



Farm Bill Policy Platform

New Funds for Climate Should Invest in Equitable Payments Above Costs

September 2022

As Congress considers how to encourage climate-smart agriculture in the farm bill, including how to best invest \$18 billion in funds from the Inflation Reduction Act (IRA), we propose a new program model that allows producers to earn equitable payments above implementation costs. Rather than relying on the typical conservation cost-share model, which requires producers to pay a portion of the practice cost, payments in this new model would exceed implementation costs, economic losses during transition to new practices and future climate policy costs combined.

Policy Platform

[Rural Investment to Protect Our Environment \(RIPE\)](#) invites organizations to consider including the following policy resolution in their 2023 Farm Bill policy platform:

A portion of new funds appropriated by Congress for climate-smart agriculture should be invested in a new conservation program offering a simple enrollment process that enables producers — including early adopters — to earn equitable payments above implementation costs, economic losses during transition to new practices and future climate policy costs.

About

RIPE is a producer-led organization advancing RIPE100 — a conservation program that would pay farmers and ranchers for stewardship practices with equitable payments above costs associated with practice implementation. The RIPE100 concept would enable all farmers and ranchers, including early adopters, to participate in a producer-friendly program that is simple and practical. Payments would reflect the combined value farmers and ranchers deliver to soil health, water, climate, biodiversity and other public benefits through conservation practices. In essence, the producer would be compensated for the benefits they provide to the environment and communities.

Preferred by Farmers & Rural America

- **Farmers:** 78% prefer payments for soil, water and carbon, over payments solely for carbon, and 76% support a climate policy with \$100-per-acre payments for voluntary conservation practices.¹
- **Rural Republicans:** 39% support government spending on climate, while 77% support government incentives for farmers to address climate change.²
- **Rural Democrats:** 94% support government spending on climate, while 98% support government incentives for farmers to address climate change.³

Illustrative Legislative Text Excerpt

Below is illustrative legislative text on how payment design can be guided. Please contact RIPE staff for more details.

The Secretary shall set payment rates to reflect and not surpass the combined public value delivered on a national or regional average, with a price floor that is greater than the costs associated with adopting one or more conservation practices and the costs of climate legislation and regulations that impact producers' costs of production through increased costs of fuel, fertilizer and other inputs.

In determining the amounts of payments under this section, the Secretary shall consider, to the extent practicable:

- (i) The adoption and installation of practices under subparagraph (TBD) to be adopted, installed, completed, managed, maintained, or improved;
- (ii) Income foregone by the producer, including payments, as appropriate to address -
 - (a) Increased economic risk;
 - (b) Loss in revenue due to anticipated reductions in yield; and
 - (c) Economic losses during transition to new practices;
- (iii) The extent to which compensation would ensure long-term continued management, maintenance, and improvement of the practice; and
- (iv) Ensure equitable distribution of funds for socially disadvantaged and limited resource producers through targeted outreach and education as well as mechanisms such as funding allocation, increased payment rates, and advance payments.

