## Soil Health Advisory Committee

June 7, 2021

Maryland Department of Agriculture



### Today's agenda

- Public Comments (10 mins)
- Soil Health Programs: Five Case Studies of State Programs to Improve Soil Health: Harry Huntley, Harry Hughes Center for AgroEcology (25 mins)
- Review of Incentive Concepts for Maryland Healthy Soils Program: Alisha Mulkey, MDA (30 mins)
- Roundtable (45 mins)
- Committee Announcements (5 mins)



### Public Comment



## Harry Huntley, Policy Research Specialist

Harry Hughes Center for Agro-Ecology



### **Current Progress**

- Hard and thoughtful work of deciding WHAT practices to incentivize as first priority
- Initial considerations included under Committee Options are both practice and programmatic in nature
  - Updated based on January-March discussions and debriefs
  - Circulated to all
- Now, discuss HOW to incentivize
- Take a step back to consider pieces as whole
- Agroforestry practices included today too



### Important Reminders

- Farm sustainability, environmentally and economically, is positive for all
- Evolving program will be key contribution of ag sector towards state's climate change goals (GGRA)
- Inclusive process design
- Mindful of:
  - Department's capacity (staff and authority) to administer program
  - Funding
  - Producer interest and access
- Today's goal is initial discussion among members, not final decisions



### Options to discuss today

- Traditional cost-share
- 2. Bundled practice cost-share
- 3. Conservation Buffer Initiative
- 4. Cover Crops
- 5. Equipment financing
- 6. State certification program
- 7. Technical Assistance support
- 8. Competitive grants
- 9. Small farm conservation



#### 1. Traditional Cost-Share

- Use the expanded authority of the MACS Capital program to cost-share for practice adoption
- Advantages:
  - Well-defined program authority, capacity, and funding
  - Widely recognized program
  - Most priority practices already eligible for funding (excl. conservation tillage, NM, IPM, crop rotation)
- Disadvantages:
  - A la carte menu
  - Funding is better suited for structural practices rather than annual practices
  - Eligibility can limit small farm participation

Evaluation Metrics*		
MDA	Funding	Producer
capacity		Experience



# 2. Bundled Practice Cost-Share

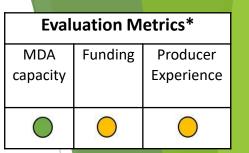
Evaluation Metrics*			
MDA capacity	Funding	Producer Experience	

- Establish 2-3 practice suite implemented over contract duration
- Advantages:
  - Custom bundles could better address soil health principles and be designed for operation size and type
  - Similar to federal programs (e.g. CSP)
- Disadvantages:
  - Could compete with federal programs and limit field eligibility
  - No current MDA program authority
  - No funding available, but competitive grant proposal - recent Million Acre Challenge award



## 3. Conservation Buffer Initiative

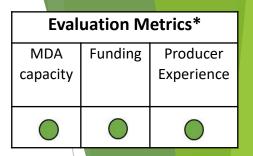
- Expand FY21 pilot program to address additional marginal lands with focus on saltwater impacted lands
- Advantages:
  - Broad applicability of NRCS' Conservation Cover standard
  - Successful FY21 pilot for riparian buffers
  - Strong carbon sequestration potential and technical resources
- Disadvantages:
  - Limited geographic focus
  - May not address other marginal lands targeted through CREP
  - No current program authority for easements beyond agland preservation





### 4. Cover Crops

- Expand traditional program based on SHAC recommendations (mixes, planting season, etc.)
- Advantages:
  - Well-defined program authority, capacity, and funding
  - Widely recognized program
  - Annual program evaluation
- Disadvantages:
  - Set budget would require trade-offs among existing program incentives
  - Program funding support closely tied to water quality (i.e. fall planting focus)
  - Does not address smaller producers (< 5 acres) or non-fall planted covers



Compare to lowa's Cover Crop program



### 5. Equipment Financing

Evaluation Metrics*		
MDA capacity	Funding	Producer Experience

- Promote LILAC opportunity and/or expand Income Tax Subtraction of conservation equipment to include roller crimper, small operation equipment needs, etc.
- Advantages:

Administrative structure and authority are existing.
 Program eligibility can be modified

- Addresses technical assistance
- Complements existing equipment rental, equipment share programs
- Disadvantages:
  - None

Compare to
Montana's
Range
Improvement
Loan program

# 6. State certification program

Evaluation Metrics*		
MDA capacity	Funding	Producer Experience
0		0

- Create branded farmer certification program to advance greater market opportunity (e.g. supply premiums) or other appealing outcomes (e.g. NM audits, priority program access, etc.)
- Advantages:
  - Innovative, holistic approach
  - Flexible
  - Existing evaluation tool Nutrient Tracking Tool being updated for carbon component
- Disadvantages:
  - Program design and drivers in earliest stages
  - Lacks financial incentive



