

SENATE BILL REPORT

SB 5551

As of February 6, 2023

Title: An act relating to supporting Washington's crop and livestock farms, reducing greenhouse gas emissions, and generating renewable energy by capturing methane.

Brief Description: Supporting Washington's crop and livestock farms, reducing greenhouse gas emissions, and generating renewable energy by capturing methane.

Sponsors: Senators Shewmake, King, Salomon, Wellman, Warnick, Muzzall, Braun, Short, Van De Wege, Hasegawa, Nobles and Saldaña.

Brief History:

Committee Activity: Agriculture, Water, Natural Resources & Parks: 2/06/23.

Brief Summary of Bill

- Directs funding for cost-share grants for the Sustainable Farms and Fields Program to improving climate-smart agricultural waste management and reducing greenhouse gas emissions.
- Establishes an ongoing, multi-stakeholder advisory committee administered by the Conservation Commission and Washington State Department of Agriculture to inform the agricultural community about opportunities to participate in various carbon emissions reduction programs and guide grant awards.

SENATE COMMITTEE ON AGRICULTURE, WATER, NATURAL RESOURCES & PARKS

Staff: Jeff Olsen (786-7428)

Background: The State Conservation Commission (Commission) was created by the Legislature in 1939 to support conservation districts through financial and technical

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assistance, administrative and operational oversight, program coordination, and promotion of district activities and services. Conservation districts work with landowners on a voluntary basis, providing incentive-based conservation help on private lands.

The sustainable farms and fields grant program (program) was established in 2020 to distribute funds to conservation districts and other public entities to help implement projects approved by the Commission. No more than 15 percent of funds may be used to develop and publicize the program and no more than 5 percent of funds may be used by the Commission to cover administrative costs of the program. No more than 20 percent of the funds may be awarded to any one applicant.

Allowable uses of grant funds from the program include:

- annual payments to enrolled participants for successfully delivered carbon storage or reduction;
- up-front payments for contracted carbon storage;
- down payments or purchases of equipment;
- purchases of seed, seedlings, spores, animal feed, and amendments;
- services to landowners, such as the development of site-specific conservation plans to increase soil organic levels or to increase usage of precision agricultural practices, or design and implementation of best management practices to reduce livestock emissions; and
- other equipment purchases or financial assistance deemed appropriate by the Commission.

Applicants for equipment purchase grants under the program may be farm, ranch, or aquaculture operations coordinating as individual businesses or as formal cooperative ventures. Conservation districts may apply for grant funds to operate an equipment sharing program. The Commission must attempt to achieve a geographically fair distribution of funds across a broad group of crop types, soil management practices, and farm sizes.

Summary of Bill: Program grant funds may be used for services to agricultural producers including providing financial assistance to implement best management practices that increase carbon sequestration in soil organic matter levels and standing vegetation, or reduce livestock and soil greenhouse gas emissions. When funds are appropriated through the program to encourage climate-smart agricultural waste management and reduce greenhouse gas emissions through climate-smart livestock management, the funds must be used to provide:

- cost-share grants for applicants licensed to conduct business in Washington for anaerobic digester development including, but not limited to, digester projects that include co-digestion of manure with other sources of agricultural or pre-consumer organic waste;
- technical and financial assistance for climate-smart livestock management practices, including alternative manure and agricultural waste management;
- grants to public and private research institutions for innovative research and

- demonstration of projects with greenhouse gas reduction benefits, including dairy nutrient management projects that lead to reduction in greenhouse gas emissions;
- creation of an ongoing, multi-stakeholder advisory committee administered by the Commission and the Washington State Department of Agriculture (WSDA) to inform the agricultural community about opportunities to participate in various carbon emissions reduction programs, inform researchers and policymakers of practical implementation challenges, and guide grant awards. Advisory committee representation must include the Departments of Ecology and Commerce, Washington State University, the United States Department of Agriculture Natural Resources Conservation Service, Association of Conservation Districts, and representatives of agricultural producers and agricultural trade associations. The Commission and WSDA must convene, staff, and develop agendas for advisory committee meetings, and solicit applications for and appoint committee members and subcommittee members as appropriate; and
 - creation of at least one position at the Commission and other positions as needed with expertise in livestock nutrient management and carbon markets who will help disseminate information, and provide support to agricultural producers applying for funding opportunities.

No more than 5 percent of the funding for climate-smart agricultural management and climate-smart livestock management may be used for administration for grant management, advisory committee support, analysis, and reporting. Climate-smart agricultural waste management includes practices that collect, treat, and store manure and waste to reduce emissions. Any applications involving state lands leased from the Department of Fish and Wildlife must include the department's approval.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill provides tools to improve farm and agricultural land through stewardship. The approach is similar to legislation in California that has been successful in developing methane digesters to reduce greenhouse gas and sequester carbon. The concept is to capture methane and convert it to energy. Capturing methane from one cow can power an electric vehicle for one year. This bill provides incentives for dairy farmers to be good stewards and invest in the future. Dairy digesters are a very cost effective way to reduce emissions. The changes in the bill will expand and improve the sustainable farms and fields program. The bill provides opportunities to reduce emissions, and help farmers obtain carbon credits to leverage investments. Dairy farmers are committed to good stewardship, and some have signed up to build anaerobic digesters to

reduce emissions.

OTHER: The provisions in the bill will help farmers to reduce their carbon footprint and support sustainable practices with aerobic digestors and climate-smart practices. It creates opportunities for new partnerships and collaborations with federal, state, and public-private partnerships.

Persons Testifying: PRO: Senator Sharon Shewmake, Prime Sponsor; Jay Gordon, WA State Dairy Federation; Allan Warren, Bonneville Environmental Foundation; Joe Crumbley, Coalition for Organic and Regenerative Agriculture; Isaac Kastama, Clean & Prosperous Washington; Heather Trim, Zero Waste Washington; Dan Evans, Promus Energy; Jason Sheehan, J & K Dairy LLC; Doug Ray, Carbon Washington; Austin Allred.

OTHER: Alison Halpern, State Conservation Commission - Coordinated Resource Management group.

Persons Signed In To Testify But Not Testifying: No one.