I am excited about your proposed planning grant program however please consider adding these changes:

- Add California farmers and ranchers as eligible entities to apply for planning grants and select the qualified technical assistance provider of their choice. Farmers and ranchers should be empowered to determine what type of climate-smart agriculture plan is most appropriate for their farm and to identify qualified planners of their choice to create these plans.
- Ensure the program effectively supports organic transition by making standalone organic system plans eligible.
- Include state-certified crop and pest management advisors as eligible entities to apply for planning grants.
- Rather than using set payment rates, reimburse farmers and technical assistance providers for the full cost of planning especially for small farms.
- Broaden the types of plans eligible for funding to include other plans that verify a grower is using practices that improve soil health, sequester carbon, and/or protect biodiversity and pollinator health such as Sustainability in Practice and Bee Better certifications.

Respectfully, James Lucas G & J's Little Farm, LLC June 10, 2021

To: CDFA Science Advisory Panel and Office of Environmental Farming and Innovation

From: Judith Redmond, Co-Owner Full Belly Farm, Member Environmental Farming Act Science Advisory Panel (SAP)

RE: Draft Request for Proposals for the Conservation Agriculture Planning Grants Program

As a member of the Science Advisory Panel, I submit the following concerns and suggestions regarding the proposed Conservation Agriculture Planning Grants Program (referred to in this letter as the Program). I am excited about the development of the Program at CDFA. It will be an effective complement to the other programs housed at the Office of Environmental Farming and Innovation (OEFI). Thank you for the opportunity to comment.

1. The Program should support additional planning approaches rather than only the NRCS CAPs (Conservation Activity Plans).

The Program proposes to adopt the CAP funding levels and planning structure offered by NRCS with very few changes except that the TSP (Technical Support Provider) will receive the funds directly rather than through the farmer/rancher. This is very restrictive, especially in light of many examples of successful farm and ranch planning efforts that have taken place all over the country using other approaches. For example in Montana, the Alternative Energy Resources Organization (AERO) convened small groups of farmers and researchers to experiment and explore practices that would increase farm sustainability. Among some of the groups funded were those that wanted to expand their efforts to incorporate new crop rotations to build soil fertility and health. Each project was required to enroll at least four members, one of whom had to be a researcher or Extension agent and each project had to define a specific research question.

A look at this history shows that these projects were, in essence, planning efforts that resulted in widespread adoption of improved farming practices and other innovative strategies. One of the principles developed by many community-based groups is that the farmer or rancher should be an equal part of the planning team and there are many examples of success using this approach.

On first glance, the NRCS CAPs offer the advantage to CDFA of an already existing structure, but as it turns out, many of the CAPs are being repackaged and reorganized (see National Bulletin 440-21-17, "Conservation Activity Plan Transition Strategy", attached), so the structure is in flux and not only are the plans potentially changing, but the funding schedule is likely to be adjusted as well. The national "transition strategy" process is projected to be completed in time for granting in fiscal year 2022, but many of the details have yet to be developed. If the CDFA Program is going to rely so heavily on the NRCS structure, we should seek to better understand the transition before adopting the Program as presented. If NRCS has learned from their experience that there is room for improvement, CDFA should not adopt the structure until the revisions are in place and the SAP can understand what it is approving.

Another relevant point, as described below, is that the NRCS approach is not the best way to facilitate the completion of Organic Systems Plans. This is another reason why alternate planning approaches should be considered.

As with the Healthy Soils program, the addition of practices beyond those approved by NRCS will make the program stronger and more relevant to the diversity of California's farmers.

2. The Program should support farmers and ranchers in hiring organic consultants to complete Organic Systems Plans.

CAP 138, the NRCS plan approved for use in the Program and focused on supporting "farmers who are interested in transitioning from conventional farming practices to organic production..." states in its first paragraph that "for the completion of a CAP, it must be prepared by NRCS-certified technical service providers (TSPs)." However, if a farmer or rancher was to go to the USDA website to locate a TSP who is certified to complete CAP 138 in any county in California, that farmer would find that only two such TSPs currently exist in California. One of them lives in Woodland and the other lives in British Columbia (see attached screen shot). This is clearly not adequate and certainly will not support the diversity of farmers that have been targeted by other OEFI programs.

We should recall that it was a proposal from CCOF that inspired the discussion about the need for a planning program, yet the proposed Program seems inadvertently to be designed to <u>discourage</u> its relevance for the organic transition. The NRCS plans have to be implemented by certified TSPs, and during the April 29, 2021 SAP meeting it was emphasized by Greg Norris (NRCS) and others, that ONLY TSPs have the expertise to complete the CAPs.

In a discussion on May 20th with Steve Hill, the California Technical Service Provider Program Coordinator for NRCS, he mentioned that the organic transition plan (CAP 138) is not used much and that this puzzled him because the "size of the potential market is high." This observation confirmed my opinion that clearly, CAP 138 is not the only and may not be the best vehicle for facilitating a farm's planning for the transition to organic practices.

At the October 15th, 2020 meeting of the SAP, there were presentations from a panel of four experts versed in these issues. Two of the panelists were from firms that assist farmers in developing their Organic Systems Plan so that they can become certified organic farmers. The other two panelists were from County Ag Extension agencies (Volo and Monterey) that provide organic certification services. Michelle Lawson, from the Yolo County Ag Commissioners office stated clearly at that meeting, that "The certifiers benefit a great deal if the grower has a consultant helping them move through the process, otherwise it can be very time consuming." A brief inquiry into the transition process, described by the consultants on that panel, makes it very clear that the tried and true method, used by many successful organic farmers, for completing an Organic Systems Plan is with the assistance of an organic consultant, certified crop advisor or pest control advisor.

Funding support from the Program could make the organic option more accessible to a diversity of California's farmers and ranchers, but only if the Program is amended to allow farmers and ranchers to hire organic consultants (not just TSPs) with expertise in developing Organic Systems Plans outside of CAP 138.

3. The Program should explicitly encourage implementation of funded plans.

Given the mission of OEFI, to "incentivize practices resulting in a net benefit for the environment", the <u>implementation</u> of well laid plans is the main goal. The introduction of this planning element will greatly strengthen other programs within OEFI, but that will not be the case if farmers are removed from the planning process, or the plans are in some way unrealistic for the farmer to achieve. It is in the interest of OEFI and SAP to consider ways of facilitating the transition from planning to implementation. Here are some ideas — perhaps others will emerge:

- Staff should complete a review or the CAPS to determine if they include an analysis of financial feasibility and strategies for design and management. If not,
- those elements need to be considered and added.
- Completion of a planning project could be considered during the evaluation when a farmer or rancher applies for incentives grants.
- Paperwork between the planning and implementation phases should be streamlined.
- There may be multiple sources of funding in support of implementing conservation plans. If TSPs and organic crop consultants are versed in accessing funding, they could be funded to support farmers in taking the next steps.

In summary, I believe that these concerns are significant and require some changes to the Planning Program as proposed. I hope that CDFA staff and the SAP will be receptive to these suggestions.

Thank you very much for your time and attention.

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Subject:	Comment on new CDFA Planning Grant Program
Date:	Thursday, June 10, 2021 11:31:57 AM

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Thank you, Chuck

Chuck Samuelson

Founder: Kitchens For Good "Where Food Changes Lives" 619-851-4091 Linkedin profile



June 12, 2021

Environmental Farming Act Science Advisory Panel California Department of Food and Agriculture 1120 N Street Sacramento, CA 95814

Re: 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals

To whom it may concern:

Thank you for the opportunity to share our comments on the 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals.

As you know, the 95 RCDs in the State are a critical part of the technical assistance network that provides planning to farmers and ranchers. RCDs are a large part of CDFA's grant programs and have received many of the technical assistance and farm demonstration grants in the Healthy Soils program. RCDs will likely receive many grants in this program.

As you also know, farm planning is essential to good conservation on farms and an important part of farmers being part of the solution to climate and other environmental challenges. We are very excited to see a proposed funding program to develop a suite of conservation plans for agricultural operators. We feel this is critical to the success of conservation on farmland and we applaud the department for taking this critical step.

Finally, we are also very appreciative of the work NRCS has done in this space for nearly 100 years. As their close core partner we have watched them troubleshoot and refine their programs. We recommend mirroring this program as much as possible off the NRCS programs in order to avoid confusion, leverage resources, and avoid unforeseen pitfalls.

As enthusiastic partners, we want this program to be successful and offer these suggestions to strengthen the implementation of the program. Please call on us to assist in anyway we can be useful.

Below is a summary of our requests with additional detail on each point following. Please feel free to reach out to get additional information, examples or if we can be of assistance in clarifying any of our points.

Summary

Our recommendations for the 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals are as follows:

• Indirect cost rates that have been vetted and approved by cognizant agencies should be accepted rather than setting a cap at 20% for most organization, but allowing for a higher cap for others.

- The actual cost of the work should be fully reimbursed rather than on a set payment rate.
- Critical Project Review requirements to repay CDFA if milestones are not met are not fair and should be removed or revised.
- Administrative costs related to project management, tracking of the budget and deliverables, and regular invoicing and reporting are required for the work to get done and should be an allowable expense.
- The grant awards should be longer than 18 months
- The application process should be on a rolling basis

Additional detail to support the requests:

Indirect Costs:

We recommend that RCDs be included with UC and CSU to claim their established indirect cost rates.

In the guidelines, UC and CSUs may claim their established indirect cost rates, but other applicants are limited to 20%.

Indirect costs are essential for delivering projects, and include items such as rent; insurance; work stations and meeting spaces; utilities; office supplies; IT support and software; administrative staff; bookkeeping and accounting; legal consultant and review of contracts, labor practices, policies, etc.; development of financial, personnel, safety, and other policies; annual financial audits, staffing to prepare, notice, and support public Board meetings; other staff time that cannot be billed to specific projects, e.g. participation in this review and comment process, staff meetings, staff trainings, etc.; costs to comply with Division 9, the Brown Act, and other governmental codes that ensure our accountability and transparency. Negotiated Indirect Cost Rates are based on audited financials, which are then reviewed by the cognizant federal agency over the course of many months. They are highly vetted and based on actual costs to operate as an organization. The grant program as currently proposed would limit our ability to recover our true costs, meaning that we would lose money by accepting the grant unless we were able to secure private donations or funding to deliver this CDFA program.

The recovery of indirect costs is a common and essential accounting practice at federal, state, and local levels. Indirect costs are defined by California's Office of the Controller in the December 2018 Edition of the Special District Uniform Accounting and Reporting Procedures as "those elements of cost necessary in the production of a good or service that are not directly traceable to the product or service. Usually these costs relate to objects of expenditure that do not become an integral part of the finished product or service, such as rent, heat, light, supplies, management and supervision (indirect costs/charges/expenses.)"

RCDs function like CSU and UC in the sense that they are publicly transparent organizations that must comply with public accountability laws like the Brown Act. We should be able to cover this full cost.

Critical Project Review:

The draft proposal states that if, after a Critical Project Review, it is determined that "the grant recipient is not meeting and is unlikely to meet certain milestones, CDFA has the right to terminate

the Grant Agreement pursuant to the Terms and Conditions of the Grant Agreement. If the grant is terminated and has incurred any costs during the term, <u>the Grantee must return any previously</u> <u>reimbursed funds</u>."

The grant proposal does not require that an applicant know what operations they will service, and thus must make an estimate as to the number and type of plans they will complete. If a grantee has done work that was sufficient enough that CDFA approved it and reimbursed for it, it is unfair to request those funds be returned. In addition, that request could bankrupt small organizations. We know that is not the intent of the program or CDFA.

Payment Rates:

CDFA should reimburse awardees for the true cost of the work organizations are undertaking to further CDFA's goals.

The proposed payment rates don't reflect actual costs of plan development or variability in income and cost of living throughout the state.