# 7. Technical Assistance support

Evaluation Metrics*		
MDA capacity	Funding	Producer Experience
0	0	0

- Build state's Soil Health Management Plan (SHMP) capacity via Technical Service Provider network. The SHMP is enabling document for holistic mindset, inclusive of soil health evaluations
- Advantages:
  - Can engage producers early to build soil health mindset (whole-farm decision making)
  - Increases technical assistance in the state
  - Flexible
  - Strong state coalition opportunity
- Disadvantages:
  - ► Technical Service Provider certification is reliant on NRCS process and timing



### 8. Competitive grants

- Create competitive grant program to fund practice adoption. Evaluation and ranking criteria could be developed with SHAC.
- Advantages:
  - Innovative, holistic opportunity
  - Selection criteria could include outcomes/ performance achieved by practice implementation
  - Flexible
  - Could also employ Nutrient Tracking Tool or other metrics
  - Continued (potential) role for SHAC
- Disadvantages:
  - No funding, but competitive grant proposal or other state sources

Evaluation Metrics*		
MDA capacity	Funding	Producer Experience
0	0	0

Compare to
California's
Healthy Soils
program



## 9. Small Farm conservation

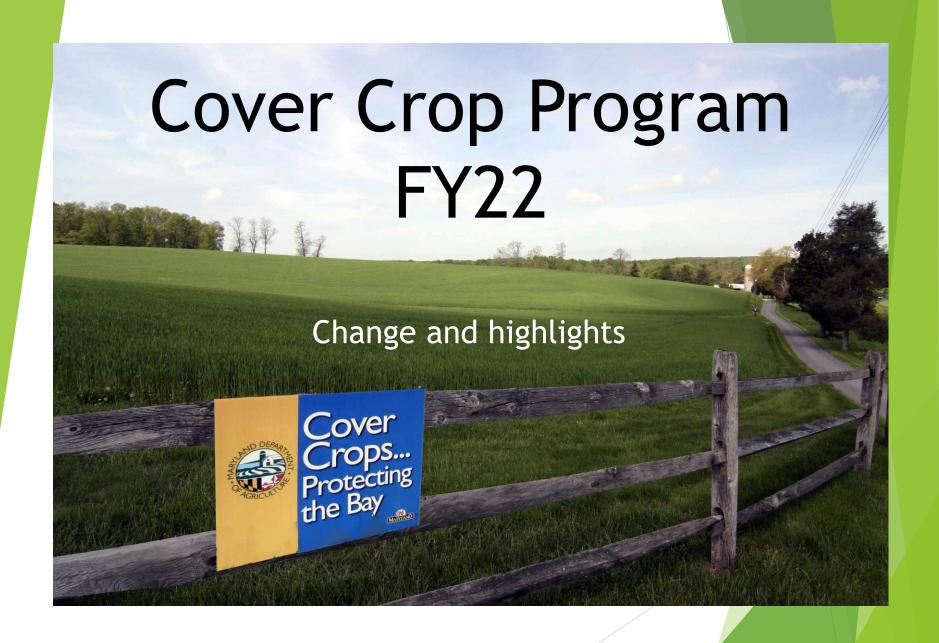
- MDA Funding Producer Experience
- Establish dedicated assistance and protocol for small farm operations to complement existing programs
- Advantages:
  - Creates committed program for growing producer group
  - ► Flexible
- Disadvantages:
  - Less MDA experience and funding, but competitive grant proposal and viable state partners



## Dawn Bradley, Cover Crop Program Administrator

Maryland Department of Agriculture





### Program Outline

- Incentives for early planting
  - ▶ \$10/ac incentive for planting aerially into standing corn by September 10
  - ▶ \$10/ac incentive for planting using incorporated method by October 10
- Continuing with Delayed Termination incentive
  - ▶ \$10/ac to delay kill down until after May 1
  - ► Maximum 500 acres per application

### New Program Changes FY22

- Base payment increased to \$45/ac for all planting methods
- Aerial and Aerial ground continue to receive an additional \$5 which will then bring them to \$50/ac
- 2 new incentives
  - ▶ \$10/ac incentive for planting rye or
  - ▶ \$10/ac incentive for planting a multispecies cover crop



#### Roundtable Rules

- Today's goal is initial discussion among members, not final decisions
  - Ultimately, collect SHAC member evaluations for each incentive option
  - Return to memos for recommendations within context of favored incentive options
- Preferences
- MDA willing to do the hard work!
- Jack of all trades, masters of none how to balance a robust set of programs with focused energy



### Roundtable

45 minutes



## Committee Announcements

5 minutes

