in providing much needed relief to keep them afloat. California farms collected nearly $1.8 billion in CFAP payments with most of these payments going to producers in the Central and Imperial valleys of California, regions with large amounts of dairy, fruit, vegetable and nut production that have traditionally received little to no direct USDA assistance.

Livestock and Disaster Programs
California farmers and ranchers heavily rely on disaster programs and aid as drought and wildfires continue to worsen in the western states. While not all disaster programs are funded by the CCC, our members continue to utilize those that are. Whether it be the Dairy Margin Coverage (DMC) program, Livestock Forage Program (LFP), Livestock Indemnity Program (LIP), Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish (ELAP) or others, California producers cannot afford to see a funding shortfall in any of these programs that they, unfortunately, continue to utilize.

GENERAL CLIMATE POLICY RECOMMENDATIONS

As this Subcommittee reviews Title II Conservation Programs and how to encourage the voluntary adoption of climate-smart agricultural and forestry practices generally, we urge Members of the Subcommittee to consider the following:

- Policy analyses characterizing domestic U.S. crop and livestock systems should reflect American agriculture's leadership globally in sustainable farming practices. Policy changes will have real world impacts on farmers, ranchers, foresters and the rural communities that depend on them. For this reason, it is important that the Subcommittee continue to engage a broad spectrum of opinions, especially producers who will be directly affected, as it is doing today.
- Retroactive efforts or incremental improvements undertaken by agriculture leaders to reduce greenhouse emissions and/or sequester carbon must be fully eligible to participate and receive applicable compensation. Many farmers and ranchers in California have been incorporating climate-smart practices, such as cover cropping, no-till farming and compost application, on their operations for years. These producers should be acknowledged and appropriately rewarded for their work.
- The Subcommittee should consider how the overlay of any new federal policies and programs will impact existing state climate policies and programs. Additionally, the federal government should consider ways to partner with state departments of agriculture as appropriate. Recently, the California Department of Food and Agriculture (CDFA) has been holding stakeholder meetings to solicit feedback on ways to boost climate resilience, greenhouse gas mitigation and food security. This work will eventually inform scoping plans, as well as ongoing and future work, associated with state climate laws. We support the federal government following a similar approach where crop specific, producer feedback is solicited.

- To further the adoption of on-farm climate smart practices, we must not only compensate early adopters, but also assist those being expected to do more. This will require a sustainable, stable and long-term funding source for both financial and technical assistance. Additionally, funding parameters attached to farm characteristics, such as size or adjusted gross income levels, should not apply. We also request that the Subcommittee consider how much funding will be allocated to non-farm intermediaries who may divert funding to narrow or non-farm-related purposes.

- Consider the diversity and scale of American agriculture. There has been much discussion on the role of cover crops in climate smart agriculture. While cover crops can be an effective tool, California produces more than 400 different commodities and has a variety of cropping systems and farm sizes. A one-size-fits-all approach, or emphasizing only one or few practices, will not be the best path forward for American agriculture, especially in states like California that produce large amounts of specialty crops among others.

  Additionally, some crops are more cost-intensive to produce and may be grown on higher-value land than other areas. The cost of production per acre as well as the value per acre of each crop will influence which practices and which incentives are most attractive. For these reasons, we encourage the Subcommittee to be broad and inclusive, emphasizing a menu of practice choices as opposed to a prescriptive checklist. Every farm, every ranch, and every field have a different story to tell. Producers should be able to choose which outcome-based practices best fit their operation.

- Access to technical assistance from USDA staff, USDA Technical Service Providers (TSP), Cooperative Extension specialists, and crop advisors is critical to assist farmers, ranchers and foresters with planning and implementing conservation practices. Being inclusive of these groups will help maximize reach and enhance program delivery. We also support a streamlined approach to TSP certification.

- Climate-smart agricultural practices must be grounded in science but also field-trialed to prove that they have practical applicability for farmers to undertake. Technologies and conservation practices that are readily understood, scalable and easy to implement will likely be the most utilized. Implementing an on-farm change with a full understanding of its tradeoffs (pests, costs, regulatory ramifications, etc.) is also important. This should be coupled with funding and emphasis on agricultural research and extension. Additional technologies, traits, and production practices are far more beneficial than burdening the economy with additional, prescriptive regulations.

- The overarching goal should be to keep working lands working. We oppose pursuing practices that do not consider and encourage the economic base value of the property. For farms and ranches to meet their conservation goals, they must also be able to meet their economic goals.

- Consider the nexus between the lack of broadband in many agricultural areas and the modern use of precision agriculture equipment. Precision agriculture tools and practices can result in quantifiable benefits for both the farmer and the environment. However, it

is very difficult to implement such practices if the farm location lacks adequate connectivity.

- Farmers have only so much control. California's farmers and ranchers continue to farm amidst great uncertainty when it comes to reliable water supplies and cyclic drought. Drought followed by wet years has recently illustrated what both extended drought and extreme rainfall cycles look like with inadequate water infrastructure. If longer and drier droughts coupled with powerful floods are the future of California's possible larger climate trend, it means we must do a better job of investing in water infrastructure and capturing water resources when they are available.

CONCLUSION

On behalf of California's farmers, ranchers and foresters, I appreciate the opportunity to come before the Subcommittee today and share our perspective on climate strategies that impact American agriculture. Having faced many climate initiatives at the state level already, California Farm Bureau is well equipped and stands ready to assist. Thank you for the opportunity to testify.