The project budget on a per plan basis does not allow for any administrative costs associated with compiling quarterly reports and invoices. The payment rates also do not account for the time it takes identify producers and discuss and decide what plans best align with their operational objectives.

Many of these plans are property scale plans, and require time to do comprehensive assessments, meet with producers, compile maps, research unique aspects of the property (like a uncommon management technique or special status species present), make and review recommendations with producer, and compile reports for producer and CDFA. The reimbursement rates are not enough for someone making livable wages and receiving benefits to prepare high-quality plans. CDFA should pay for the true cost that an awardee spends to further CDFA's goals through this program, which may be more or less than the per unit reimbursement rates proposed.

For example, the Soil Health Management Plans are required to include:

- Site information, including a digital conservation plan map that includes property and field lines and acreage
- Client interview and documentation of objectives
- Inventory of resources, including:
 - a. Crops grown, and planned rotation by field
 - b. Tillage, planting, weed management and harvest equipment used
 - c. Soil amendments used (*e.g.* compost, manure, biosolids, gypsum, lime, etc.)
 - d. Typical nutrient program including forms, rates and timing of applications
 - e. Typical pesticides used
 - f. Kind/class of livestock and number,
 - g. Cover crop use, including species, and planting and termination methods
 - h. Soil water management concerns (*i.e.* field too wet or too dry at planting)
 - i. Soil maps and descriptions, to include:
 - i. Map unit and texture
 - ii. Drainage class and hydrologic soil group
 - iii. Ecological site and forage suitability group (when applicable)
 - iv. Soil health properties and interpretations (where appropriate)

Calculations from current erosion prediction technology used to include estimates of SCI and STIR

- Assessment of resource concerns, including an in field /pasture soil health assessment
- Documenting long-term goals and developing an individualized plan to build soil health through adopting new practices and providing alternatives for incorporating innovative technology or management changes. Record decisions (planned and applied conservation practices) for the land where conservation practices to maintain or improve soil health resource concerns will be applied. This includes documentation for all currently applied practices that will be maintained, as well as all the planned practices with a schedule for implementation to include the month and year of planned application and amount.
- The development of two plans, one for the client, and one for NRCS.

The proposed payment rate would only cover 38 hours (using the average billing rate of eligible staff) to do all the above-mentioned work. That is not an adequate amount of time for the project. Organizations would have to cover that time from outside sources or their general fund- neither of which are often available.

In addition, organizations that cannot bill their indirect cost rate will already be partially covering the cost of this program. By not reimbursing for all hours worked, organizations will be recovering even less of their costs and their ability to apply to this program to expand services to agricultural producers will depend on their ability to contribute other funds to complete the work, favoring organizations with baseline funding or operational funds, which many RCDs do not have. CDFA should reimburse awardees for the true cost of the work organizations are undertaking to further CDFA's goals.

We understand and agree with CDFA's desire to set reasonable cost frames for the projects. That is why we ask that a reasonable cost frame be included so that small organizations are not shouldering the cost of doing work for the State. This greatly hinders the solvency of small organizations and our ability to complete other, equally pressing work.

Carbon Farm Plans:

CDFA should support the development of Conservation and Carbon Farm Plans by reimbursing the awardee for the cost of developing the plans.

Many RCDs create comprehensive carbon farm plans for farmers and ranchers. To be accurate, the plans require a substantial amount of time to conduct assessments of soil, habitat, and vegetation; create maps; utilize NRCS planning tools; develop and map recommendations; and compile reports. A carbon farm plan averages between 80-110 hours depending on the size of the property and complexities of the landscape and management practices. CDFA should support the development of Conservation and Carbon Farm Plans by reimbursing the awardee for the cost of developing the plans.

Timing

Conservation takes time. 18 months is a short award frame and will not allow for the unforeseen circumstances that appear in almost every project. We request that the contracts last at least 24 months to ensure the time to get it right.

Application Process

We recommend that CDFA follow the NRCS model of rolling applications rather than a competitive grant round. The rolling model allows practitioners to fully develop plans and projects and doesn't unnecessarily force planning into an arbitrary window. We feel that better projects will develop with a more natural funding cycle.

Summary

In conclusion, our recommendations for the 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals are as follows:

- Indirect cost rates that have been vetted and approved by cognizant agencies should be accepted rather than setting a cap at 20% for most organization, but allowing for a higher cap for others.
- The actual cost of the work should be fully reimbursed rather than on a set payment rate.
- Critical Project Review requirements to repay CDFA if milestones are not met are not fair and should be removed or revised.
- Administrative costs related to project management, tracking of the budget and deliverables, and regular invoicing and reporting are required for the work to get done and should be an allowable expense.
- The grant awards should be longer than 18 months
- The application process should be on a rolling basis

Thanks for your thoughtful consideration of our recommendations. Please feel free to reach out for additional clarification, examples or if we can be of assistance.

Kern Buch

Karen Buhr Executive Director



1221 Farmers Lane, Suite F Santa Rosa, CA 95405 707.569.1448 SonomaRCD.org

June 14, 2021

Environmental Farming Act Science Advisory Panel California Department of Food and Agriculture 1120 N Street Sacramento, CA 95814

Re: 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals

Members of the Science Advisory Panel:

Thank you for the opportunity to share our comments on the 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals.

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We are also very appreciative of the work NRCS has done in this space for nearly 100 years. As their close core partner, we have watched them troubleshoot and refine their programs. We recommend mirroring this program as much as possible off the NRCS programs in order to avoid confusion, leverage resources, and avoid unforeseen pitfalls.

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- The grant awards should be longer than 18 months.

Detailed Recommendations

Indirect Costs:

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 - d. Typical nutrient program including forms, rates and timing of applications
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- The development of two plans, one for the client, and one for NRCS.

The highest proposed payment rate for that type of plan would only cover about 50 hours of our Project Manager time to do all the above-mentioned work, which is not adequate to accomplish the plan requirements. Organizations would have to cover that time from outside sources or their general fund, neither of which are often available.

In addition, organizations that cannot bill their indirect cost rate will already be partially covering the cost of this program. By not reimbursing for all hours worked, organizations will be recovering even less of their costs and their ability to apply to this program to expand services to agricultural producers will depend on their ability to contribute other funds to complete the work, favoring organizations with baseline funding, which many RCDs do not have. CDFA should reimburse awardees for the true cost of the work organizations are undertaking to further CDFA's goals.

We understand and agree with CDFA's desire to set reasonable cost frames for the projects. That is why we ask that a reasonable cost frame be included so that small organizations are not shouldering the cost of doing work for the State.

Timing:

Working collaboratively with farmers and ranchers to develop comprehensive conservation plans takes time. 18 months is a short award frame and will not allow for the unforeseen circumstances that appear in almost every project. We recommend that the contracts last at least 24 months to ensure the time to get it right, and would prefer a 36 month contract duration.

Summary

In conclusion, our recommendations for the 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals are as follow:

- Indirect cost rates that have been vetted and approved by cognizant agencies (i.e. Negotiated Indirect Cost Rate Agreements, or NICRAs) should be accepted rather than setting a cap at 20% for most organizations while allowing a higher cap for others.
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- The actual cost of the work should be fully reimbursed rather than a set payment rate.
- The grant awards should be longer than 18 months.

Thank you for your thoughtful consideration of our recommendations. Please feel free to reach out for additional clarification, examples, or if we can be of assistance.

alerie Q

Valerie Quinto Executive Director Sonoma Resource Conservation District <u>vminton@sonomarcd.org</u>





Advancing organic agriculture through certification, education, advocacy, and promotion.

June 14, 2021

Office of Environmental Farming and Innovation California Department of Food and Agriculture 1220 N Street Sacramento, CA 95814

RE: CCOF comment letter on CDFA's proposed Conservation Agriculture Planning Grant program

Submitted via email at cdfa.ca.gov

Dear Office of Environmental Farming and Innovation:

California Certified Organic Farmers (CCOF) appreciates the opportunity to comment on the California Department of Food and Agriculture (CDFA)'s proposed Conservation Agriculture Planning Grant program (planning grant program) as set forth in the draft Request for Proposals (RFP) for the program.

CCOF is a nonprofit organization that represents over 3,000 organic farms and businesses throughout California. We advance organic agriculture for a healthy world through certification, education, and advocacy. As the premier organic state, California accounts for 40 percent of all organic production in the country.¹

The planning grant program emerged from CCOF's request that the Environmental Farming Act Science Advisory Panel (EFA SAP)--which advises the Secretary of Food and Agriculture on the Healthy Soils Program (HSP), the State Water Efficiency Enhancement Program (SWEEP), and the Climate Smart Agriculture Technical Assistance Program—add an Organic Transition Option to HSP. EFA SAP decided instead to create a new planning grant program that would offer funding for a wide range of plans including organic system plans. The new planning grant program has already generated interest from the agricultural community and support from Governor Newsom, who included \$20 million to fund the program in the state's May budget revision.²

CCOF continues to advocate that CDFA include support for organic farming in HSP and the new planning grant program. Organic farming and ranching play an important role in achieving California's climate change mitigation goals by using integrated systems of practices that build soil quality, sequester carbon, and reduce greenhouse gas emissions while also protecting water quality, avoiding application of persistent pesticides, and increasing wildlife and pollinator habitat.³

CCOF recommends that CDFA align the planning grant program more closely with the vision expressed by the EFA SAP during their deliberations and make the following changes to it:

1. Add California farmers and ranchers as eligible entities to apply for planning grants;

2. Offer funding for standalone organic system plans and expand the types of plans funded beyond NRCS Conservation Activity Plans;

3. Add state-certified crop and pest management advisors as qualified applicants for planning grants;

³ Benador, L., Damewood, K., & Sooby, J. (2019). *Roadmap to an organic California: Benefits Report*. Santa Cruz, CA: California. Certified Organic Farmers (CCOF) Foundation. <u>https://indd.adobe.com/view/08d24118-8d54-474d-8c2e-1f49328d429b</u>

¹ California Department of Food and Agriculture, California Agricultural Statistics Review 2019-2020, pg. 124.

² Newsom, Gavin. 2021. May revision 2021-22. P. 134. <u>http://www.ebudget.ca.gov/FullBudgetSummary.pdf</u>

4. Reimburse farmers, ranchers, and technical assistance providers for the full cost of planning;

5. Clearly identify the planning grant program as being part of CDFA's Climate Smart Agriculture portfolio by renaming it the Climate Smart Agriculture Planning Grant Program.

Add California farmers and ranchers as eligible entities to apply for planning grants

The draft RFP limits planning grant program funding to "eligible entities in California to assist California farmers and ranchers in developing plans for on-farm use" (p. 2). As they are with HSP and SWEEP, farmers and ranchers should be eligible entities for the planning grant program. Farmers and ranchers should be empowered to determine what type of climate smart agriculture plan is most appropriate for their land and to identify qualified planners of their choice to create these plans. Restricting eligible entities to technical service providers (TSPs) unnecessarily limits producer autonomy in qualifying for planning funds.

The record shows that EFA SAP members intended to include farmers as recipients for the planning grants and that staff made suggestions on how to accomplish this.⁴ Rather than recreate CDFA's Technical Assistance Grants Program with an emphasis on planning, the new planning grant program has great potential to directly support California farmers and ranchers in creating a climate smart agriculture plan that is best suited to their operation.

Offer funding for standalone organic system plans and expand the types of plans funded beyond NRCS Conservation Activity Plans

CDFA should support growers wanting to transition to organic because of the environmental, economic, and public health benefits of organic production in California.⁵ Supporting growers in transitioning to organic is a good investment of planning grant funds because being certified organic will make them eligible for premium organic prices that will reward them economically for their implementation of climate smart agricultural practices long after the duration of the planning grant.

