
SUBSTITUTE SENATE BILL 5947

State of Washington

66th Legislature

2019 Regular Session

By Senate Agriculture, Water, Natural Resources & Parks (originally sponsored by Senators McCoy, Schoesler, Palumbo, King, Salomon, and Warnick)

READ FIRST TIME 02/22/19.

1 AN ACT Relating to establishing the sustainable farms and fields
2 grant program; and adding new sections to chapter 43.23 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature finds and declares that
5 Washington's working farms and ranches are integral to the state's
6 environment and economy. The legislature further finds that
7 opportunities exist to reduce fossil-fuel energy usage on farms and
8 ranches, including that which is embedded in fertilizers, pesticides,
9 and pumped water. Reducing fossil fuel use on farms and ranches will
10 reduce local and global pollution while helping farmers and ranchers
11 save money. Moreover, the legislature finds that opportunities exist
12 to enhance soil health by adopting precision agriculture and
13 regenerative agriculture practices that increase soil organic carbon
14 levels, and to store carbon in standing trees. It is therefore the
15 intent of the legislature to provide financial assistance to farmers
16 and ranchers who adopt practices that reduce fossil fuel inputs in
17 their operations and increase the quantity of carbon stored on their
18 land.

19 NEW SECTION. **Sec. 2.** The definitions in this section apply
20 throughout this section and sections 3 through 6 of this act.

1 (1) "Agroforestry" means the addition of new trees or shrubs,
2 which are not similar to the farm's or ranch's existing revenue
3 producing crops, to working farmlands and working ranchlands, with a
4 priority given to creating new riparian buffers along waterways.

5 (2) "Carbon dioxide emissions content inherent in electricity"
6 means the carbon dioxide generated by the production of electricity
7 from fossil fuels.

8 (3) "Carbon dioxide equivalent emission" means a metric measure
9 used to compare the emissions from various greenhouse gases based on
10 their global warming potential.

11 (4) "Carbon farming" means any activity or technology that
12 increases the quantity of organic carbon in top soil, such as cover
13 cropping, no-till and low-till and conservation tillage practices,
14 manure application, biochar application, compost application, and
15 changes in grazing practices.

16 (5) "Commercial forestry activities" means any commercial
17 activities associated with harvesting and selling trees and resulting
18 wood products.

19 (6) "Department" means the Washington state department of
20 agriculture.

21 (7) "Ecosystem services" means any ecological service generated
22 as a result of the landscape and vegetation that provides benefits to
23 human health, fish health, animal health, insect health, habitat,
24 erosion prevention, flood prevention, or reduces or prevents
25 pollution from entering our soils, waterways, or local air.

26 (8) "Fertilizer" has the same meaning as in WAC 16-200-725 as it
27 existed on January 1, 2019.

28 (9) "Fossil fuel" includes motor vehicle fuel, special fuel, dyed
29 special fuel, aircraft fuel, natural gas, coal, and any form of
30 solid, liquid, or gaseous fuel derived from natural gas, coal
31 petroleum, or crude oil, including without limitation still gas
32 propane, and petroleum residuals including bunker fuel.

33 (10) "Fossil fuel-based fertilizer" means a fertilizer produced
34 using fossil fuels as a feedstock regardless of the source of process
35 energy.

36 (11) "Fossil fuel-based pesticides" means a pesticide produced
37 using fossil fuels as a feedstock regardless of the source of process
38 energy.

1 (12) "Fossil fuel energy" means any form of energy produced using
2 fossil fuels as a feedstock regardless of the source of process
3 energy.

4 (13) "Large commercial farm and field business" means a farm or
5 ranch that has a gross cash farm income greater than two hundred
6 fifty thousand dollars.

7 (14) "Nonfossil fuel-based fertilizer" means a fertilizer
8 produced using no fossil fuels as feedstocks regardless of the source
9 of process energy.

10 (15) "Nonfossil fuel-based pesticides" means a pesticide produced
11 using no fossil fuels as feedstocks regardless of the source of
12 process energy.

13 (16) "Nonfossil fuel energy" means any form of energy produced
14 using no fossil fuels as a feedstock regardless of the source of
15 process energy.

16 (17) "One hundred year storage equivalency method" means
17 assigning the same value to both one ton of carbon dioxide equivalent
18 emissions and the storage of previously atmospheric carbon dioxide
19 absorbed and stored on the planet for a period of one hundred years.

20 (18) "Pesticide" has the same meaning as defined in RCW
21 17.21.020.

22 (19) "Precision agriculture" means site-specific management
23 practices where sensing, information technologies, and mechanical
24 systems enable subfield crop management.

