

April 29, 2021

The Honorable Tom Vilsack
Secretary, U.S. Department of Agriculture

Submitted Electronically

Re: Docket Number: USDA-2021-0003—Notice of Request for Public Comment on the Executive Order on Tackling the Climate Crisis at Home and Abroad

Dear Secretary Vilsack:

North Dakota Farmers Union (NDFU) appreciates the opportunity to comment on the Executive Order on Tackling the Climate Crisis at Home and Abroad. NDFU is the largest general farm organization in North Dakota, representing more than 50,000 farm and ranch families, members and their energy and agricultural supply cooperatives. NDFU supports “policies to improve agricultural sustainability and aid in mitigating the negative effects of climate change.”

At NDFU’s annual convention in 2020, our members passed a resolution urging a “comprehensive, farmer-focused approach to climate change.” Family farmers and ranchers can play a central role in the nation’s climate solution. In fact, many producers already use climate-smart practices such as no-till, cover cropping and rotational grazing. With expanded technical assistance, cost-share and incentives, farmers and ranchers can increase their use of climate-smart practices.

1. Climate-Smart Agriculture and Forestry Questions

A. How should USDA utilize programs, funding and financing capacities, and other authorities, to encourage the voluntary adoption of climate-smart agricultural and forestry practices on working farms, ranches, and forest lands?

1. How can USDA leverage existing policies and programs to encourage voluntary adoption of agricultural practices that sequester carbon, reduce greenhouse gas emissions, and ensure resiliency to climate change?

The Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP) and Conservation Reserve Program (CRP) are popular and successful programs. NDFU believes these and other programs “should have a stronger focus on climate friendly practices.” This can be accomplished through higher cost-share or incentives for practices that improve soil health, increase carbon sequestration and reduce emissions. We also believe the Natural Resources Conservation Service (NRCS) should prioritize applications that focus on climate-smart practices.

As farmers and ranchers are encouraged to adopt more climate-smart practices, they should also have increased access to technical assistance. We encourage USDA to increase NRCS field staffing and funding for Conservation Technical Assistance to foster locally-led strategies for addressing climate change.

2. What new strategies should USDA explore to encourage voluntary adoption of climate-smart agriculture and forestry practices?

NDFU encourages USDA to integrate new incentives and compensation for climate-smart practices within existing programs and work to ensure farmers and ranchers are incentivized for all climate-smart practices. The department should seek input from farmers and ranchers and conduct a study reviewing the impact of soil health practices on crop productivity and on crop insurance coverage, liabilities, and premium rates. This study should also identify potential policies or actuarially sound modifications to crop insurance to accelerate the voluntary adoption of climate-smart farming practices.

B. How can partners and stakeholders, including State, local and Tribal governments and the private sector, work with USDA in advancing climate-smart agricultural and forestry practices?

USDA and NRCS must emphasize climate change as a priority to its partners and other stakeholders and encourage them to follow suit. Some states, local and tribal governments, and other groups are increasingly interested in climate-smart agriculture and are already taking actions to help farmers and ranchers adopt these practices. USDA should build on this momentum by sharing training and research and encouraging and coordinating with stakeholders to expand climate-smart offerings and adoption. USDA's partnerships with like-minded groups and other stakeholders will be critical to ensure farmers and ranchers have access to top resources that can help them implement the best practices for their land and operation.

C. How can USDA help support emerging markets for carbon and greenhouse gases where agriculture and forestry can supply carbon benefits?

Carbon markets present a major opportunity for farmers and ranchers. However, not all farms will be able to participate due to size, soil types, land ownership issues, or other factors that limit the land's ability to sequester carbon or a farmer's ability to engage with the market. USDA should work to make sure farmers and ranchers know all their options—carbon markets, USDA programs, and others—as they look to adopt climate-smart practices appropriate for their land and operation. USDA should also develop ways to reward early adopters who have already deployed climate-smart practices and have fewer opportunities to participate in carbon markets or programs.