Supporting farmers in transitioning to certified organic was one of the explicit goals of the EFA SAP in creating the new planning grant program,⁶ however as currently written, the draft RFP for the planning grant program duplicates existing conservation planning administered by the Natural Resources Conservation Service (NRCS) and does not specify that standalone organic system plans are eligible.

The draft RFP lists 13 NRCS Conservation Activity Plans (CAPs) and an additional plan type, carbon farm plans, as eligible for funding (p. 3). While one of the CAPs that is proposed to be funded is the Conservation Plan Supporting Organic

⁶ "Member Cameron introduced the following motion:

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⁴ "Member Redmond asked if is there no way that one can imagine in the program structure could go directly to the farmer rather than the Technical Assistant Provider. Dr. Gunasekara answered that Technical Assistant Provider would be a pass-through entity but not efficient as they would charge indirect costs. Farmers are not eligible entities in the Technical Assistance Provider category. For farmers to receive funding, planning grants could be in a separate new 'Planning Program' or CDFA could make farmer/ranchers as an eligible entity in the existing Technical Assistance Program." EFA SAP Binder for Jan. 14, 2021 meeting, Minutes from Oct. 15, 2020 meeting, p. 5.

[&]quot;Chair Dlott asked if CDFA has authority to make a new program within its existing authority, and Dr. Gunasekara said he believes the statutory authority is broad and does allow for its creation under existing statute. He noted that CDFA can do a formal legal analysis. He also noted that adding farmers as an eligible entity to Technical Assistance Program is possible without additional statutory authority." EFA SAP Binder for Jan. 14, 2021 meeting, Minutes from Oct. 15, 2020 meeting, P. 8 ⁵ Benador et al. op. cit.

^{1.} Recommendation to the Secretary to add a planning program to the climate smart agriculture programs and when there is funding allocate funding to it.

CDFA will work to generate a request for proposals to support the new planning program, including organic transition planning and other environmentally friendly and climate smart plans." EFA SAP Binder for Jan. 14, 2021 meeting, Minutes from Oct. 15, 2020 meeting, P. 9-10

Transition (CAP 138), supporting a grower to develop a CAP 138 is different than supporting a grower to create an organic system plan. The NRCS CAP 138 goes well beyond developing an organic system plan (see attached template). It consists of a resource inventory and an erosion control inventory in addition to the extensive documentation required for the organic system plan. The NRCS Technical Assistance Provider locator webpage shows that only two NRCS-registered technical assistance providers are certified to write a CAP 138 in California, ⁷ narrowing growers' options should they desire to develop one of these plans.

Limiting support for organic to the CAP 138 creates unnecessary obstacles for growers who simply desire to develop an organic system plan in order to become certified organic. One of CCOF's reasons for advocating that CDFA include an Organic Transition Option in HSP was to make developing an organic system plan readily accessible to beginning, limited resource, and historically underserved farmers and ranchers. Offering support for a CAP 138 will not accomplish this goal because of the additional time and expense required to create the supplementary plans. The planning grant program should simply offer to fund a grower to work with a consultant to develop an organic system plan for their farm or ranch.

In addition, the planning grant program should support a broader array of climate smart plans as originally contemplated by the EFA SAP including organic system plans, Sustainability in Practice certified, Bee Better Certified, and other certifications that verify a grower is using practices that meet the state's goals of improving soil health, sequestering carbon, providing habitat for pollinators, and protecting biodiversity.

Add state-certified crop and pest management advisors as qualified applicants for planning grants

Most organic system plans are developed by qualified and credentialed consultants such as those who presented to the EFA SAP at its October 2020 meeting.⁸ While some Resource Conservation District and Cooperative Extension personnel may have experience developing organic system plans, this isn't the type of planning that they typically offer. And as noted already, there are currently only two NRCS-certified Technical Assistance Providers in the state qualified to write NRCS CAP 138s.

The planning grant program should recognize credentialed crop consultants as qualified applicants and planners for farmers and ranchers who want to develop organic system plans or other types of climate smart plans recognized by the program. This would include private consultants who hold California credentials in crop and/or pest management advising and have experience in working with farmers to develop plans that increase a farm's climate resiliency including organic system, nutrient management, pest management, and pollinator conservation plans.

To demonstrate that there are options available to growers in addition to the eligible entities now listed in the draft RFP, we are attaching a list of private consultants who hold California credentials in crop and/or pest management advising and who have experience working with farmers to develop organic system plans.

Reimburse farmers, ranchers, and technical assistance providers for the full cost of planning

The funding offered for each CAP shown in Appendix A of the draft RFP is identical to the flat rate funding offered by NRCS for the same plan.⁹ Offering a flat rate payment for each plan does not take into consideration the amount of time that may be required to work with a beginning farmer, a grower with a highly diversified operation, or a producer for whom English is a second language. Rather than using set payment rates, CDFA should reimburse farmers and technical assistance providers for the full cost of planning.

⁷ NRCS Locate Technical Assistance Provider web page: <u>https://techreg.sc.egov.usda.gov/CustLocateTSP.aspx</u>

⁸ Expert Panel on Organic Certification Plans. EFA SAP Binder for Jan. 14, 2021 meeting, Minutes from Oct. 15, 2020 meeting, P. 5 ff.

⁹ NRCS Environmental Quality Incentives Program California Payment Schedules Fiscal Year 2021.

https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/financial/?cid=nrcseprd1328227 Page 3 of 4

An additional concern is that because payment for carbon farm plans is still to be determined, the high cost of those plans relative to NRCS payment rates may disincentivize applying for other plans for which significantly lower payments are offered.

<u>Clearly identify the planning grant program as being part of CDFA's Climate Smart Agriculture portfolio by renaming it</u> <u>the Climate Smart Agriculture Planning Grant Program</u>

Using the "Climate Smart Agriculture" rubric aligns the program with other programs under the authority of the EFA SAP and clarifies the connection between the planning grants and preparing growers to subsequently apply for other Climate Smart Agriculture programs such as HSP and SWEEP should they so choose. Using consistent nomenclature within CDFA's Climate Smart Agriculture programs will help growers and policymakers to readily identify which programs fall under this initiative. Governor Newsom has ordered the California Natural Resources Agency to consult with other state agencies including CDFA in the coming year to coordinate the first statewide Natural and Working Lands Climate Smart Strategy.¹⁰ As the state continues to build out its climate change response, receiving a Climate Smart Agriculture grant could position planning grant recipients for other types of state support that recognize Climate Smart programs.

Thank you for taking our comments into consideration.

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Jane Sooby Senior Outreach & Policy Specialist

¹⁰ Newsom, Gavin. 2020. Executive Order N-82-20. Order 6 (p. 4). Oct. 7, 2020. <u>https://www.gov.ca.gov/wp-content/uploads/2020/10/10.07.2020-EO-N-82-20-.pdf</u>

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Governmental Affairs 1127 11th Street, Suite 626 Sacramento, CA 95814 916-446-4647

Secretary Karen Office California Department of Food and Agriculture 1220 N Street, 4th Floor Sacramento, CA 95814

Re: Conservation Agriculture Planning (CAP) Program 2021 Draft Request for Proposals

Dear Secretary Ross:

Thank you for the opportunity to provide comment on the California Department of Food and Agriculture's (Department's) 2021 Conservation Agriculture Planning (CAP) Program draft request for proposals. The California Farm Bureau Federation ("Farm Bureau") is a non-governmental, non-profit, voluntary membership, advocacy group, representing nearly 30,000 farming members, whose purpose is to protect and promote agricultural interests throughout the State and to find solutions to the problems facing agricultural businesses and the rural community.

Upon review of the CAP Program draft request for proposals, we are eager for opportunities for farmers and ranchers to plan for conservation efforts, and in doing so, understand the totality of the impacts on farm and ranch management and determine if they can be accommodated on working operations. We hope that this program's implementation follows in that voluntary spirit and with a nod to the consequences, both intentionally and unintended, resulting from any change at the farm level. Below are a series of substantive comments on behalf of Farm Bureau's members:

Incorporation of Dairy Operations

We understand that the Department intends to be inclusive of all commodities and production styles within this program. However, within the background of this proposal on page 2, it states: "for the purpose of this program, an agricultural operation is defined as row, vineyard, field and tree crops, commercial nurseries, nursery stock production, and livestock and livestock product operations." While it was likely unintentional, given that dairy operations are referenced in Appendix A for comprehensive nutrient management plans, this definition does not contain a reference to dairying operations. As such, we request an amendment with explicit reference to dairying, in addition to livestock operations.

Advanced Payments to Applicants

Within the proposed program requirements, applicants are eligible for a 25% advance of the total grant amount "with appropriate justification." Practically speaking, if an applicant sought the maximum award amount of \$250,000, that would allow for recipients to receive up to \$62,500 from the Department immediately upon award. While there may be explicit justifications for advanced payment, there may also be an impetus to over assume how many agricultural operations can be assisted and plans to be developed and seek advanced funds. This would make subsequent billing and, in the worst scenario, return of funds unencumbered challenging for all parties. To mitigate for this potential and to ensure advanced payments are used judiciously and timely, Farm Bureau encourages the Department to amend the request for proposal to specify that advanced payments are only available to applicants whom can identify, within their application, the agricultural operations and

conservation plans they will use all or a portion of this 25% grant award for. This will allow advanced payments to be used to expedite shovel-ready conservation projects, maximizing the immediate, discernable benefit of Program expenditures.

Privacy of Grower Information

As the Department experiences as a holder of confidential agricultural data, farm and ranch operations are governed by a significant amount of sensitive, proprietary data. This ranges from agricultural components, such as herd size or yields, resource use, business holdings, and plant and animal genetics, among other things. Farm Bureau recognizes that some of this data will need to be accessed by qualified grant recipients and the specifics of data retention are negotiated and agreed upon through contract processes. We are, however, concerned, that upon submittal of progress reports, final reports and a critical project review conducted by the Department, some of this proprietary data, once held by the Department, may be subject to Public Records Act requests. The current Request for Proposals does not respond to this need. As such, Farm Bureau asks any farm specific data (or data that can be disaggregated to the farm level) be treated as "confidential, private and sensitive information" and should not be made public. There is precedent for keeping such information, retained by public agencies as private, including but not limited to irrigation and nutrient management plan content by the State Water Resource Control Board's East San Joaquin Waste Discharge Order (Order WQ 2018-0002), and USDA-NRCS (Environmental Quality Incentives Program). Grower confidentiality is pivotal to marketing this Program to California's farmers and ranchers.

Description/Criteria for Pending or Non-USDA Corresponding Conservation Plans

Based on discussions held by the Department's Environmental Farming Act Science Advisory Panel, this Program is intended to be flexible to accommodate the addition of new conservation plans, as they become available in the future. In review, we encourage the Department to analyze proposed conservation plans based on the fundamental, verifiable and consistent values of demonstrably reducing Greenhouse Gas (GHG) emissions, adapt to climate change and promote agricultural sustainability. Farm Bureau recognizes that one such proposed conservation plan, Carbon Farm Plans, do not have a corresponding USDA-NRCS approved plan. Without an approved state or federal protocol for carbon farm plans, content and deliverables, when solely governed by the private sector, have varied widely. This inconsistency will be a challenge to ensure that end planning products provided by one eligible entity is just in comparison to another. While this public comment period may yield more specific data about payment rates and content included in carbon farm plans, Farm Bureau encourages the Department not award any funds for the development of these plans until they have transparently detailed and allowed for public comment on minimum plan criteria, payments and demonstrable carbon sequestration rates to be achieved. We ask this evaluative process to be replicated for all subsequent plans proposed for inclusion in this Program.

