

A broad coalition of stakeholders collaborated through the <u>Regenerative Agriculture and Justice</u> <u>Working Group</u> to develop the following memo calling for investment in a more resilient, regenerative, and just food and agricultural economy in the American Jobs Plan Act. These recommendations will advance regenerative agriculture practices that are good for farmers, the environment, and businesses while ensuring equitable and just support for farmers and ranchers who are small-scale, young, new, and people of color.

Regenerative agriculture is an approach to farming that uses a combination of contextually established practices including use of multi-species cover crops, use of compost, crop rotation, no- or low- tillage, and managed grazing to regenerate and sustain soil health and ecosystem functioning to agricultural lands, providing a variety of benefits for the farmer, the environment, and businesses. By reducing input costs, reducing crop loss to extreme weather, and creating new revenue streams, studies have shown these approaches can also improve farmer's profits per acre.¹²³ Research has shown that regenerative agriculture and similar methods⁴ can maintain current food production levels and potentially increase overall productivity if adequately supported by public programs.⁵ Scientists have increasingly come to understand that advancing approaches like regenerative agriculture that improve soil health and biodiversity will be necessary to maintain food system resilience and farmer economic viability in the face of changing climate.⁶

Businesses support regenerative agriculture as an essential way to improve supply chain resilience, in the face of the growing threats of climate change, extreme and erratic weather, disease, and other business-disrupting crises. A growing number of agriculture related businesses are interested in regenerative methods of farming as a way to diversify and build more resilient supply chains while meeting increasing consumer demand for sustainably produced products. Additionally, regenerative agriculture offers opportunities for job creation

³ See various case studies proving the economic benefit to farmers here: <u>https://farmland.org/project/quantifying-economic-and-environmental-benefits-of-soil-health/</u> and https://www.nacdnet.org/soil-health-research/

¹ LaCanne CE, Lundgren JG. 2018. Regenerative agriculture: merging farming and natural resource conservation profitably. PeerJ 6:e4428 <u>https://doi.org/10.7717/peerj.4428</u>

² Reganold, J., Wachter, J. Organic agriculture in the twenty-first century. Nature Plants 2, 15221 (2016). https://doi.org/10.1038/nplants.2015.221

⁴ Such as agroecology and some forms of organic agriculture

⁵ Olivier De Schutter, United Nations Special Rapporteur on the Right to Food, 2010. Report on Agroecology.

https://foe.org/resources/farming-for-the-future-organic-and-agroecological-solutions-to-feed-the-world/#:~:text=Key%20findings%3A %20%E2%80%9CAgroecology%2C%20if,focus%20on%20small%2Dscale%20farmers%2C

⁶ Altieri, M.A., Nicholls, C.I., Henao, A. *et al.* Agroecology and the design of climate change-resilient farming systems. *Agron. Sustain. Dev.* 35, 869–890 (2015). https://doi.org/10.1007/s13593-015-0285-2

and job restoration in areas such as manufacturing (new equipment, technology and R&D), technical assistance and education, and conservation on working lands.

Many farmers are interested in adopting regenerative soil health practices, but the transition can be difficult without assistance

Soil Health and Conservation

Existing USDA conservation programs provide an infrastructure for conducting outreach, training, technical assistance, and payment of incentives, both to support farmers in the transition to regenerative agriculture and reward farmers who have already made the transition. However, these programs remain seriously underfunded and demand will continue to be greater than availability until program funding is increased.

To advance more resilient, regenerative agriculture and soil health, we support the same funding requests made by the Climate Stewardship Act, introduced by Senator Booker and Representative Spanberger. Some of those requests include the following:

- <u>Environmental Quality Incentives Program (EQIP)</u> Increase mandatory funding for EQIP from \$1.75 billion in 2019 to \$7 billion per year by 2024, with new funding limited to practices that improve and maintain soil health and biodiversity.
- <u>Conservation Stewardship Program (CSP)</u> Increase mandatory funding for CSP from \$700 million in 2019 to \$7 Billion per year by 2024.
- Funding increases to EQIP & CSP should be limited to practices that maximize soil health, resilience, ecological resilience and promote resilience for small-scale and marginalized farmers. Please <u>see pg. 5 of the Climate Stewardship Act summary</u>. Concentrated Animal Feeding Operations (CAFOs) should be prohibited from accessing this new funding. Currently, a significant percent of EQIP funding goes towards highly destructive CAFOs. Instead, the USDA should focus on moving animals out of CAFOs and towards regenerative systems that practice managed grazing and reincorporation of livestock in cropping systems.
- Set aside 5% of the additional CSP and EQIP funding for socially disadvantaged farmers and ranchers.
- Sets aside 5% of the additional CSP and EQIP funding for young and new farmers and ranchers.
- <u>Regional Conservation Partnership Program</u> Allocate \$1 billion a year.
- <u>Conservation Technical Assistance</u> Triple funding to \$2,100,000 for each of fiscal years 2021 through 2030 and ensure property to socially disadvantaged farmers and ranchers.

