

CERTIFICATION OF ENROLLMENT
SECOND SUBSTITUTE SENATE BILL 5947

66th Legislature
2020 Regular Session

Passed by the Senate March 10, 2020
Yeas 43 Nays 6

President of the Senate

Passed by the House March 4, 2020
Yeas 74 Nays 22

**Speaker of the House of
Representatives**

Approved

Governor of the State of Washington

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE SENATE BILL 5947** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SECOND SUBSTITUTE SENATE BILL 5947

AS AMENDED BY THE HOUSE

Passed Legislature - 2020 Regular Session

State of Washington

66th Legislature

2019 Regular Session

By Senate Ways & Means (originally sponsored by Senators McCoy, Schoesler, Palumbo, King, Salomon, and Warnick)

READ FIRST TIME 03/01/19.

1 AN ACT Relating to establishing the sustainable farms and fields
2 grant program; adding new sections to chapter 89.08 RCW; and creating
3 new sections.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that Washington's
6 working agricultural lands are essential to the economic and social
7 well-being of our rural communities and to the state's overall
8 environment and economy. The legislature further finds that different
9 challenges and opportunities exist to expand the use of precision
10 agriculture for different crops in the state by assisting farmers,
11 ranchers, and aquaculturists to purchase equipment and receive
12 technical assistance to reduce their operations' carbon footprint
13 while ensuring that crops and soils receive exactly what they need
14 for optimum health and productivity. Moreover, the legislature finds
15 that opportunities exist to enhance soil health through carbon
16 farming and regenerative agriculture by increasing soil organic
17 carbon levels while ensuring appropriate carbon to nitrogen ratios,
18 and to store carbon in standing trees, seaweed, and other vegetation.
19 Therefore, it is the intent of the legislature to provide cost-
20 sharing competitive grant opportunities to enable farmers and
21 ranchers to adopt practices that increase appropriate quantities of

1 carbon stored in and above their soil and to initiate or expand the
2 use of precision agriculture on their farms. This act seeks to
3 leverage and enhance existing state and federal cost-sharing programs
4 for farm, ranch, and aquaculture operations.

5 NEW SECTION. **Sec. 2.** The definitions in this section apply
6 throughout this section and sections 3 through 7 of this act unless
7 the context clearly requires otherwise.

8 (1) "Carbon dioxide equivalent emission" means a metric measure
9 used to compare the emission impacts from various greenhouse gases
10 based on their relative radiative forcing effect over a specified
11 period of time compared to carbon dioxide emissions.

12 (2) "Carbon dioxide equivalent impact" means a metric measure of
13 the cumulative radiative forcing impacts of both carbon dioxide
14 equivalent emissions and the radiative forcing benefits of carbon
15 storage.

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

18 (4) "Conservation district" means one or a group of Washington
19 state's conservation districts created in this chapter.

20 NEW SECTION. **Sec. 3.** (1) The commission shall develop a
21 sustainable farms and fields grant program in consultation with the
22 department of agriculture, Washington State University, and the
23 United States department of agriculture natural resources
24 conservation service.

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

28 (3) No more than fifteen percent of the funds may be used by the
29 commission to develop, or to consult or contract with private or
30 public entities, such as universities or conservation districts, to
31 develop:

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

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

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

1 (5) No more than twenty percent of the funds may be awarded to
2 any single grant applicant.

3 (6) Allowable uses of grant funds include:

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

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

7 (c) Down payments on equipment;

8 (d) Purchases of equipment;

9 (e) Purchase of seed, seedlings, spores, animal feed, and
10 amendments;

11 (f) Services to landowners, such as the development of site-
12 specific conservation plans to increase soil organic levels or to
13 increase usage of precision agricultural practices, or design and
14 implementation of best management practices to reduce livestock
15 emissions; and

16 (g) Other equipment purchases or financial assistance deemed
17 appropriate by the commission to fulfill the intent of sections 2
18 through 7 of this act.

19 (7) Grant applications are eligible for costs associated with
20 technical assistance.

21 (8) Conservation districts and other public entities may apply
22 for a single grant from the commission that serves multiple farmers.

23 (9) Grant applicants may apply to share equipment purchased with
24 grant funds. Applicants for equipment purchase grants issued under
25 this grant program may be farm, ranch, or aquaculture operations
26 coordinating as individual businesses or as formal cooperative
27 ventures serving farm, ranch, or aquaculture operations. Conservation
28 districts, separately or jointly, may also apply for grant funds to
29 operate an equipment sharing program.

30 (10) No contract for carbon storage or changes to management
31 practices may exceed twenty-five years. Grant contracts that include
32 up-front payments for future benefits must be conditioned to include
33 penalties for default due to negligence on the part of the recipient.