Compliment State Regulatory Requirements

Many farmers and ranchers are required to complete various plans under existing state regulatory programs. This may include items such as irrigation and nutrient management plans, and sediment and erosion control plans, for the Irrigated Lands Regulatory Program, Statewide Winery Waste Discharge Requirements, the Dairy and Bovine Order, etc. We recognize that many of the components within the regulatory plans for these state orders differ from the requirements in the conservation agriculture plans proposed. However, we would encourage the Department to provide a pathway for plans developed through this Program to be repurposed, where practicable, to meet other regulatory obligations. This cross-cutting action is consistent with the Newsom Administration's various proposals to alleviate the regulatory pressure placed on California's farm and ranch community from duplicative reporting.

Farm Bureau appreciates the opportunity to advise the Department on how to ensure the specifics of the Conservation Agricultural Planning Grant program can be best enacted to highlight the opportunity for agriculture to contribute to conservation. On behalf of our members, we look forward to working with the Department and your staff to ensure California's farmers and ranchers can share in the state's success.

Respectfully,

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Taylor Roschen Policy Advocate, Governmental Affairs California Farm Bureau Federation

CC: Dr. Amrith Gunasekara, Science Advisor, Department of Food and Agriculture

Comments and Recommendations on Draft CDFA Conservation Agriculture Planning Grants Program

Dear Secretary Ross:

Thank you for the opportunity to comment on the <u>Draft RFP for CDFA's Conservation</u> <u>Agriculture Planning Grants Program</u> (Draft Program). The Carbon Cycle Institute and its partners (listed below) have long advocated for whole farm planning to support and optimize implementation of climate smart agricultural practices on the ground and to advance producer understanding of the nexus between agriculture and the climate. Our commitment to a whole-farm planning process, as key to optimizing climate benefits on farm and from California agriculture generally, led to the development of the <u>Carbon Farm Planning</u> process in Marin County in 2013, in collaboration with the Marin Resource Conservation District and the Marin Agricultural Land Trust. Carbon Farm Planning is now being deployed across 40 counties with our partners, including Resource Conservation District partners and Fibershed with the support of the <u>Carbon Farming Network</u>.

We have worked with farmers and ranchers across California to complete 106 carbon farm plans. Producer demand for carbon farm planning assistance has outstripped carbon farm planning technical and funding assistance by 8:1 within RCD jurisdictions with established carbon farming programs. We believe this is a testament to the value of the <u>carbon farm planning framework</u>, which actively engages the farmer/rancher in the learning and visioning process, as well as the increasing market value of climate beneficial farming systems and products. Our carbon farming framework supports a growing list of sustainability and supply chain initiatives, such as <u>Fibershed</u>, <u>Organic Valley</u>, and <u>Napa Green</u>. The success of our carbon farm planning framework is directly linked to the holistic approach it adopts, incorporating all aspects of the farming system--most importantly, producers' understanding of carbon as a keystone factor in on-farm productivity, profitability, and agroecosystem function.

According to USDA-NRCS, "Planning involves more than considering individual resources. It focuses on the natural systems and ecological processes that sustain the resources."¹ This understanding enabled the Soil Conservation Service to launch an effective Conservation Planning-based response to the environmental crisis of the Dust Bowl, and is directly and profoundly relevant to the much greater environmental crisis we face today. Carbon Farm Planning is based upon the NRCS Conservation Planning process, *but explicitly places carbon, and the farm's place within the global carbon cycle, at the center of the plan.*

¹ https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/initiatives/?cid=nrcs144p2_068697

Below, we offer our collective recommendations for strengthening the Draft Program:

Technical Service Providers and Coordination with NRCS

The Draft proposes to engage both NRCS certified Technical Service Providers (TSP) and other individuals whose qualifications will be vetted through a Technical Review process.

As written, the Draft Program assumes adequate TSP and technical assistance (TA) capacity currently exists or can be scaled up in the near term to meet program demands. However, NRCS currently has a shortage of TSPs and conservation planners. Given the multi-year process required to achieve TSP status with NRCS, the proposed funding cycle, focused solely on funding more plans in the near-term, does not address this gap or its causes. The NRCS process for certifying planning TSPs is highly structured and extremely time-intensive to traverse.

Recommendations:

- We strongly suggest the lead-in time be extended to at least 3 years, and the disbursement period be extended to an additional 3 years beyond that to allow time for essential training of additional TSPs and conservation planners.
- Clarify the CDFA TSP vetting process, including whether NRCS will be simplifying or streamlining its TSP certification process to accommodate the Draft Program. A clearer articulation of the Technical Review process and TA eligibility is needed. Assuming adequate TSP/TA capacity across the state, outside of the NRCS TSP system, how will CDFA evaluate non-NRCS technical assistance providers? If not NRCS personnel, who will evaluate the qualifications and credentials of these prospective planners, including the CDFA-required sample plans?
- The pathway from CDFA-funded planning to both CDFA and NRCS implementation funding under NRCS EQIP or other programs should be clearly explained. *Is NRCS willing to accept both CDFA's planner certification process, and the resulting plans as a basis for USDA program funding?*
- CDFA should explore opportunities to link CDFA planner training, certification and vetting to existing and emerging collaborations, such as Chico State University's Center for Regenerative Agriculture and Resilient Systems (CRARS) collaborative efforts to establish a permanent professional development and training center for conservation planners. This type of

support should be expanded to include Cal Poly, Humboldt State, and other agricultural colleges throughout California, and to similar collaborations with a demonstrated mission and ability for increasing the number of qualified TA providers.

CCI and CRARS are currently providing online and in-person carbon farm training and mentoring opportunities for NRCS, RCD and other conservation planners that could be administratively linked to and support the Draft Program, as these types of efforts will be essential to increasing the availability of highly qualified providers of TA skilled in conservation planning and implementation support.

• CDFA should consider providing grants to local and regional partnerships, such as the <u>Regional Carbon Farming Hubs</u>, to undertake both training/education of planners and to complete conservation plans and carbon farm plans.

Since 2013, CCI and its partners (including the CA Association of Resource Conservation Districts) have been training carbon farm planners and helping to establish carbon farming programs at RCDs across California. With assistance from CCI, 40 RCDs have now self-organized into seven (7) Regional Carbon Farming Hubs to better facilitate staff and resource sharing, knowledge transfer, and to greatly expand producer outreach and education efforts. Over a 24 month period, each of the 40 RCDs could complete a minimum of four carbon farm plans for a total of 160 plans completed with funding through the Draft Program, if supported and resourced appropriately.

Plan Types

CDFA's Draft Program proposes to fund development of various types of plans related to the Draft Program's stated objective to, "promote Climate Smart Agriculture (CSA) efforts which will help to mitigate greenhouse gas (GHG) emissions, adapt to climate change impacts and promote environmental and agricultural sustainability." We strongly support achieving these objectives, especially those related to climate mitigation, resilience, and adaptation, throughout California agriculture. The Draft Program is housed under the CDFA Climate Smart Ag program, but appears structured to fill a gap in NRCS capacity to provide a broad suite of plans to producers.

While a traditional NRCS Resource Management System Conservation Plan, augmented with a carbon or climate focus (i.e., a Carbon Farm Plan), *does* support Climate Smart Agriculture (CSA), many of the proposed eligible plans do so only tangentially. And, while they may offer some degree of enhanced resilience to farms facing climate change, they are not necessarily climate mitigation, or climate resilience, focused (with the notable exception of Carbon Farm Plans or CFPs). CSA is desperately needed, at scale, both for climate resilience within the state's agricultural sector and to meet the state's overall climate change mitigation goals, including Carbon Neutrality by 2045. If CDFA's goal is to support planning for climate change benefits, it is not clear why CDFA proposes to fund NRCS plans that are only incidentally related to climate, as outlined in the Draft Program

Recommendations:

- In addition to CFPs, NRCS Resource Management System-level (RMS) Conservation Plans should be included on the list of supported plans. CFPs are more closely aligned with RMS Conservation Plans than the limited scope of the other plans currently on the list, and both RMS Conservation Plans and CFPs will require significantly greater financial support than other plans proposed in the Draft Program.
- Clarify the relationship between NRCS planning frameworks and CDFA Draft Program goals; focus CDFA funding on plans with an explicit carbon/climate focus (eg., carbon farm plans, soil health management plans).
- Work with NRCS to integrate carbon and climate into its overall planning framework, so that other NRCS plans can deliver on the objectives of the Draft Program and CDFA's CSA programs.
- Add language to the RFP justifying plan choices in a climate context; require this nexus be articulated in the plans that actually get written.

Implementation

While comprehensive farm plans, *if implemented*, can be an invaluable tool in achieving CSA goals in California, the Draft Program *makes no connection* between plan development and plan implementation through existing CSA programs, including related programs at Wildlife Conservation Board, State Coastal Conservancy, and Department of Conservation. Given the focus on NRCS plans and NRCS certified TSPs, CDFA may be looking to NRCS for plan implementation, through EQIP or other NRCS programs. However, the Draft Program makes no mention of a proposed plan implementation delivery mechanism. Ultimately, the goal of CDFA's Draft Program must be to produce change on the ground, not plans that sit on the farm office shelf. The funding of plans should be explicitly linked to mechanisms for their implementation. Consequently, CDFA should ensure these plans conform with NRCS plan standards, and thus enable implementation funding via EQIP or other USDA programs, as well as CDFA's CSA programs.

Recommendations:

• Provide language explicitly connecting the Draft Program directly to both NRCS and CDFA implementation programs.

Funding and Duration

The Draft stipulates that ".... eligible organizations applying for Conservation Agriculture Planning Grants may claim an indirect cost rate of 20% of total direct costs." Although the Draft Program provides for advancement payments, no guidance around circumstances that would make an entity eligible to request or receive advanced payment is provided, nor does the Draft Program take into consideration differences in duration and cost for multi-plan versus individual plan proposals.

Recommendations:

• The indirect cost rate shall allow for funding *on top of* the maximum \$20,000 per agricultural operation to avoid forcing organizations to either: (a) complete plans with fewer resources/hours than may be needed in order to recuperate adequate indirect costs; or (b) forego fully recuperating indirect costs that are essential to the organization's operating costs.

For example, CDFA's February 24, 2021 Climate Smart Agriculture Technical Assistance Grants RFP allows for 20% of the total funding request to be charged as indirect costs. The total funding request is made at the discretion of the applying entity and is not formulated based on total agricultural operations being served. There is greater flexibility for entities to budget for anticipated costs to serve agricultural producers *and* to budget for indirect costs within the maximum award cap.

- Grant recipients applying for multi-plan funding should have up to 24 months from the date on which the grant contract is signed to complete plans; reimburse grant recipients at least quarterly and provide advance payments up to 50 percent of the grant award, based on clearly defined requirements regarding the use of the advance payments to ensure that the funds are used properly. *Please clarify if the \$20,000 maximum payment per ag operation supports stacking multiple plan types for a single operation.*
- *As noted above,* CDFA should consider providing grants to local and regional partnerships, such as the <u>Regional Carbon Farming Hubs</u>, who can undertake

training/education of planners and facilitate the development of agricultural conservation plans.

Draft Program Requirements

The Draft Program stipulates that "[t]he application submission period will be on a rolling first-come-first-serve basis..."

Recommendations:

• Establish one or more non-rolling deadlines within the year by which all applications received will be reviewed administratively and technically before any proposals are recommended for funding.

The proposed first-come-first-served model may exclude applicants that need more time to prepare a proposal, engage their community to assess needs, and/or make operational decisions (e.g., securing board approval, determining the adequacy of staffing levels) before preparing and submitting a proposal. Further, if a proposal were disqualified during administrative review, then reinstated upon appeal, the application will have lost its place among other proposals under the first-come-first-served model. A non-rolling deadline approach may be more equitable to all applicants.