It is also important that USDA works to improve consistency and transparency of carbon markets. The Growing Climate Solutions Act (S. 1251) would address some of these issues. The Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Certification Program would ensure appropriately trained third party service providers are available to assist farmers. The advisory council created in the bill will provide valuable insights to USDA on the operation of these private markets and the role and participation of farmers and ranchers in them.



USDA should also work to ensure farmers and ranchers are awarded a fair price for carbon offsets and prevent concentration among aggregators. To ensure fair prices, science-based protocols should be developed and used to determine the value of carbon offset by a particular protocol. Preventing concentration in the carbon market is essential. Many of the markets farmers and ranchers buy from and sell to are highly concentrated. Agribusiness consolidation has led to lower prices, higher costs, and fewer choices. Ultimately, margin compression has forced farms to expand in order to maintain profitability, resulting in the loss of family farms. Carbon markets can improve farmers' and ranchers' profits, but those gains could be negated by concentration within carbon markets.

D. What data, tools, and research are needed for USDA to effectively carry out climate-smart agriculture and forestry strategies?

Climate change is impacting farmers and ranchers differently across the United States and the tools and practices they need to use will also differ to reflect local conditions and resource concerns. USDA should work with its Climate Hub network and research agencies to develop regional and locally specific tools and systems to help farmers and ranchers address climate change on their land. Such tools and resources include soil health management systems designed to build soil health and address local resource concerns such as water quality and quantity, wildfires, changes in wind patterns, and pest pressures. USDA should also consider input needs, including regionally specific cover crop seed production, plant genetics needs, and tools that appropriately address the soil microbiome.

Further, progress on the broadscale adoption of climate-smart agricultural practices will require the expansion of rural broadband networks. To be successful, farmers and ranchers will need access to the latest data and research, real time communication with trusted advisors, and precision data tools—all of which rely on highspeed internet access.

2. Biofuels, Wood and Other Bioproducts, and Renewable Energy Questions

A. How should USDA utilize programs, funding and financing capacities, and other authorities to encourage greater use of biofuels for transportation, sustainable bioproducts (including wood products), and renewable energy?

NDFU has been a strong supporter of increased use of biofuels. One of the greatest barriers to increased use of biofuels is the cost of installing distribution and retail infrastructure. NDFU appreciates and strongly supports USDA's commitment to providing cost-share opportunities for local retailers, particularly farmer-owned cooperatives.

The Higher Blends Infrastructure Incentive Program (HBIIP) provides an important resource to retailers working to offer higher biofuel blends. While NDFU fully supports expansion of E15/B20 infrastructure, we encourage USDA to establish incentives that would help move this country toward high-octane fuels. Moving toward high-octane fuels to increase fuel economy and vehicle efficiency is widely supported. Mid-level ethanol blends are the most cost-effective, high-octane fuels available today. Such a move would significantly benefit farmers and ranchers, the economy, this country's energy independence and security, and the environment.



NDFU also encourages USDA to work with EPA in addressing regulatory hurdles to increased use of mid-level ethanol blends.

C. How can USDA support adoption and production of other renewable energy technologies in rural America, such as renewable natural gas from livestock, biomass power, solar, and wind?

USDA should streamline the application process for the Renewable Energy for America Program (REAP) and work with Congress to increase REAP funding. The REAP application process is incredibly challenging for many farmers and ranchers to navigate on their own, forcing them to hire grant writers. USDA should streamline the REAP application process to put it in line with other programs, such as those at NRCS, that farmers and ranchers can easily navigate.

Demand for participation in REAP far exceeds available funding. Currently, REAP receives \$50 million in mandatory funding from the farm bill, with additional funding subject to annual appropriations. However, current need is estimated to be closer to \$300 million annually. USDA should clearly communicate the demand and funding needs for this program to Congress, especially as lawmakers look to enact policies aimed at addressing climate change.

Sincerely,

NORTH DAKOTA FARMERS UNION



Mark Watne
President

