SENATE BILL REPORT SB 5391

As of February 3, 2025

Title: An act relating to the sustainable farms and fields grant program.

Brief Description: Concerning the sustainable farms and fields grant program.

Sponsors: Senators Shewmake, Krishnadasan, Nobles, Saldaña and Valdez.

Brief History:

Committee Activity: Agriculture & Natural Resources: 2/03/25.

Brief Summary of Bill

• Amends allowable uses of funding, prioritization criteria, and timelines in the Sustainable Farms and Fields Grant Program.

SENATE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Staff: Elena Becker (786-7493)

Background: <u>Washington State Conservation Commission.</u> The Washington State Conservation Commission (Commission) was created by the Legislature in 1939 to support conservation districts through financial and technical assistance, administrative and operational oversight, program coordination, and promotion of district activities and services.

<u>Sustainable Farms and Fields Grant Program.</u> The Legislature created the Sustainable Farms and Fields Grant Program (grant program) in 2020, with the stated intent of providing competitive grant opportunities to enable farmers and ranchers to adopt practices that increase appropriate quantities of carbon stored in and above their soil and to initiate or expand the level of precision agriculture on their farms.

The grant program is administered by the Commission in consultation with other agencies.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Allowable uses of grant program funds include:

- annual payments to enrolled participants for successfully delivered carbon storage or reduction;
- upfront payments for contracted carbon storage;
- down payments on equipment;
- purchases of equipment;
- purchase 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;
- the purchase of compost spreading equipment, or financial assistance to farmers to purchase compost spreading equipment, for the annual use for at least three years of volumes of compost determined by the Commission to be significant from materials composted at a site not owned or operated by the farmer;
- scientific studies to evaluate and quantify the greenhouse gas emissions avoided as a result of using crop residues as a biofuel feedstock or to identify management practices that increase the greenhouse gas emissions avoided as a result of using crop residues as a biofuel feedstock;
- efforts to support the farm use of anaerobic digester digestate; and
- other equipment purchases or financial assistance deemed appropriate by the Commission.

The grant program must prioritize or weight projects based on the individual project's ability to:

- increase the quantity of organic carbon in topsoil through practices including, but not limited to, cover cropping, no-till and minimum tillage conservation practices, crop rotations, manure application, biochar application, compost application, and changes in grazing management;
- increase the quantity of organic carbon in aquatic soils;
- intentionally integrate trees, shrubs, seaweed, or other vegetation into management of agricultural and aquacultural lands, with preference for native vegetation where practicable and appropriate;
- reduce or avoid carbon dioxide equivalent emissions in or from soils;
- reduce nitrous oxide and methane emissions through changes to livestock or soil management; and
- increase usage of precision agricultural practices.

Current law directed the Commission to evaluate and update the most appropriate carbon equivalency metric for use in the grant program by July 1, 2024. Statute provides a formula for use until the Commission develops the required metric.

Summary of Bill: The purchase of compost spreading equipment for the annual use for at

least three years of volumes of compost determined by the Commission to be significant from materials composted at a site that is not owned or operated by the farmer is removed from the list of allowable uses of grant program funds. Reducing or avoiding carbon dioxide equivalent emissions through increased energy efficiency or reduced fuel use is added to the list of prioritization criteria. The deadline by which the grant program must develop a carbon equivalency metric is removed and the Commission is instead directed to develop the metric before implementing upfront payments for carbon storage.

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 is a great, voluntary, win-win-win program that helps conservation districts work toward carbon storage and energy efficiency. The bill consists of technical cleanups. There has been concern around the language related to compost spreaders. Purchases of equipment is an allowable use and will remain so. This bill removes a separate allowable use that is specific to compost spreaders and includes additional confusing language that is difficult to implement. Grant funds may still be used to purchase compost spreaders under the "purchase of equipment" allowable use.

Persons Testifying: PRO: Senator Sharon Shewmake, Prime Sponsor; Dani Madrone, State Conservation Commission; Bonny Jo Peterson, Industrial Hemp Association of WA .

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