34 (11) The commission shall attempt to achieve a geographically
35 fair distribution of funds across a broad group of crop types, soil
36 management practices, and farm sizes.

37 (12) Any applications involving state lands leased from the
38 department of natural resources must include the department's
39 approval.

1 NEW SECTION. **Sec. 4.** (1) When prioritizing grant recipients,
2 the commission, in consultation with the department of agriculture,
3 Washington State University, and the United States department of
4 agriculture natural resources conservation service, shall seek to
5 maximize the benefits of the grant program by leveraging other state,
6 nonstate, public, and private sources of money. The primary metrics
7 used to rank grant applications must be made public by the
8 commission.

9 (2) The grant program must prioritize or weight projects based on
10 consideration of the individual project's ability to:

11 (a) Increase the quantity of organic carbon in topsoil through
12 practices including, but not limited to, cover cropping, no-till and
13 minimum tillage conservation practices, crop rotations, manure
14 application, biochar application, compost application, and changes in
15 grazing management;

16 (b) Increase the quantity of organic carbon in aquatic soils;

17 (c) Intentionally integrate trees, shrubs, seaweed, or other
18 vegetation into management of agricultural and aquacultural lands;

19 (d) Reduce or avoid carbon dioxide equivalent emissions in or
20 from soils;

21 (e) Reduce nitrous oxide and methane emissions through changes to
22 livestock or soil management; and

23 (f) Increase usage of precision agricultural practices.

24 (3) The commission shall develop and approve a prioritization
25 metric to guide the distribution of funds appropriated by the
26 legislature for this purpose, with the goal of producing cost-
27 effective carbon dioxide equivalent impact benefits.

28 (4) Applicants that create riparian buffers along waterways, or
29 otherwise benefit fish habitat, must receive an enhanced
30 prioritization compared to other grant applications that perform
31 similarly under the prioritization metrics developed by the
32 commission.

33 (5) The commission shall downgrade a specific grant proposal
34 within its prioritization metric if the proposal is expected to cause
35 significant environmental damage to fish and wildlife habitat.

36 NEW SECTION. **Sec. 5.** (1) The commission shall determine methods
37 for measuring, estimating, and verifying outcomes under the
38 sustainable farms and fields grant program in consultation with
39 Washington State University, the department of agriculture, and the

1 United States department of agriculture natural resources
2 conservation service.

3 (2) The commission may require that a grant recipient allow the
4 commission, or contractors hired by the commission, including the
5 Washington State University extension program, access to the grant
6 recipient's property, with reasonable notice, to monitor the results
7 of the project or projects funded by the grant program on the grant
8 recipient's property.

9 NEW SECTION. **Sec. 6.** (1) By October 15, 2021, and every two
10 years thereafter, the commission shall report to the legislature and
11 the governor on the performance of the sustainable farms and fields
12 grant program.

13 (2) The commission shall update at least annually a public list
14 of projects and pertinent information including a summary of state
15 and federal funds, private funds spent, landowner and other private
16 cost-share matching expenditures, the total number of projects, and
17 an estimate of carbon sequestered or carbon emissions reduced.

18 (3) By July 1, 2024, the commission, in consultation with
19 Washington State University and the University of Washington, must
20 evaluate and update the most appropriate carbon equivalency metric to
21 apply to the sustainable farms and fields grant program. Until this
22 equivalency is updated by the commission, or unless the commission
23 identifies a better metric, the commission must initially use a one
24 hundred year storage equivalency that can be linearly annualized to
25 recognize the storage of carbon on an annual basis based on the
26 storage of 3.67 tons of biogenic carbon for one hundred years being
27 assigned a value equal to avoiding one ton of carbon dioxide
28 equivalent emissions.

29 (4) The grant recipient and other private cost-sharing
30 participants may at their own discretion allow their business or
31 other name to be listed on the public report produced by the
32 commission. All grant recipients must allow anonymized information
33 about the full funding of their project to be made available for
34 public reporting purposes.

35 NEW SECTION. **Sec. 7.** The sustainable farms and fields account
36 is created in the state treasury. All receipts of money directed to
37 the account must be deposited in the account. Expenditures from the
38 account may be used only for purposes relating to the sustainable

1 farms and fields grant program established in section 3 of this act.
2 Moneys in the account may be spent only after appropriation.

3 NEW SECTION. **Sec. 8.** Sections 2 through 7 of this act are each
4 added to chapter 89.08 RCW.

5 NEW SECTION. **Sec. 9.** No public funds shall be awarded as grants
6 under this act until public funds are appropriated specifically for
7 the sustainable farms and fields grant program.

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