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**SENATE BILL 5551**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** Senators Shewmake, King, Salomon, Wellman, Warnick, Muzzall, Braun, Short, Van De Wege, Hasegawa, Nobles, and Saldaña

Read first time 01/25/23. Referred to Committee on Agriculture, Water, Natural Resources & Parks.

1 AN ACT Relating to supporting Washington's crop and livestock  
2 farms, reducing greenhouse gas emissions, and generating renewable  
3 energy by capturing methane; amending RCW 89.08.610 and 89.08.615;  
4 and creating a new section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that Washington's  
7 crop and livestock farms offer some of the most cost-effective,  
8 readily available opportunities to reduce greenhouse gas emissions to  
9 help achieve the state's pollution reduction goals.

10 Examples include development of anaerobic digesters, which reduce  
11 greenhouse gas emissions by capturing methane from organic waste to  
12 produce renewable natural gas and electricity and recover nutrients  
13 for biofertilizers that displace synthetic fertilizers produced using  
14 fossil natural gas or mined in distant locations. Recovered fiber can  
15 be used to produce biochar to enhance soil structure, retain water  
16 and nutrients, and provide long-term carbon sequestration.  
17 Alternative manure and agriculture waste management practices can  
18 reduce greenhouse gas emissions on smaller farms while providing  
19 organic compost that can replace synthetic fertilizers, improve soil  
20 health, and sequester carbon. These practices also improve water and  
21 air quality.

1 Expanding this program supports implementation of the department  
2 of ecology's use food well Washington plan for food waste reduction,  
3 the department of commerce's latest state energy strategy, and the  
4 findings of the department of commerce's rural clean energy advisory  
5 committee. It also supports and helps coordinate the agricultural  
6 community's involvement in achieving the goals of greenhouse gas  
7 emissions policies under the climate commitment act, clean fuels  
8 program, organic materials management act, and healthy homes and  
9 clean buildings act.

10 Therefore, it is the intent of the legislature to appropriate  
11 funds through the state conservation commission's sustainable farms  
12 and fields program that support these practices on crop and livestock  
13 farms while supporting research that leads to new, innovative  
14 approaches to reduce greenhouse gas emissions, creating renewable  
15 energy, and marketable by-products.

16 **Sec. 2.** RCW 89.08.610 and 2020 c 351 s 2 are each amended to  
17 read as follows:

18 The definitions in this section apply throughout this section and  
19 RCW 89.08.615 through 89.08.635 unless the context clearly requires  
20 otherwise.

21 (1) "Alternative manure and agricultural waste management" means  
22 the suite of practices that collect, treat, and store manure and  
23 agricultural waste to reduce greenhouse gas emissions.

24 (2) "Carbon dioxide equivalent emission" means a metric measure  
25 used to compare the emission impacts from various greenhouse gases  
26 based on their relative radiative forcing effect over a specified  
27 period of time compared to carbon dioxide emissions.

28 ~~((2))~~ (3) "Carbon dioxide equivalent impact" means a metric  
29 measure of the cumulative radiative forcing impacts of both carbon  
30 dioxide equivalent emissions and the radiative forcing benefits of  
31 carbon storage.

32 ~~((3))~~ (4) "Climate-smart agricultural waste management" means  
33 the suite of practices included in alternative manure and  
34 agricultural waste management and those practices to reduce  
35 greenhouse gas emissions.

36 (5) "Climate-smart livestock management" means the suite of  
37 practices including alternative manure and agricultural waste  
38 management or those practices that reduce enteric emissions of

1 livestock or create manure-derived soil amendments to reduce  
2 greenhouse gas emissions.

3 (6) "Commission" means the Washington state conservation  
4 commission created in this chapter.

5 ~~((4))~~ (7) "Conservation district" means one or a group of  
6 Washington state's conservation districts created in this chapter.

7 (8) "Precision agriculture" means the use of technological tools,  
8 typically geospatial, to increase farm operation efficiency while  
9 reducing fertilizer, pesticide, and fossil fuel usage and greenhouse  
10 gas emissions.

11 **Sec. 3.** RCW 89.08.615 and 2022 c 180 s 501 are each amended to  
12 read as follows:

13 (1) The commission shall develop a sustainable farms and fields  
14 grant program in consultation with the department of agriculture,  
15 Washington State University, and the United States department of  
16 agriculture natural resources conservation service.

17 (2) As funding allows, the commission shall distribute funds, as  
18 appropriate, to conservation districts and other public entities to  
19 help implement the projects approved by the commission.

20 (3) No more than 15 percent of the funds may be used by the  
21 commission to develop, or to consult or contract with private or  
22 public entities, such as universities or conservation districts, to  
23 develop:

24 (a) An educational public awareness campaign and outreach about  
25 the sustainable farm and field program; or

26 (b) The grant program, including the production of analytical  
27 tools, measurement estimation and verification methods, cost-benefit  
28 measurements, and public reporting methods.

29 (4) No more than five percent of the funds may be used by the  
30 commission to cover the administrative costs of the program.

31 (5) No more than 20 percent of the funds may be awarded to any  
32 single grant applicant.