Carbon Farm Plan: Definition

The Carbon Farm Planning (CFP) process differs from other approaches to agricultural planning by placing agroecosystem capture of atmospheric carbon at the center of the plan, and focusing on *increasing* the capacity of the farm or ranch to capture carbon and to store it beneficially as soil organic matter (SOM) and/or standing carbon stocks in permanent vegetation. Successful Carbon Farming thus results in a direct reduction in atmospheric carbon dioxide. CFP is based upon traditional NRCS Resource Management System-Level Conservation Planning, but uses carbon and carbon capture as the organizing principle -and principal resource concern- around which the Plan is constructed. This both simplifies the whole-farm planning process and connects on-farm conservation practices directly with ecosystem processes, including climate change mitigation and increases in on-farm climate resilience, soil health and farm productivity.

Recommendations:

• We recommend the following definition for Carbon Farm Plans: A carbon farm plan is based upon the NRCS RMS Conservation Planning process, but places carbon at the center of the plan. The CFP process involves a whole-farm assessment of carbon capture and sequestration opportunities, and uses the USDA-NRCS COMET tools (COMET-Planner, COMET-Farm) and

other greenhouse gas quantification tools as appropriate, to quantify the GHG benefits, particularly carbon sequestration benefits, of the plan over time. A CFP can be developed for any type of agricultural operation, at any scale.

Payment Schedule and Structure

As currently drafted, the payment schedule for various NRCS plans, including soil health plans, does not fully cover both the cost of planning and related supportive components. To provide realistic cost estimates for carbon farm plan development in California, CCI conducted a survey of RCD carbon farm planners across CA to assess costs of plan development per agricultural operation type. The average cost of plan development for specific agricultural land use types (rangeland, orchard, vineyard, row crop, dairy, and diversified operation) are provided below. These costs included plan development by RCD planners as well as additional expert consultation, such as hiring certified range management professionals for grazing plans, agronomists, and soil scientists. From our extensive experience, the complexity and diversity of the operation and the landscape and its ecology are more influential drivers of the cost of an agricultural conservation plan than, for example, the spatial extent (size) of the operation.

There are important components required for provision of conservation and carbon farm planning TA and funding to producers that are not included in CDFA's Draft Program. Conservation and carbon farm planning services administered through RCDs require outreach to all eligible district landowners and an approved ranking and selection process to ensure equitable allocation of TA and funding support. These costs can range from an estimated 5 percent to 10 percent of overall program costs.

Recommendations:

• We recommend that CDFA provide a range of funding per Carbon Farm Plan, based upon the type of operation that would be inclusive of the costs associated with technical support required for CFPs, as follows: \$19,455 for Dairy operations; \$14,995 for Rangeland grazing systems; \$14,169 for Orchards; \$13,355 for Diversified operations; \$12,121 for Vineyards; and \$11,566 for Annual Cropland operations.

Conclusion

We strongly support comprehensive on-farm planning to enable rapid advancement of CSA practice adoption at scale in California. For such a program to be successful, goals, methods and mechanisms for plan development and implementation need to be clearly defined and narrowly targeted on the Draft Program's stated goals: to promote CSA; mitigate GHG emissions; support agricultural adaptation to climate change impacts, and promote environmental and agricultural sustainability. For the public to evaluate whether the proposed program has the potential to address its stated objectives, we need to understand the nexus with NRCS TSP and on-farm implementation programs, and how CDFA and NRCS will work together to advance the Draft Program and ensure its success as measured by implementation of effective, climate-focused conservation efforts on the ground.

Thank you very much for the opportunity to comment on the Draft Program. We look forward to reviewing a more fully developed program. If you have any questions or would like to discuss our recommendations further, please contact Torri Estrada (testrada@carboncycle.org) at the Carbon Cycle Institute.

Sincerely,

Alameda County Resource Conservation District

Katherine Boxer, Chief Executive Officer

Carbon Cycle Institute

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Sonoma Resource Conservation District

Valerie Minton Quinto, Executive Director

Yolo County Resource Conservation District Heather Nichols, Executive Director



June 14, 2021

Office of Environmental Farming and Innovation California Department of Food and Agriculture 1220 N Street Sacramento, CA 95814

Re: Comments on the Conservation Agriculture Planning Grant Program Draft RFP

Dear OEFI Staff:

I write on behalf of the California Climate and Agriculture Network (CalCAN)¹. We enthusiastically support the Governor's May Revise budget proposal of \$20 million for the Department's new Conservation Agriculture Planning Grant Program. We appreciate the opportunity to comment on the program's draft Request for Proposal.

We solicited feedback on this draft RFP from some of CalCAN's farmer and technical advisors, who have experience developing NRCS conservation plans, organic system plans, and carbon farm plans.² Based on their feedback, we recommend the following changes to the draft RFP:

1. Include an option for farmers to apply and choose a qualified technical assistance provider who best suits their unique needs

We understand that CDFA sees a block grant approach to this program as a way to reduce administrative burden on both CDFA and farmers. We generally support this approach.

However, our advisors identified two limitations to this block grant approach that merit consideration. First, this approach limits the ability farmers to choose a qualified technical assistance (TA) provider who has the expertise to assist them, whether that is based on specific knowledge of the farmer's crops, expertise in a particular type of planning, a shared spoken language like Spanish, or recommendations from fellow producers. Second, in some of our advisors' regions, there are limited or no qualified TA providers to prepare certain types of plans. Consequently, farmers need the flexibility to be able to select a qualified TA provider outside of their region.

To address these limitations, we recommend CDFA include an option for farmers and ranchers to directly apply to the program and use the funding to hire a qualified TA provider of their choice. This farmer-centered option, which is similar to how NRCS enables farmers to choose

¹ CalCAN is a statewide coalition of farmers and ranchers, ag professionals, scientists, allied organizations and advocates that advances policy to realize the powerful climate solutions offered by sustainable and organic agriculture.

² For a list of CalCAN's Coalition Members and Advisors, visit: https://calclimateag.org/advisors-partners/

their technical service providers (TSPs), would ensure the program can account for the unique needs of farmers and the limits of TA assistance in some regions. We believe adding this important option to the program will not add considerable burden to CDFA grants staff, as we still expect the vast majority of funds to be allocated through TA provider block grants.

2. Ensure equitable farmer participation through: full cost reimbursement, compensation for farmers' time, competitive grant selection, and inclusion of tribes

CDFA has taken important steps in recent years to implement the Farmer Equity Act, including through its various climate smart agriculture programs.

CDFA can continue this positive trend by proactively preventing barriers to equitable farmer participation in this new program. Our advisors identified a number of likely barriers, including:

- The proposed payment schedule, which assumes farm size is the most important factor in planning costs and does not account for the higher cost of assisting historically underserved farmers and diversified farming operations in developing plans. This could have the unintended consequence of discouraging TA providers from assisting those farmers and operations.
- No compensation for farmers' time in developing the plans, which makes it difficult for under-resourced farmers and farmers who work off-farm jobs to be part of developing their plans.
- A first-come, first-serve selection process that tends to disadvantage historically underserved farmers, who often require more outreach and time to apply.
- Exclusion of tribal governments and organizations from the list of eligible recipients.

To address these concerns and ensure equitable farmer participation in the program, we recommend the following:

- Compensate TA providers for the full cost of developing plans based on their actual time and travel expenses rather than utilizing a fixed payment schedule that favors large farms; most TA providers are used to tracking their hours and expenses.
- Allow farmers to be compensated for their time in developing the plans.
- Use a traditional, competitive grant selection process that includes priority considerations for socially disadvantaged farmers and ranchers (SDFRs).
- Include tribal governments and organizations in the list of eligible recipients

3. Help farmers access funding for plan implementation

We all share an interest in seeing plans funded by this new program lead to implementation. Our advisors felt the program could strengthen the likelihood of plan implementation by allowing TA providers to help farmers identify and access funding to implement their plans. Redundancy is not always a bad thing, but if concerns about redundancy with CDFA's existing Climate Smart Agriculture Technical Assistance Program is a concern, such assistance could be limited to assisting farmers with newly written plans in identifying and accessing federal funding (e.g. NRCS), local funding (e.g. Santa Clara County's Ag Resilience Incentive Funding), and private/philanthropic funding (e.g. Restore California Grants).

organic system plans eligible and certified crop and pest advisors eligible TA providers 4. Ensure the program effectively supports organic transition by making standalone

and CDFA want to support farmers who have decided to transition to certified organic support. production in successfully completing the difficult transition period. We are grateful for that Finally, it is clear from the past year of discussions and votes that the Science Advisory Panel

TA providers. certified crop and pest control advisors (like the ones the Panel heard from in October) as eligible draft RFP: including standalone organic system plans (OSPs) as eligible plans and including To make good on that intention, our advisors identified two changes that need to occur in the

TSPs. a certified crop or pest control advisor to help them write it, not one of the two registered NRCS farmers transitioning to organic develop an OSP, not an NRCS CAP 138, and they contract with NRCS CAP 138. The problem is there are only two technical service providers (TSPs) registered with NRCS to write those plans in California, one of whom lives in Canada. As such, most Supporting Organic Transition." It is true that developing an OSP is included as part of an The draft RFP currently only includes NRCS CAP 138, which is a "Conservation Plan

farmers in organic transition is actualized in this new program. These two minor changes will ensure the Panel's and CDFA's commitment to supporting

draft RFP. We look forward to supporting and promoting the program to our network soon. Thank you for the opportunity to share our coalition members' and advisors' feedback on this

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June 15, 2021

Office of Environmental Farming and Innovation California Department of Food and Agriculture 1220 N Street Sacramento, CA 95814

Re: Comments on the Conservation Agriculture Planning Grant Program Draft RFP

Dear OEFI Staff:

I write on behalf of Audubon California in support of CDFA's Conservation Agriculture Planning Grant Program. We appreciate the opportunity to comment on the program's draft Request for Proposals.

The demand for technical assistance to farmers and ranchers to develop management plans to achieve conservation goals is high and exceeds the current capacity of existing providers including NRCS, RCDs, farm advisors, private consultants, etc. This new program will be an important step to help meet the existing demand. Audubon has recently launched the Audubon Conservation Ranching Initiative which provides market-based incentives to ranchers that provide and improve habitat for bird species in addition to other environmental benefits such as soil health, climate mitigation, drought resilience and better habitat for pollinators. Participating ranchers agree to adopt initiative standards and implement a Habitat Management Plan developed in cooperation with Audubon or an agency partner. The plan outlines steps to build better habitat for birds and other wildlife, while being responsive to practical ranch management considerations and the economic needs of the operation. These plans include a practical implementation schedule and set realistic targets for annual improvement. The plans also identify funding opportunities for implementation. I have included a Habitat Management Plan developed for Bobcat Ranch, one of Audubon's properties in Northern California.

We encourage CDFA to include the mentioned Habitat Management Plans, as well as other management plans focused on improving habitat for wildlife species on agricultural land, as eligible for funding under the Conservation Agriculture Planning Grant Program. This would allow farmers and ranchers to enhance habitat for wildlife and help California meet the goals of the State Wildlife Action Plan and the Governor's Executive Order N-82-20. In addition, the technical assistance provided in the development of Habitat Management Plans also helps farmers and ranchers mitigate the effects of climate change including wildfires and drought.

Thank you for the opportunity to provide recommendations on this draft RFP.

Pelayo Alvarez, PhD California Director Audubon Conservation Ranching Program 530-304-0781

North San Joaquin Water Conservation District

Board of Directors:

Joe Valente (Area 3) President Tom Flinn (Area 2) Vice-President David Simpson (Area 1) Secretary Charles Starr (Area 4) Treasurer Marden Wilbur (Area 5)

June 15, 2021

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Jennifer Spaletta, General Counsel Roger Masuda, Special Counsel Daniel deGraaf, District Engineer Shasta Burns, Deputy Secretary

California Department of Food and Agriculture Office of Environmental Farming and Innovation 1220 N Street Sacramento, California 95814

RE: Comment on "2021 Conservation Agriculture Planning Grants Program – Draft Request for Proposals"

Dr. Amrith Gunasekara,

On behalf of the North San Joaquin Water Conservation District ("District"), I am pleased to submit comments on the "2021 Conservation Agriculture Planning Grants Program – Draft Request for Proposals," which will fund the development of various types of agriculture conservation plans related to the California Department of Food and Agriculture's (CDFA) Climate Smart Agriculture programs. Programs such as this are increasingly important for growers to adapt to changing environmental conditions.