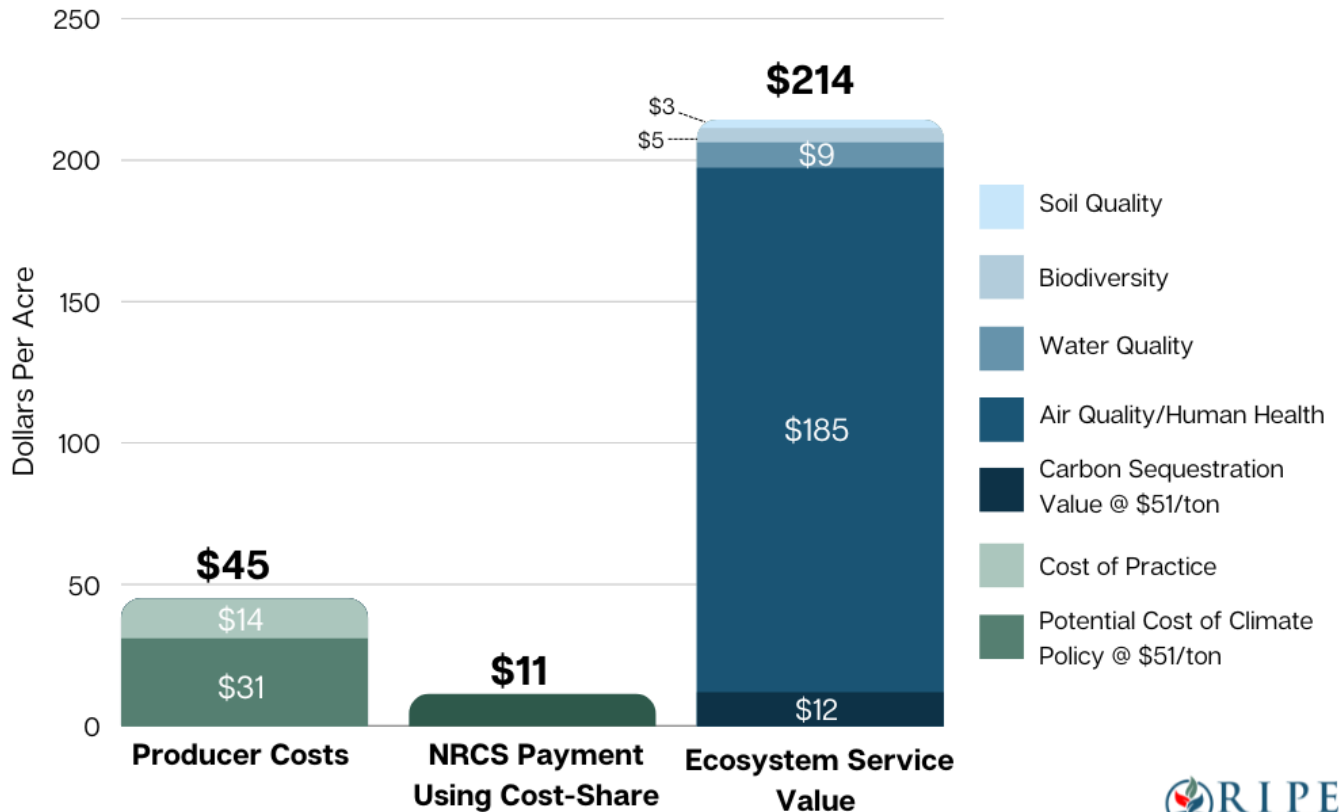
¹ Farm Journal's Trust in Food poll commissioned by RIPE, 2021

² Robert Bonnie, "Rural Attitudes on Climate Policy," Duke University, 2020

³ Ibid.

Data is Well Established: Public Benefits Far Exceed GHG and Practice Costs

e.g. Per Acre of Corn & Conservation Crop Rotation



RIPE has compiled data on the ecosystem service value of dozens of climate-smart practices, including cover crops and no-till, finding that most deliver far above the Natural Resources Conservation Service (NRCS) payment levels. The methodology, data citations and list of qualifying practices can be found at www.RIPERoadmap.org/research-and-policy.

“ No one expects the clean energy industry to invest with a cost-share model. Clean energy policies are designed to enable a reasonable return for investments that deliver public benefits. Why not offer the same opportunity to farmers and ranchers?
—Aliza Drewes, RIPE executive director ”

RIPE Leadership

RIPE's leadership includes agricultural leaders from across the country, including a producer-led Board, Steering Committee, and Inclusion, Diversity, Equity and Access Committee. It is also guided by a Technical Advisory Group that includes environmental experts.

RIPE Steering Committee member organizations:



Members who serve in their personal capacity include:
Brad Doyle, Brandon Hunnicut, Fred Yoder and Jimmy Emmons.

RIPE is also advised by consultants who served in senior roles at USDA including: Kevin Norton (former associate chief of Natural Resources Conservation Service), Brad Karmen (former assistant deputy administrator to Farm Service Agency) and Martin Barbre (former Risk Management Agency administrator and former president of National Corn Growers Association's Corn Board).

RIPE's Board of Directors comprises a majority of agricultural producers, and a minority of organizational development and political experts, representing both parties. They are: Bill Beam, Eunice Biel, Sam Eberts, PJ Haynie, Stratton Kirton, Curt Methner, Alana Petersen, Christine Stearn, Tracy Travis and Brennan Washington.

**Agricultural producers have a pivotal role in mitigating climate change,
but they shouldn't sacrifice their own livelihood in the process.**