25 (20) "Process energy" means energy consumed in support of a
26 manufacturing, industrial, or commercial process.

27 (21) "Regenerative agriculture" means a system of farming
28 principles and practices that increase biodiversity, enriches soils,
29 improves watersheds, and enhances ecosystem services.

30 (22) "Small commercial farm and field business" means a farm or
31 ranch that has a gross cash farm income less than two hundred fifty
32 thousand dollars.

33 (23) "Working farmland" and "working ranchland" has the same
34 meaning as "farm and agricultural land" in RCW 84.34.020, excluding
35 RCW 84.34.020(2) (a) (ii) and (d) (iii).

36 NEW SECTION. **Sec. 3.** (1) The department shall develop, in
37 consultation with the state conservation commission, Washington State
38 University, and the United States department of agriculture natural

1 resources conservation service, a sustainable farms and fields grant
2 program through rule making under chapter 34.05 RCW.

3 (2) The following activities must be included as activities which
4 are eligible for grant funding under the sustainable farms and fields
5 grant program:

6 (a) On-farm fossil fuel input efficiency measures:

7 (i) Any activity or technology that reduces the quantity of
8 fossil fuels, including carbon dioxide emissions content inherent in
9 electricity, used per unit of agricultural output;

10 (ii) Any activity or technology that reduces the quantity of
11 fossil fuels, including carbon dioxide emissions content inherent in
12 electricity, of water used per unit of agricultural output;

13 (iii) Any activity or technology that reduces the quantity of
14 fossil fuel-based fertilizer used per unit of agricultural output;
15 and

16 (iv) Any activity or technology that reduces the quantity of
17 fossil fuel-based pesticides used per unit of agricultural output;

18 (b) Agroforestry;

19 (c) Carbon farming.

20 (3) Sustainable farms and fields grants are for working farmlands
21 and working ranchlands and may not be awarded to fund activities on
22 lands enrolled in a government-sponsored conservation reserve
23 program. This subsection does not apply to agroforestry.

24 (4) Sustainable farms and fields grant funding may not be awarded
25 to fund commercial forestry activities.

26 (5) Sustainable farms and fields grant funding may not be awarded
27 to fund ocean-based aquaculture or blue carbon practices.

28 (6) The department shall ensure, to the extent practicable based
29 on grant applications received, that roughly twenty percent of
30 available funding is awarded to each of the categories under
31 subsection (2)(a) through (c) of this section. The remaining
32 available funding should be awarded to the most effective projects,
33 as determined by the department, regardless of category.

34 (7) The department shall inform the department of natural
35 resources of any applications involving state lands leased by the
36 department of natural resources.

37 NEW SECTION. **Sec. 4.** (1) When prioritizing grant recipients,
38 the department, in consultation with the state conservation
39 commission, Washington State University, the United States department

1 of agriculture natural resources conservation service, and the
2 department of natural resources, shall seek to maximize the total
3 reduction in atmospheric carbon dioxide equivalents per dollar
4 awarded by leveraging other nonstate public or private funding. For
5 the purpose of prioritizing grant recipients, and for the purpose of
6 the report required under section 6 of this act, storing one ton of
7 carbon dioxide equivalents in soil, standing trees, or shrubs must be
8 compared to carbon dioxide equivalent emissions using the one hundred
9 year storage equivalency method annualized linearly with one-ton year
10 of carbon dioxide equivalents storage having one-hundredth the
11 relative value as the emission of one ton of carbon dioxide
12 equivalents. The department shall consider projects that maximize
13 ecosystem cobenefits including habitat.

14 (2) Sustainable farms and fields grant funding may be applied
15 towards: (a) Down payments on equipment or other types of loans; (b)
16 blended use of fossil fuel-based pesticides and nonfossil fuel-based
17 pesticides; (c) blended use of fossil fuel-based fertilizers and
18 nonfossil fuel-based fertilizers; (d) blended use of fossil fuel
19 energy and nonfossil fuel energy; (e) no-till equipment; (f)
20 precision agriculture equipment; (g) advanced irrigation systems; (h)
21 geographic information system technologies; (i) costs associated with
22 installation of carbon farming practices; (j) costs associated with
23 installation of agroforestry practices; and (k) other equipment,
24 practices, or investments deemed by the department to contribute to
25 the goals of sections 2 through 7 of this act. Grant applicants may
26 apply to share equipment purchased with sustainable farms and fields
27 grant funding.

28 (3) The department may award up to twenty percent of available
29 sustainable farms and fields grant funds to projects that would not
30 otherwise qualify for funding by maximizing the total reduction in
31 atmospheric carbon dioxide equivalent per dollar awarded. These types
32 of projects must be primarily related to watershed protection, health
33 and habitat connectivity, contribute to the development of important
34 research, or encourage the growth or development of new industries in
35 Washington.