The District has long encouraged growers to apply for funding to help increase energy and water efficiency in the critically overdrafted Eastern San Joaquin Groundwater Basin. Developing Irrigation Water Management Plans, Agriculture Energy Management Plans, and Agriculture Energy Design Plans will better position these growers to apply for other funding opportunities by giving them a clear sense of needed improvements on their properties in the future. The District kindly requests the addition of water conservation districts under "Eligibility" so the District can work with growers to develop such plans (2021 Conservation Agriculture Planning Grants Program – Draft Request for Proposals, page 2).

Thank you for undertaking this important effort to seek feedback and improve the program. Please contact me at (209) 368-2101 or at <u>nsjwcd@outlook.com</u> with any questions.

Jouralentes

Joe Valente President, North San Joaquin Water Conservation District



June 15, 2021

California Department of Food and Agriculture Conservation Agriculture Planning Grants Program Office of Environmental Farming and Innovation

Comments submitted by email to cdfa.oefi@cdfa.ca.gov

Re: Conservation Agriculture Planning Grant Program Draft Request for Proposals

Dear Sir/Madam:

The Almond Alliance of California along with the Almond Board of California appreciates the opportunity to provide comments on the Conservation Agriculture Planning Grant Program (CAP) Draft Request for Proposals.

The Almond Alliance of California (AAC) is a non-profit trade association dedicated to advocating on behalf of the California Almond industry and is organized to promote the interests of its members. AAC members include almond processors, hullers/shellers, growers and allied businesses. AAC is dedicated to educating state legislators, policy makers and regulatory officials about the California almond community. As a membership-based organization, we raise awareness, knowledge, address current issues and provide a better understanding about the scope, size, value and sustainability of the California almond community.

Established in 1950, the Almond Board of California (ABC) is a grower-enacted Federal Marketing Order (FMO) under the supervision of the U.S. Department of Agriculture. The FMO administers a broad-based mandatory program which spans incoming and outgoing quality, compliance, food safety, industry education, market development, and research on the growing, nutrition, and food safety of almonds. The ABC is financed through an assessment collected on each pound of edible almonds delivered.

There are about 7,600 almond growers in California according to the 2017 USDA Agricultural Census, with a 2020 production of 3.0 billion pounds. Almonds are put into commercial channels by approximately 100 handlers. Virtually 100% of U.S. commercial almond production is in California; grown on over 1.5 million acres throughout the Central Valley. California produces over 80% of the global supply.

Existing almond resources for farm plans

There are a wide variety of resources available to assist with the development of plans to improve almond farming that are in line with NRCS standards. A primary role of CAPs should be the identification of incentive and grant programs offered by CDFA (e.g., SWEEP, Health Soils Program) or other local, state and federal agencies that align and support an individual grower's CAP plan implementation. In this way, we can avoid "one-size-fits-all" implementation of CAP plans for the wide variety agronomic and conservation practices applied to crops grown across the State. Almond guidance documents are available that outline best practices in relevant areas, and should be made available as a resource for grantees under the CAP program.



In that context, the almond industry through the research program of the ABC has been investing in research on how to sustainably grow almonds in ways that improve the efficiency of growing while reducing impacts on the environment. Planners need to be aware of existing research outcomes in regards to sustainability and those that support CDFA's Climate Smart Agriculture (CSA) programs which are looking to mitigate the risks that climate change poses to agriculture, mitigate greenhouse gas (GHG) emissions and help growers adapt to climate change impacts and promote environmental and agricultural sustainability.

These ABC resources cover the range of Conservation plans that are proposed as eligible for CDFA funding, and can be provided upon further request:

- Food Safety. Resources on Good Agricultural Practices (GAP), including fertilizer and soil amendment practices, water quality, orchard floor management, pest control, and harvest.
- *Nutrient Management*. Newly revised Nitrogen Best Management Practices document.
- Integrated Pest Management and Weed Management. Guidance on application methods, UC IPM guidelines, and extensive research on IPM management techniques, including Navel Orangeworm practices such as mating disruption.
- Soil Health and Pollinator Health and Habitat. In development is a guide to choosing seed mixes and installing cover crops, and the "How-to" regarding Whole Orchard Recycling. Already available is the Honey Bee BMP.
- *Irrigation.* An extensive guide is available, the Almond Irrigation Improvement Continuum, along with other guidance documents on salinity, irrigation scheduling, technology, using a pressure chamber to irrigate based on stem water potential, and others.
- *Organic transitions*. Although there isn't specific guidance, ABC has a Working Group focused on the needs of organic production.
- Agricultural Energy Management and Design. This is an area where we would want to learn more about the opportunities. Almond industry members have been engaged in developing solar power sources, and upgrading to zero-emission equipment through connection to power lines, instead of diesel. These are complicated endeavors however, with specific almond crop considerations.

Carbon Farming Plan

While ABC doesn't have specific guidance for "Carbon Farms" per se, through the ABC, almond growers have been investing in research to both better understand the greenhouse gases associated with the growing of almonds (i.e. an Almond Life Cycle Assessment) as well as ways to grow almonds to reduce emissions or sequester CO2. The Life Cycle Assessment (LCA) showed that nitrogen and water inputs were the largest sources of greenhouse gases (GHG)



emissions associated with the 25 years of growing an almond orchard, while the trees, hulls, and shells - the co-products grown along with the kernel - provide sequestration, biomass energy, and dairy feed alternatives. Combined these co-products off-set nearly 50% of the GHG emissions associated with 25 years of growing. Thus, the LCA helped us identify the opportunities contained with the co-products as well as opportunities to reduce other GHG emissions associated with almond growing.

For California almonds there are three areas where growers can engage in adopting practices that reduce greenhouse gas emissions, keeping in mind that the growing of trees is sequestering carbon for the life of the trees:

- 1) Adopting growing practices around soil organic matter and nitrogen to sequester/reduce emissions;
- 2) Reducing reliance on fossil fuel energy in the growing and processing of almonds, including irrigation and fertilization;
- 3) Contributing co-products -almond hulls (dried up peachy part), shells, annual prunings, and tree removals at end of orchard life- to bioenergy and a future bioeconomy.

The Almond Alliance has been actively working with CDFA, CARB, and the SJV Air District on their incentive programs related to GHG emissions. The Almond Alliance has also been working to expand next generation biomass utilization facilities within the Central Valley. Carbon farm plans should highlight where recommendations can utilize the associated incentive programs, helping ensure that plans are actually implemented.

CDFA tracking should also integrate with the existing California Almond Sustainability Program, so growers can understand how sustainability practices can be rewarded by the market, and where growers receive credit for engaging in broader sustainability efforts. Many specialty crop growers, who are not regularly interacting with government incentive programs, can be overwhelmed by the intensity of the documentation and paperwork required to apply and document their project. Climate plan assessments could be further developed using COMET Planner to assist with documenting the benefits of implementing a plan in terms of both GHG and also farm energy efficiency. These outcomes are then useful for growers needing to meet export market demands in GHG accounting and those seeking private market ecosystem services credits.

California growers have experienced the frustrations with the implementation of the carbon offset program under California's Cap & Trade Program. It fundamentally doesn't work well for agronomic systems vs. more industrial engineered systems. Thus, the industry is interested in carbon plans that are specifically oriented towards facilitating the development and support of private ecosystem services markets, such as that being developed by the Ecosystem Services Market Consortium (ESMC) with almond relevant protocols.

Farm carbon plans should also be designed carefully to show benefits to growers – partly because changes in soil take time, and in tree crops yield or quality responses take even longer Sustainable adoption of climate smart practices works best when they're in a grower's self-interest. The fastest adoption by growers occurs when there are clear indicators of agronomic or



economic factors. Thus, adoptable practices need to be connected to supporting data that not only focuses on the ecosystems services but also potential agronomic trade-offs. For example, does increasing soil organic matter really save water/improve yields/provide nutrients allowing less fertilizer applications and changed pest management needs? More thought is needed in showing how practices outside of the growing zones -such as hedgerows, pollinator strips, and riparian strips- are in a grower's self-interest. Currently those are additional costs with little direct return on the investment, but rather broader relevant societal and ecological benefits that need to be measured and reported.

SGMA and groundwater recharge is a missing plan area

On-farm recharge may require changes to the irrigation and farm layout, or selection of certain areas for recharge that have better soil conditions. Helping growers assess their property would be useful, facilitate SGMA implementation, and help with future grant applications based on implementing recharge.

Keep the diversity of specialty crops in mind – not one size fits all

While specialty crops cover less than 15% of the total ag acreage in the US, they make up some 40% of the ag value. They would like to contribute to and/or benefit from climate smart farming. However, our experience is that there's often an assumption leading into broader programs that policies or practices that work well for commodity crops will automatically work in specialty crops. And too often in these conversations our unique needs, challenges and capabilities are not considered:

- Food safety, for example, is a key issue for many specialty crops, including for almonds/tree nuts, that can limit the types of practices that can be adopted their systems.
- 2) Perennial cropping systems offer opportunities to capitalize on the crop's carbon sequestration in its woody biomass.
- 3) Income-caps and size limits can restrict many specialty crop growers' access to conservation programs
- 4) Installing cover crops can be costly in terms of water usage depending on where the field is located in the state.

Develop robust and trusted mechanisms to assess the trade-offs of making changes in growing or processing systems.

Any change in an agronomic system or practice involves some kind of tradeoff whether changes in labor, technology investment, yields, quality, pests, beneficials, energy used/generated, land use, food waste, etc. Looking at systems or practices through one primary lens can miss tradeoffs. Understanding the trade-offs and synergies will go a long way to increase adoption where warranted and ensure policies don't lead to poorer outcomes in other areas such as water or land use, for example:

- 1) In drier climates, will the increased water use by cover crops be offset by increased water holding capacity or other benefits over time?
- 2) Do the uses of agricultural based bioenergies affect criteria air pollutants?



- 3) Do less input intensive agronomic systems lead to increased land use?
- 4) Cover crops help for water infiltration or water holding capacity but can be difficult to manage for water usage, frost protection, and/or clean orchard floor for harvesting reasons.

We appreciate the opportunity to provide input to CDFA as it considers how to develop the CAP Program and increase the adoption of climate smart growing. Our investments in research show that we believe there are opportunities for almonds to contribute to reducing greenhouse gas emissions by how we grow and how co-products are utilized. We look forward to partnering with CDFA in the future.

Sincerely,

Lancheiro

Elaine Trevino President Almond Alliance of California

PHONE: 650.712.7765



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SANMATEORCD.ORG

June 15, 2021

Environmental Farming Act Science Advisory Panel California Department of Food and Agriculture 1120 N Street Sacramento, CA 95814

Re: 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals

To Whom It May Concern:

Thank you for the opportunity to share our comments on the 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals.

As you know, farm planning is essential to good conservation on farms and an important part of farmers being part of the solution to climate and other environmental challenges. We are very excited to see a proposed funding program to develop a suite of conservation plans for agricultural operators. We fell this is critical to the success of conservation on farmland and we applaud the department for taking this critical step.

We are very excited to see a proposed funding program to develop a suite of conservation plans for agricultural operators.

As enthusiastic partners, we want this program to be successful and offer these suggestions to strengthen the implementation of the program. Please call on us to assist in any way we can be useful.

Below is a summary of our requests with additional detail on each point following. Please feel free to reach out to get additional information or examples or if we can be of assistance in clarifying any of our points.