Infrastructure and Market Development for Resilient Supply Chains

Covid-19 has exposed what many already knew: Relying on a handful of large, intermediary corporations to process and provide most of our food and fiber makes our farmers, businesses,

and communities susceptible to market disruptions. To support a food and agricultural economy that is more resilient in the face of severe weather and other shocks, **the U.S. must make a significant investment in small- and medium-scale local and regional processing infrastructure and value chain coordination**. These investments will also support the nation's 270,000 small-scale farmers, many of whom struggled in the face of Covid-19 supply chain disruptions and operate on margins too thin for sufficient risk management protection. Further, these investments will help advance the spread of more resilient and environmentally sound production methods like regenerative agriculture, soil health practices, and organic farming.

Funding requests for existing programs:

- Local Agriculture Marketing Program Increase mandatory funding to \$500 million.
- Increase funding for <u>USDA Value Added Producers Grant and other rural development</u> <u>programs</u> that make investments to bolster local and regional markets and improve market access for small- and medium-scale organic farms and diversified farmers.
 - Flag organic farming as a funding priority; the current USDA scoring system does not consider organic to be an investment priority.
- Increase mandatory funding for the Whole Farm Revenue Program.

New Program Recommendations:

- Cold Storage/Fresh and Nutritious Food Program For Food Banks \$20 million
 - food purchased from Small Farmers by USDA, preference to Small Farmers from Ethnic Communities; would expand markets for small farmers from ethnic communities while providing fresh, nutritious fruits, vegetables, poultry, and meats to underserved communities struggling with food deserts and food insecurity.
- <u>Compost infrastructure grant program</u>
 - See Food Recovery Act<u>HB 5841</u> Section 504 for a \$100M-grant proposal that includes grants for compost infrastructure.
- Funding and loan-guarantees to develop regional-level food processing infrastructure such as slaughterhouses, mills and seed cleaning facilities that support the economic pathway for rural development and diversified soil health focused farm operations.
- Funding for organizations that facilitate farmland succession planning, agricultural easement agreements, and long-term agricultural land leases that prioritize organic, climate resilience and soil health.
- Funding for a new soil health grant program for state and tribal governments, authorizing USDA to offer performance-based crop insurance discounts for practices that reduce risk (per <u>Agriculture Resilience Act of 2021</u>)

Advancing Justice: Supporting small-scale and socially disadvantaged farmers and ranchers

Current agricultural policy and market structures favor large-scale industrial producers who are mostly white males. Meanwhile, non-white male producers face discrimination in accessing government farming programs and markets and, for the most part, still do not have equal access. (See <u>this recent publication</u> for a case study on how the ongoing and inadequately redressed effects of historical discrimination hinders USDA NRCS conservation efforts). The value of investing in these underserved farm operations is clear for several reasons. Many of these non-white farmers and their ancestors practiced regenerative agriculture for centuries before the term existed. Farmers who are more economically secure have a longer-term horizon for planning and land management and are therefore better able to adopt practices that conserve and rebuild soil and ecological health. These practices require highly specialized knowledge of local soils and ecologies, and are often more labor intensive, which means more workers/farmers on the land may be needed to facilitate wider adoption of regenerative methods.

The following funding recommendations will help ensure a more equitable, just, and thriving farming economy.

- <u>Farmer Opportunities Training and Outreach (FOTO) program</u> increase mandatory funding to \$100 million annually.
- Pass small-farmer debt relief to help with Covid-19 related economic stresses
 - The Relief for America's Small Farmers Act (reintroduction planned soon by Senator Gilibrand and Representative Delgado) would provide direct debt relief for small farmers⁷ around the country by providing a one-time loan forgiveness of up to \$250,000 across three types of USDA FSA loans: Direct Operating, Direct Farm Ownership, and Emergency Loans.⁸
- <u>Farm and Stress Assistance Network</u> Increase of mandatory funding to \$10 million annually.
- Programs for addressing <u>heirs' property issues</u>
 - Approximately one-third of all black-owned land in the South is held as heirs' property. This insecure form of land tenure has caused a large portion of blacks' land dispossession and has prevented landowners from accessing USDA conservation program funding.
 - Mandatory funding increase for Heirs Property Relending Program.
 - \$3 million for Farmland Ownership Data Collection Initiative that will help to better understand, thus effectively address, the heirs' property issue.

⁷ Defined as having an adjusted gross income of less than \$300,000

⁸ See this letter for more information on the importance of small-farmer debt relief