36 (4) Five percent of available funds, or as much thereof as may be
37 necessary, must be spent by the department each fiscal year to create
38 educational campaigns that raise awareness about the sustainable
39 farms and fields grant program. The department may spend up to fifty

1 percent of any unused funds in a single fiscal year for such
2 educational campaigns.

3 (5) Up to ten percent of available funds may be spent by the
4 department to provide technical assistance to grant applicants in
5 cooperation with the state conservation commission, Washington State
6 University, the United States department of agriculture natural
7 resources conservation service, and the department of natural
8 resources or other similar entities.

9 (6) Up to five percent of available funds may be used by the
10 department to cover the cost of administering the sustainable farms
11 and fields grant program.

12 (7) For the first five years appropriations are received, up to
13 five percent of available funds may be used to develop programs and
14 models to assist with the grant prioritization process of the
15 sustainable farms and fields grant program.

16 (8) The department shall make reasonable efforts to award at
17 least eighty percent of funds made available for sustainable farms
18 and fields grants each fiscal year. If funds are not fully awarded
19 during a fiscal year due to the lack of qualified applicants, unused
20 funds may be carried over to the next fiscal year and awarded to
21 eligible grant applicants in that year.

22 (9) In the rules adopted under this chapter, the department shall
23 establish procedures for determining whether a grant recipient is
24 required to enter into a no-time commitment, short-term, or long-term
25 contract not to exceed fifty years.

26 (10) Grants awarded for carbon farming activities with an
27 uncertain storage life may include ongoing annual payments for the
28 previous year's storage or up-front cumulative payments based on the
29 expected storage in future years. Grant contracts that include up-
30 front payments for future benefits must be conditioned to include
31 penalties for default due to negligence on the part of the recipient.
32 The department must deprioritize projects that have the potential to
33 harm existing ecosystem services.

34 (11) The department may require that a grant recipient allow
35 access to the property, with reasonable notice, to monitor the
36 impacts of the project. All grant recipients shall allow information
37 about their projects to be made available to the public. The
38 department shall maintain a public list of all grant recipients, and
39 other pertinent information, including total state dollars spent or

1 borrowed, and total atmospheric carbon dioxide equivalent emissions
2 impact.

3 NEW SECTION. **Sec. 5.** In the rules adopted under this chapter,
4 the department shall determine methods in consultation with
5 Washington State University, the state conservation commission, the
6 United States department of agriculture natural resources
7 conservation service, and the department of natural resources for
8 estimating, measuring, and verifying outcomes under the sustainable
9 farms and fields grant program. Estimation, measurement, and
10 verification must include recording of fossil fuel energy, nonfossil
11 fuel energy, fossil fuel-based fertilizers, nonfossil fuel-based
12 fertilizers, fossil fuel-based pesticides, nonfossil fuel-based
13 pesticides, and soil sampling. The rules must distinguish between
14 small and large commercial farm and field businesses. The department
15 shall ensure small commercial farm and field businesses are able to
16 utilize grants without undue burden by developing simplified
17 estimation, measurement, and verification methods. The department
18 must consider how other models, including those used or created by
19 federal agencies, can be combined with data from such sources as
20 utility reports, equipment specifications, and other available data
21 to determine emissions reduction benefits. The department must also
22 consider how technical assistance may be made available to small
23 commercial farm and field businesses for the purpose of estimation,
24 measurement, and verification.

25 NEW SECTION. **Sec. 6.** The department shall biennially report to
26 the legislature on the performance of the sustainable farms and
27 fields grant program. The report must document the nonstate matching
28 funds that were used by sustainable farms and fields grant
29 recipients; the total state dollars awarded under the program; the
30 total state dollars spent on providing technical assistance,
31 education campaigns, and administration; the quantity of carbon
32 dioxide equivalent emissions avoided; the quantity of carbon stored
33 for carbon farming projects; and the total atmospheric carbon dioxide
34 equivalent emissions impact of all activities funded under the grant
35 program to date and expected over the life of each project by grant
36 category.

1 NEW SECTION. **Sec. 7.** The sustainable farms and fields account
2 is created in the state treasury. All receipts of money directed to
3 the account must be deposited in the account. Expenditures from the
4 account may be used only for purposes relating to the sustainable
5 farms and fields grant program established in this chapter. Moneys in
6 the account may be spent only after appropriation.

7 NEW SECTION. **Sec. 8.** Sections 1 through 7 of this act are each
8 added to chapter 43.23 RCW.

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