Summary

Our recommendations for the 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals are as follows:

- Indirect cost rates that have been vetted and approved by cognizant agencies should be accepted rather than setting a cap at 20% for most organizations but allowing a higher cap for others.
- The actual cost of the work should be fully reimbursed rather than on a set payment rate.
- Critical Project Review requirements to repay CDFA if milestones are not met are not fair and should be removed or revised.

- Administrative costs related to project management, tracking of the budget and deliverables, and regular invoicing and reporting are required for the work to get done and should be an allowable expense.
- The grant awards should be longer than 18 months.

Additional detail to support the requests:

Indirect Costs:

We recommend that RCDs be included with UC and CSU to claim their established indirect cost rates.

In the guidelines, UC and CSUs may claim their established indirect cost rates, but other applicants are limited to 20%.

Indirect costs are essential for delivering projects, and include items such as rent; insurance; work stations and meeting spaces; utilities; office supplies; IT support and software; administrative staff; bookkeeping and accounting; legal consultant and review of contracts, labor practices, policies, etc.; development of financial, personnel, safety, and other policies; annual financial audits, staffing to prepare, notice, and support public Board meetings; other staff time that cannot be billed to specific projects, e.g. participation in this review and comment process, staff meetings, staff trainings, etc.; costs to comply with Division 9, the Brown Act, and other governmental codes that ensure our accountability and transparency. Negotiated Indirect Cost Rates are based on audited financials, which are then reviewed by the cognizant federal agency over the course of many months. They are highly vetted and based on actual costs to operate as an organization. The grant program as currently proposed would limit our ability to recover our true costs, meaning that we would lose money by accepting the grant unless we were able to secure private donations or funding to deliver this CDFA program.

The recovery of indirect costs is a common and essential accounting practice on the federal, state, and local levels. Indirect costs are defined by California's Office of the Controller in the December 2018 Edition of the Special District Uniform Accounting and Reporting Procedures as "those elements of cost necessary in the production of a good or service that are not directly traceable to the product or service. Usually, these costs relate to objects of expenditure that do not become an integral part of the finished product or service, such as rent, heat, light, supplies, management and supervision (indirect costs/charges/expenses.)"

Critical Project Review:

The draft proposal states that if, after a Critical Project Review, it is determined that "the grant recipient is not meeting and is unlikely to meet certain milestones, CDFA has the right to terminate the Grant Agreement pursuant to the Terms and Conditions of the Grant Agreement. If the grant is terminated and has incurred any costs during the term, <u>the Grantee must return any previously reimbursed funds</u>."

The grant proposal does not require that an applicant know what operations they will service, and thus must make an estimate as to the number and type of plans they will complete.

If a grantee has done work that they were reimbursed for that furthers CDFA's objectives with this grant, they should not be required to return those funds.

Payment Rates:

Payment rates do not reflect actual costs of plan development or variability in income and cost of living throughout the state.

The project budget on a per plan basis does not allow for any administrative costs associated with compiling quarterly reports and invoices. The payment rates also do not account for the time it takes to identify producers and discuss and decide what plans best align with their operational objectives.

Many of these plans are property scale plans, and require time to do comprehensive assessments, meet with producers, compile maps, research unique aspects of the property (like an uncommon management technique or special status species present), make and review recommendations with the producer, and compile reports for the producer and CDFA. The reimbursement rates are not enough for someone making livable wages and receiving benefits to prepare high-quality plans. CDFA should pay for the true cost that an awardee spends to further CDFA's goals through this program, which may be more or less than the per unit reimbursement rates proposed.

For example, the Soil Health Management Plans are required to include:

- Site information, including a digital conservation plan map that includes property and field lines and acreage
- Client interview and documentation of objectives
- Inventory of resources, including:
 - a. Crops grown, and planned rotation by field
 - b. Tillage, planting, weed management and harvest equipment used
 - c. Soil amendments used (e.g. compost, manure, biosolids, gypsum, lime, etc.)
 - d. Typical nutrient program including forms, rates and timing of applications
 - e. Typical pesticides used
 - f. Kind/class of livestock and number,
 - g. Cover crop use, including species, and planting and termination methods
 - h. Soil water management concerns (*i.e.* field too wet or too dry at planting)
 - i. Soil maps and descriptions, to include:
 - i. Map unit and texture
 - ii. Drainage class and hydrologic soil group
 - iii. Ecological site and forage suitability group (when applicable)
 - iv. Soil health properties and interpretations (where appropriate)
 - v. Calculations from current erosion predication technology used to include estimates of SCI and STIR.
- Assessment of resource concerns, including an in-field/pasture soil health assessment.
- Documenting long-term goals and developing an individualized plan to build soil health through adopting new practices and providing alternatives for incorporating innovative technology or management changes. Record decisions (planned and applied conservation practices) for the land where conservation practices to maintain or improve soil health resource concerns will be applied. This includes documentation for all currently applied practices that will be maintained, as well as all the planned practices with schedule of implementation to include the month and year of planned application and amount.
- The development of two plans, one for the client, and one for NRCS.

The proposed payment rate would only cover 38 hours (using the average billing rate of eligible staff) to do all the above-mentioned work.

Another example is that the San Mateo Resource Conservation District regularly works with an irrigation consultant to provide irrigation audits for Irrigation Management Plans. The cost of the audit alone is \$2,000.

As stated earlier, these costs do not include conducting outreach to producers to offer conservation planning services or the discussion and decision of the type of plan for the operation.

As stated above, organizations that cannot bill their indirect cost rate will already be partially covering the cost of this program. By not reimbursing for all hours worked, organizations will be recovering even less of their costs and their ability to apply to this program to expand services to agricultural producers will depend on their ability to contribute other funds to complete the work, favoring organizations with baseline funding or operational funds, which many RCDs do not have. <u>CDFA should reimburse awardees for the true cost of the work organizations are undertaking to further CDFA's goals.</u>

Carbon Farm Plans:

At the San Mateo Resource Conservation District, we create Conservation and Carbon Farm Plans, which follow NRCS's RMS Plan protocol, and include quantifications of the carbon sequestration potential of the recommended conservation practices. As comprehensive conservation plans, they require a substantial amount of time to conduct assessments on soil, habitat, and vegetation, create maps, utilize NRCS planning tools, develop and map recommendations, and compile the report. A carbon farm plan averages between 80-110 hours depending on the size of the property and complexities of the landscape and management practices. <u>CDFA should support the development of Conservation and Carbon Farm Plans by reimbursing the awardee for the cost of developing the plans.</u>

Timing

Conservation takes time. 18 months is a short award frame and will not allow for the unforeseen circumstances that appear in almost every project. We request that the contracts last at least 24 months to ensure the time to get it right.

Summary

In conclusion, our recommendations for the 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals are as follows:

- Indirect cost rates that have been vetted and approved by cognizant agencies should be accepted rather than setting a cap at 20% for most organization but allowing a higher cap for others.
- The actual cost of the work should be fully reimbursed rather than on a set payment rate.
- Critical Project Review requirements to repay CDFA if milestones are not met are not fair and should be removed or revised.
- Administrative costs related to project management, tracking of the budget and deliverables, and regular invoicing and reporting are required for the work to get done and should be an allowable expense.
- The grant awards should be longer than 18 months.

Thank you for your thoughtful consideration of our recommendations. Please feel free to reach out for additional clarification or examples or if we can be of assistance.

Sincerely,

<u>Ádria Árko</u> Adria Arko (Jun 15, 2021 15:15 PDT)

Adria Arko

Agriculture and Climate Programs Manager & Agricultural Ombudsman





June 15, 2021

Office of Environmental Farming and Innovation California Department of Food and Agriculture 1220 N Street Sacramento, CA 95814

RE: PAN and CPR comment letter on CDFA's proposed Conservation Agriculture Planning Grant program (Submitted to cdfa.oefi@cdfa.ca.gov)

Dear Office of Environmental Farming and Innovation:

On behalf of the Pesticide Action Network (PAN) and the statewide coalition Californians for Pesticide Reform (CPR), we thank you for the opportunity to comment on CDFA's Conservation Agriculture Planning Grant Program Draft Request for Proposals.

Pesticide Action Network (PAN) North America is one of five regional centers worldwide representing hundreds of organizations in more than 90 countries. We work to promote the transition to a more just and sustainable food and agriculture system that is free from hazardous pesticides. We represent more than 22,000 California members. The statewide coalition Californians for Pesticide Reform has a membership of more than 190 community-based organizations acting collectively to reduce pesticide use and advocate for environmental justice.

We are excited to see the Conservation Agriculture Planning Grant Program (hereinafter referred to as planning grant program) gain traction and support throughout California and state leadership, including Governor Newsom, who proposed \$20 million to fund the program in the May revision of the state budget. However, we would like to advocate that the planning grant program and Healthy Soils Program (HSP) include more explicit support for organic farming.

Regenerative organic farming systems, which prohibit use of virtually all synthetic pesticides and fertilizers, provide a number of critical ecosystem services. Among these are: improved air and water for nearby communities, particularly communities of color; pollinator and wildlife habitat; improved soil quality, productivity and water retention¹; and reduced greenhouse gas

¹ Multiple meta-analyses comparing thousands of farms have shown that organic farming results in higher stable soil organic carbon and reduced nitrous oxide emissions when compared to "conventional" farming reliant on synthetic chemicals. a. A nationwide survey in the U.S. of 659 organic fields and 728 conventional fields showed 13% higher total Soil Organic Matter (SOM) and 53% higher stable SOM in the organic soils. Ghabbour E, et al. 2017. National Comparison of the Total and Sequestered Organic Matter Contents of Conventional and Organic Farm Soils. Advances in Agronomy 146: 1-35. <u>https://doi.org/10.1016/bs.agron.2017.07.003</u>. b. A meta-analysis of 528 studies found that organically-managed soils had, on average, a 10% higher organic carbon content, a higher annual carbon sequestration rate of 256 kg C /ha, with 24% lower nitrous oxide emissions, resulting in a cumulative climate protection performance of 1,082 kg carbon equivalents per hectare per year. Aggregate stability in soil was on average 15% higher (median) in organic farming; infiltration differed by 137%. Higher infiltration reduces soil erosion and soil loss, which means that organic farming reduces these occurrences by -22% and -26%, respectively. Sanders, J, Hess J (Eds), 2019. Leistungen des ökologischen Landbaus für Umwelt und Gesellschaft .

emissions². Organic farming also has economic benefits, with census data showing that, on average, organic farms in the U.S. have higher operating profits than conventional farms, creating real opportunity for rural economic livelihoods and expanded employment opportunities. Research shows that "organic hotspot" regions boost household incomes and reduce poverty levels at greater rates than general agriculture activity, and even more than major anti-poverty programs.³ We have also seen the market for organics grow and surpass the market for conventionally-grown produce during the pandemic⁴, indicating that these investments are aligned with growing consumer demand. Lastly, organic farming reduces dangerous pesticide use, which can have harmful acute and long-term effects on human health and the surrounding environment.

Given the myriad benefits of organic farming to California communities, the environment, farmers and farmworkers, PAN and CPR support CCOF's recommendations and urge the following changes to the planning grant program:

- 1. Add California farmers and ranchers as eligible entities to apply for planning grants;
- 2. Offer funding for standalone organic system plans, **especially to lower barriers for socially-disadvantaged and beginning farmers**;
- 3. Add state-certified crop and pest management advisors as qualified applicants for planning grants;
- 4. Reimburse farmers, ranchers, and technical assistance providers for the full cost of planning;
- 5. Clearly identify the planning grant program as being part of CDFA's Climate Smart Agriculture portfolio by renaming it the Climate Smart Agriculture Planning Grant Program.

These recommendations are further detailed below.

