Testimony SB2353

Sam Wagner Ag and Food Field Organizer Dakota Resource Council 1720 Burnt Boat Dr. Ste 104 Bismarck ND 58503 Testimony in Support for SB2353

To the Honorable Chairman and the members of the Committee, we submit these remarks on behalf of DRC.

Mr. Chairman,

DRC would like to support SB2353. Over the past year our group formed a soil committee, talked to soil districts, NDSU extension, attended the state soil convention, and talked to farmers and ranchers about what they can do to better their service to farmers and ranchers across North Dakota. Based on these conversations this is what we've heard. The storage buildings are getting older and do not always qualify for federal or state grants to renovate them. They have vehicles and tractors that are getting a bit outdated. They have nurseries or tree coolers that need more capacity or are aging rapidly. Recruiting new employees and employee retention have been challenging for Soil Conservation districts. There is disparity between funding in the high and low population areas of our state and county mills are not always there to fund these projects. In counties with high amounts of non taxable federal land it's not as simple as raising the levies to pay for these projects.

We think that everyone can agree that soil conservation is important for our Ag based economy in North Dakota. I would also say that it's safe to say that many people here want to make sure our Soil Conservation districts have the tools they need to help out our farmers, ranchers, and land owners keep their land in the best shape possible.

SB2353 is a simple solution to address this issue but it also could have an unexpected benefit to the state. As most of you know the 2023 Farm Bill is coming. In a current marker bill, The ARA or Agriculture Resiliency Act, there is a bipartisan supported part of the bill that includes federal assistance to states that are developing and implementing a soil plan for their state. If you take a look at the language it is currently broad enough that our state would qualify for up to 6 million dollars in federal money (1 million to study, and 5 million to implement the plan). By passing an interim study now, we should easily qualify for the implementing funds when the Farm Bill is enacted by as early as next year.

We believe that we need an objective look at our resources in our soil conservation districts and this bill will be a great way to assess what our soil districts need and give them the tools to succeed.

This is the language from the <u>Ag Resiliency Act (S.1337)</u> Submitted to the 117th Senate regarding support for State Soil Health Plans. Important parts in Yellow that apply

SEC. 1240S. STATE ASSISTANCE FOR SOIL HEALTH.

"(a) Availability And Purpose Of Grants.—Using funds made available under subsection (k), the Secretary shall make grants to States or tribal governments for each of fiscal years 2022 through 2030 to be used by State departments of agriculture or appropriate tribal authorities to develop and implement plans to improve soil health on agricultural lands.

"(b) Application.-

"(1) IN GENERAL.—A State department of agriculture or tribal government requesting a grant under this section may prepare and submit, for approval by the Secretary, an application at such time, in such a manner, and containing such information as the Secretary shall require, including an assurance that grant funds received under this section shall supplement the expenditure of State or tribal funds in support of soil health, rather than replace State or tribal funds.

"(2) USE OF FUNDS.—A State or tribal government may request funds under this section to—

"(A) develop or modify a State or tribal soil health plan; or

"(B) implement a State or tribal soil health plan approved by the Secretary under this section, including through—

"(i) technical assistance;

"(ii) financial assistance;

"(iii) on-farm research and demonstration;

"(iv) education, outreach, and training;

"(v) monitoring and evaluation; or

"(vi) such other activities as the Secretary deems appropriate.

"(3) PLAN COMPONENTS.—Prior to approving a State or tribal soil health plan, the Secretary shall ensure that the plan, at a minimum—

"(A) is broadly consistent with the soil health principles of the Natural Resources Conservation Service; and

"(B) identifies effective strategies for increasing adoption of regionally appropriate soil health practices and systems on privately owned agricultural land under the jurisdiction of the applicable State or tribal government.

(C) Includes input from diverse stakeholders

"(4) ELIGIBILITY.—A State or tribal government may—

"(A) apply for a grant under paragraph (2)(A) at any time; and

"(B) apply for a grant under paragraph (2)(B) upon approval by the Secretary of its soil health plan.

"(c) Tribal Option.—At the sole discretion of a tribal government, an Indian tribe or tribal organization shall have the option of being incorporated into a State application rather than submitting its own application.

"(d) Grant Amount.—

"(1) MAXIMUM.—The maximum grant any one State or tribal government may receive under this section for a fiscal year shall be—

"(A) for a grant under subsection (b)(2)(A), \$1,000,000.

"(B) for a grant under subsection (b)(2)(B), \$5,000,000.

"(2) FEDERAL SHARE.—

"(A) GRANTS TO STATES.—The grant amount to a State shall not exceed 75 percent of the cost of developing or modifying a soil health plan, or 50 percent of the cost of implementing the soil health plan.

"(B) GRANTS TO TRIBES.—The grant amount to a tribal government shall not exceed 90 percent of the cost of developing or modifying a soil health plan, or 75 percent of the cost of implementing the soil health plan.

"(3) NON-FEDERAL FUNDS.—A grant made under this section shall be made on the condition that the non-Federal share of expenditures under paragraph (2) be provided by non-Federal sources.

"(e) Grant Term.—A grant under this section shall be for one year and may be renewed annually, at the discretion of the Secretary.

"(f) Priority.—The Secretary shall give priority to States or tribal governments with a climate action plan that includes soil health, as determined by the Secretary.

"(g) Performance Measures And Evaluation.---

"(1) PERFORMANCE MEASURES.—Each application under subsection (b) shall include performance measures to be used to evaluate the results of the assistance received under this section.

"(2) REVIEW.—The State department of agriculture or the tribal authority shall submit a review and evaluation of its progress using the performance measures under paragraph (1) to the Secretary at such intervals as the Secretary shall establish.

"(h) Effect Of Noncompliance.—If the Secretary, after reasonable notice to a State or tribal government, finds that there has been a failure by the State or tribal government to comply with the terms of a grant made under this section, the Secretary may disqualify, for one or more years, the State or tribal government from receipt of future grants under this section.

"(i) Audit Requirement.—For each year that a State or tribal government receives a grant under this section, the State or tribal government shall conduct an audit of the

expenditures of grant funds by the State or tribal government and shall submit a copy of the audit to the Secretary within 30 days of its completion.

"(j) Administration.---

"(1) DEPARTMENT.—The Secretary may not use more than 3 percent of the funds made available to carry out this section for a fiscal year for administrative expenses.

"(2) STATES OR TRIBES.—A State or tribal government receiving a grant under this section may not use more than 7 percent of the funds received under the grant for a fiscal year for administrative expenses.

"(k) Funding.—Of the funds of the Commodity Credit Corporation, the Secretary shall make grants under this section using—

"(1) \$60,000,000 for fiscal years 2022 through 2023;

"(2) \$80,000,000 for fiscal years 2024 through 2026; and

"(3) \$100,000,000 for fiscal year 2027 and each fiscal year thereafter.".