33 (6) Allowable uses of grant funds include:

34 (a) Annual payments to enrolled participants for successfully  
35 delivered carbon storage or reduction;

36 (b) Up-front payments for contracted carbon storage;

37 (c) ~~((Down payments on equipment;~~

38 ~~(d) Purchases)) Cost-share purchases of equipment;~~

1       ~~((e))~~ (d) Purchase of seed, seedlings, spores, animal feed, and  
2 amendments;

3       ~~((f))~~ (e) Services to ~~((landowners))~~ agricultural producers,  
4 such as the development of site-specific conservation plans,  
5 providing financial assistance to implement best management practices  
6 that increase carbon sequestration in soil organic matter levels and  
7 standing vegetation, reduce livestock and soil greenhouse gas  
8 emissions, or to increase soil organic levels or to increase usage of  
9 precision agricultural practices, or design and implementation of  
10 best management practices to reduce livestock emissions;

11       ~~((g))~~ (f) The purchase of compost spreading equipment, or  
12 financial assistance to farmers to purchase compost spreading  
13 equipment, for the annual use for at least three years of volumes of  
14 compost determined by the commission to be significant from materials  
15 composted at a site that is not owned or operated by the farmer;

16       ~~((h))~~ (g) Scientific studies to evaluate and quantify the  
17 greenhouse gas emissions avoided as a result of using crop residues  
18 as a biofuel feedstock or to identify management practices that  
19 increase the greenhouse gas emissions avoided as a result of using  
20 crop residues as a biofuel feedstock;

21       ~~((i))~~ (h) Efforts to support the farm use of anaerobic digester  
22 digestate, including scientific studies, education and outreach to  
23 farmers, and the purchase or lease of digestate spreading equipment;  
24 and

25       ~~((j))~~ (i) Other equipment purchases or financial assistance  
26 deemed appropriate by the commission to fulfill the intent of RCW  
27 89.08.610 through 89.08.635.

28       (7)(a) When funds are appropriated through the sustainable farms  
29 and fields program for the specific purpose of improving encouraging  
30 climate-smart agricultural waste management and reducing greenhouse  
31 gas emissions through climate-smart livestock management in  
32 Washington, the funds must be used to provide the following:

33       (i) Cost-share grants for applicants licensed to conduct business  
34 in the state of Washington for anaerobic digester development  
35 including, but not limited to, digester projects that include  
36 codigestion of manure with other sources of agricultural or  
37 preconsumer organic waste;

38       (ii) Technical and financial assistance for climate-smart  
39 livestock management practices, including alternative manure and  
40 agricultural waste management;

1 (iii) Grants to public and private research institutions for  
2 innovative research and demonstration of projects with greenhouse gas  
3 reduction benefits, including dairy nutrient management projects that  
4 lead to reduction in greenhouse gas emissions;

5 (iv) Creation of an ongoing, multistakeholder advisory committee  
6 administered by the commission and the state department of  
7 agriculture to inform the agricultural community about opportunities  
8 to participate in various carbon emissions reduction programs, inform  
9 researchers and policymakers of practical implementation challenges,  
10 and guide grant awards under this subsection. Advisory committee  
11 representation must include the Washington state departments of  
12 ecology and commerce, Washington State University, the United States  
13 department of agriculture natural resources conservation service,  
14 Washington association of conservation districts, and representatives  
15 of agricultural producers and agricultural trade associations. The  
16 commission and the state department of agriculture must convene,  
17 staff, and develop agendas for advisory committee meetings, and  
18 solicit applications for and appoint committee members and  
19 subcommittee members as appropriate; and

20 (v) Creation of at least one position at the commission and other  
21 positions as needed with expertise in livestock nutrient management  
22 and carbon markets who will help disseminate information and provide  
23 support to agricultural producers applying for funding opportunities.

24 (b) No more than five percent of funding under this subsection  
25 may be used for administration for grant management, advisory  
26 committee support, analysis, and reporting.

27 (8) Grant applications are eligible for costs associated with  
28 technical assistance.

29 ~~((+8))~~ (9) Conservation districts and other public entities may  
30 apply for a single grant from the commission that serves multiple  
31 farmers.

32 ~~((+9))~~ (10) Conservation districts and other public entities,  
33 separately or jointly, may apply for grant funds to operate an  
34 equipment sharing program. Grant applicants may apply to share  
35 equipment purchased with grant funds. Applicants for equipment  
36 purchase grants issued under this grant program may be farm, ranch,  
37 or aquaculture operations ~~((coordinating as individual businesses))~~  
38 or as formal cooperative ventures serving farm, ranch, or aquaculture  
39 operations. ~~((Conservation districts, separately or jointly, may also~~  
40 apply for grant funds to operate an equipment sharing program.

1       ~~(10))~~ (11) No contract for carbon storage or changes to  
2 management practices may exceed 25 years. Grant contracts that  
3 include up-front payments for future benefits must be conditioned to  
4 include penalties for default due to negligence on the part of the  
5 recipient.

6       ~~((11))~~ (12) The commission shall attempt to achieve a  
7 geographically fair distribution of funds across a broad group of  
8 ~~((crop types, soil management))~~ commodities, climate-smart practices,  
9 and farm sizes.

10       ~~((12))~~ (13) Any applications involving state lands leased from  
11 the department of natural resources or the department of fish and  
12 wildlife must include ~~((the))~~ that department's approval.

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