Add California farmers and ranchers as eligible entities to apply for planning grants;

Currently in the draft RFP, planning grant program funding is only available to technical service providers (TSPs) as "eligible entities in California to assist California farmers and ranchers in developing plans for on-farm use." However, farmers and ranchers should be eligible entities for

https://www.thuenen.de/media/publikationen/thuenen-report/Thuenen_Report_65.pdf.

² a. Spokas K., Wang D. 2003. Stimulation of nitrous oxide production resulted from soil fumigation with chloropicrin. Atmospheric Environment 37 (2003) 3501–3507. https://doi.org/10.1016/S1352-2310(03)00412-6. b. Spokas K., Wang D., Venterea. R. 2004. Greenhouse gas production and emission from a forest nursery soil following fumigation with chloropicrin and methyl isothiocyanate. Soil Biology & Biochemistry 37 (2005): 475–485. https://doi.org/10.1016/j.soilbio.2004.08.010. c. Spokas K, Wang D, Venterea R, Sadowsky M. 2006. Mechanisms of N2O production following chloropicrin fumigation. Applied Soil Ecology 31: 101–109.

https://www.stlouisfed.org/~/media/Files/PDFs/Community-Development/Harvesting-

Opportunity/Harvesting_Opportunity.pdf?la=en. b. Jaenicke, E.C., Penn State University and Organic Trade Association. U.S. Organic Hotspots and their Benefit to Local Economies, 2016.

 $\underline{http://ota.com/sites/default/files/indexed_files/OTA-HotSpotsWhitePaper-OnlineVersion.pdf}$

Braunschweig: Johann Heinrich von Thünen-Institut, p. 364, Thünen Report 65.

³ a. An Organic Hotspot increases median household income by over \$2,000 and lowers a county's poverty rate by as much as 1.35 percentage points. See:

⁴ Organic Produce Network. 2020. State of Organic Produce, p. 10.

https://www.organicproducenetwork.com/article/1272/opn-releases-inaugural-state-of-organic-produce-2020

the planning grant program - similar to HSP and SWEEP. Farmers and ranchers know their land best, and should have the agency to determine the type of climate smart agriculture plan that is the best for their land and to identify qualified planners of their choice to create these plans.

Offer funding for standalone organic system plans, especially to lower barriers for socially-disadvantaged and beginning farmers;

Because of the benefits to human health, the environment and farmer profitability mentioned above, CDFA should support producers transitioning to organic systems. However, the draft RFP in its current form does not mention standalone organic systems as eligible and simply mirrors language for existing NRCS conservation planning. Although one of the NRCS Conservation Activity Plans (CAPs) is the Conservation Plan Supporting Organic Transition (CAP 138) - the CAP creates additional hurdles for growers transitioning to an organic system. Beyond the extensive documentation required for the organic system plan, it also requires a resource inventory and an erosion control inventory. The supplementary plans required will be particularly burdensome for traditionally underserved farmers, including farmers and ranchers of color and family farms. The planning grant program should offer much more straightforward support and merely fund growers to work with consultants to develop a plan to transition their farm or ranch to organic.

Add state-certified crop and pest management advisors as qualified applicants for planning grants;

The state is in dire need of more state-certified crop and pest management advisors that specialize in organic systems. There are only two NRCS-certified TSPs in California with the qualifications to write NRCS CAP 138s.⁵ Private consultants with experience in developing organic system plans and with California credentials in crop and pest management advising should be recognized as qualified providers for farmers or ranchers looking to implement an organic system plan or other climate smart plans. We support the list of providers submitted by CCOF.

Reimburse farmers, ranchers, and technical assistance providers for the full cost of planning;

Right now, the draft RFP offers the same flat rate for each CAP as currently offered by NRCS. However, each farmer's circumstances are different - and a flat rate fails to account for the varying costs farmers and TSPs might encounter. For instance, developing plans for farmers with a diversified farming system or for farmers of color where English is not their first language may result in higher than average costs. Therefore, CDFA should instead reimburse farmers and TSPs for the full cost of planning.

⁵ NRCS Locate Technical Assistance Provider website:

https://techreg.sc.egov.usda.gov/CustLookupTSP.aspx?fips=06019&categoryid=&categorytext=&serviceid=&servicet ext=

Clearly identify the planning grant program as being part of CDFA's Climate Smart Agriculture portfolio by renaming it the Climate Smart Agriculture Planning Grant Program.

Lastly, the planning grant program should be renamed the Climate Smart Agriculture Planning Grant Program so that it is clearer that the program falls under the authority of the EFA SAP and would help position growers to apply to other climate smart agriculture programs like HSP and SWEEP.

Thank you again for the opportunity to comment and for taking our feedback into consideration.

Sincerely,

and S

Asha Sharma California Organizing Director, Pesticide Action Network

Margaret Reces

Margaret Reeves Senior Scientist, Pesticide Action Network

Jare Seller

Jane Sellen Co-Director, Californians for Pesticide Reform

Sel C. a.l.

Sarah Aird Co-Director, Californians for Pesticide Reform



June 15, 2021

Environmental Farming Act Science Advisory Panel California Department of Food and Agriculture 1120 N Street Sacramento, CA 95814

Re: 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals

To whom it may concern:

Thank you for the opportunity to share our comments on the 2021 Conservation Agriculture Planning Grants Program Draft Request for Proposals.

The Coastal San Luis Resource Conservation District is located in San Luis Obispo County and we play a critical part of the technical assistance network that provides planning to farmers and ranchers in our District and have been awarded technical assistance and farm demonstration grants in the Healthy Soils program.

As supporters of CDFA's program we want this program to be successful and offer these suggestions to strengthen the implementation of the program.

Indirect Costs:

UC and CSU's may claim their established indirect cost rates, but other applicants are limited to 20%. To be fair to all, those applicants having a Negotiated Indirect Cost Rate should be able to claim their established indirect rate with CDFA. Negotiated Indirect Cost Rates are based on audited financials, which are then reviewed by the cognizant federal agency over the course of many months. They are highly vetted and based on actual costs to operate as an organization.

• CDFA should accept indirect cost rates that have been vetted and approved by cognizant agencies.

Critical Project Review:

The draft proposal states that if, after a Critical Project Review, it is determined that "the grant recipient is not meeting and is unlikely to meet certain milestones, CDFA has the right to terminate the Grant Agreement pursuant to the Terms and Conditions of the Grant Agreement. If the grant is terminated and has incurred any costs during the term, the Grantee must return any previously reimbursed funds."

The grant proposal does not require that an applicant know what operations they will service, and thus must make an estimate as to the number and type of plans they will complete. If a grantee has done work that they were reimbursed for that furthers CDFA's objectives with this grant, they should not be required to return those funds.

• CDFA should revise the Critical Project Review requirements to repay CDFA if milestones are not met.

Payment Rates:

Payment rates don't reflect actual costs of plan development or variability in income and cost of living throughout the state. San Luis Obispo County is an expensive county to live in and recently was ranked 150.8 (100 is US average).

The project budget on a per plan basis does not allow for any administrative costs associated with compiling quarterly reports and invoices. The payment rates also do not account for the time it takes to identify producers and discuss and decide what plans best align with their operational objectives. Many of these plans are property scale plans, and require time to do comprehensive assessments, meet with producers, compile maps, research unique aspects of the property (like a uncommon management technique or special status species present), make and review recommendations with producer, and compile reports for producer and CDFA. CDFA should pay for the true cost that an awardee spends to further CDFA's goals through this program, which may be more or less than the per unit reimbursement rates proposed.

- CDFA should reimburse for the actual cost of the work rather than on a set payment rate.
- CDFA should include administrative costs related to project management, tracking of the budget and deliverables, and regular invoicing and reporting as an allowable expense.

Timing:

• CDFA should consider extending the duration of the grant agreement at least 24 months to ensure the time to get it right.

Application Process:

We recommend that CDFA follow the NRCS model of rolling applications rather than a competitive grant round. The rolling model allows practitioners to fully develop plans and projects and doesn't unnecessarily force planning into an arbitrary window. We feel that better projects will develop with a more natural funding cycle.

• CDFA should follow NRCS model of rolling applications.

Thank you very much for the opportunity to comment on the Draft Program. We look forward to reviewing a more fully developed proposal.

Sincerely,

Jackie Crabb

Jackie Crabb District Manager

To whom it may concern,

Attached is a document containing comments on the Conservation Agriculture Planning Grants Program Draft RFP. Some additional comments are included below.

Jessa Kay Cruz - Senior Pollinator Conservation Specialist

One big picture comment: I have no idea exactly how this would work, but it would be great to build in some type of incentive for producers to implement these plans. Could this program be connected directly to one of CDFA's other programs (eg Healthy Soils) to assist producers with the implementation?

Cameron Newell - Pollinator Conservation Specialist

Overall I think the process outlined may be problematic because it is a first come first serve program and the plan preparer is applying for the funding. Considering the program proposes to limit it to one application per applicant, how can that entity know how many of these plans they will do in that period? And even if they have a few confirmed, what about others that come along? It might be better to allow for multiple applications from a plan preparer if they have a farm (or multiple) as co-applicants with each application?

I also feel like the payment rate is low when planning for larger operations. It could be useful if it were set up on a per acre or incremental basis because unlike the NRCS CAPs there is no limit on the size of the operation for this program. With plans in place for larger growers like these it would really help to drive change at scale. We work with a number of larger growers (10,000 acres+) that would really benefit from this program.

Thank you for the opportunity to comment! Please reach out if you have questions or need clarification.

Best, Cameron

Cameron Newell

Pollinator Conservation Specialist and Bee Better Certified Program Coordinator Xerces Society for Invertebrate Conservation 619 495-3253

Pa	ge: 3		
	Author: Jessa.Kay-Cruz	Subject: Sticky Note	Date: 6/10/2021 4:14:18 PM
- Y=	If this grant is just intended	to develop plans, I'm not sur	e why there would be reimbursable costs to producers?
	Author: Jessa.Kay-Cruz	Subject: Sticky Note	Date: 6/10/2021 4:05:59 PM
- Y=	It would be nice if urban far	ms could be included here. N	ot sure they would qualify as eligibility guidelines are written. Or maybe they'd be able to apply directly under 'agricultural cooperatives'? (see below)

Author: cameron.newell Subject: Sticky Note Date: 6/14/2021 2:52:57 PM

Author: cameron.newell	Subject: Sticky Note	Date: 6/14/2021 2:54:24 PM
It would be helpful to build in a way that	allows an applicant(e.g. non-profit) to partner with	a farm to submit a plan for that specific operation and allow multiple applications from that one applicant(eg. non-profit) over the application period. Finding a number of farms to work with at one time on pollinator habitat plans is often challenging.
Author: Jessa.Kay-Cruz	Subject: Sticky Note	Date: 6/10/2021 4:24:59 PM
how will this work if it is a	a rolling application and allocat	on of funds? will funds be set aside for these groups at the beginning the fiscal cycle? or, are the awardees supposed to allocate their funds this way?
Author: Jessa.Kay-Cruz	Subject: Sticky Note	Date: 6/10/2021 4:16:02 PM
🤛 will this be based on an a	igreed upon fee per plan?	
Author: cameron.newell	Subject: Sticky Note	Date: 6/14/2021 2:5555 PM
Encouraging this work at scale to make a	a large impact involves the engagement of large sc	ale growers. This payment rate won't cover costs for larger operations. Consider a per acre payment rate or incremental rate increase with size.

Author: Jessa Kay-Cruz Subject: Highlight Date: 6/10/2021 4:27:28 PM

Author: Jessa.Kay-Cruz	Subject: Sticky Note	Date: 6/10/2021 4:32:36 PM		
🤎 Xerces' average cost of doing CAPs is around \$3K, so this payment rate looks pretty good				
Author: cameron.newell	Subject: Sticky Note	Date: 6/14/2021 2:56:40 PM		
Considering this will be available to fa-	ms that are larger than the NRCS EQUIP eligibility or	iteria this is not going to cover costs for larger farms.		