

Date of Hearing: March 26, 2025

ASSEMBLY COMMITTEE ON AGRICULTURE  
Esmeralda Soria, Chair  
AB 947 (Connolly) – As Introduced February 20, 2025

**SUBJECT:** Agriculture: Cannella Environmental Farming Act of 1995

**SUMMARY:** This bill would require the California Department of Food and Agriculture (CDFA) to establish and oversee a sustainable agriculture program to provide research, technical assistance (TA), and incentive grants to promote agricultural practices that support climate resilience for farms and ranches and the well-being of ecosystems, air quality, and biodiversity. Specifically, *this bill*:

- 1) Renames the Scientific Advisory Panel on Environmental Farming the Scientific Advisory Panel on Resilient and Sustainable Agriculture for the purpose of providing advice to the Secretary of CDFA on the implementation of research, incentive, and TA grant programs for sustainable agriculture.
- 2) Expands the panel from nine members to 11 members, would require the panel to consist of members of the public that represent scientific expertise in sustainable agriculture and members of state agencies that represent expertise in programs and policies related to agriculture, and would limit the members of the panel to 2 terms.
- 3) Expands the definition of “technical assistance” to include, among other things, training, conservation agricultural planning, and grant writing.
- 4) Deletes the provision establishing the Climate Smart Agriculture TA Grant Program and would instead require the secretary to make available not less than 5%, but not more than 20%, of the funds appropriated to the CDFA, for providing TA directly through a TA grant program, or indirectly through a block grant program that includes funding for technical assistance.
- 5) Requires CDFA to provide funds to TA providers to:
  - a) Support farmers and ranchers in the application process for grants from those programs and the implementation of funded projects;
  - b) Provide general planning and training for climate-smart and sustainable agriculture; and
  - c) Lease, purchase, or repair farming, ranching, and food processing equipment that can be centrally housed with the TA provider and shared regionally with producers.
- 6) Requires CDFA to authorize a percentage of funding to support training and capacity building within TA provider organizations and coordination between organizations to improve assistance, as provided, and would require the department to support information sharing among TA providers, CDFA, and other relevant stakeholders, as specified.
- 7) Requires CDFA to allow equipment sharing costs funded as part of the grant awards to include developing and expanding equipment sharing programs, as specified.

**EXISTING LAW:**

- 1) Requires the Department of Food and Agriculture, via the Cannella Environmental Farming Act of 1995, to establish and oversee an environmental farming program to provide incentives to farmers whose practices promote the well-being of ecosystems, air quality, and wildlife and their habitat. (*Food and Agriculture Code (FAC) 560*)
- 2) Establishes the Climate Smart Agriculture Account, the moneys in which are continuously appropriated for purposes of the act. (*FAC 569.5*)
- 3) Requires the Secretary of CDFA to convene a 9-member Panel, as prescribed, for the purpose of providing advice to the secretary on the implementation of the Healthy Soils Program (HSP) and the State Water Efficiency and Enhancement Program (SWEEP) and assistance to federal, state, and local government agencies on issues relating to the impact of agricultural practices on air, water, and wildlife habitat, as specified. (*FAC 568*)
- 4) Requires members of the panel to be highly qualified and professionally active or engaged in the conduct of scientific research and provides for their appointment for a term of 3 years. (*FAC 568*)
- 5) Establishes the Climate Smart Agriculture TA Grant Program to provide funds to TA providers to provide technical assistance, as defined, to applicants of the HSP, the Alternative Manure Management Program, and SWEEP. (*FAC 570*)
- 6) Requires the secretary to make available not less than 5% of the funds appropriated to the department for those programs, but not more than 20% for providing technical assistance, as specified, and for supporting annual information sharing among TA providers, CDFA, and other relevant stakeholders, as specified. (*FAC 570*)

**FISCAL EFFECT:** Unknown

**COMMENTS:****Climate Smart AG**

CDFA's climate smart agriculture programs include HSP, Alternative Manure Management (AMMP), and State Water Efficiency and Enhancement (SWEEP). The objectives of HSP are to increase statewide implementation of conservation management practices that improve soil health, sequester carbon, and reduce greenhouse gases. According to information released by CDFA in January 2024, HSP has awarded more than \$105 million to fund more than 1,500 projects over its lifetime. Of the \$170 million allocated to HSP in the fiscal year (FY) 2021-22 and 2022-23 budgets, the FY 2023-24 budget cut \$15 million and shifted \$50 million from the General Fund to the Greenhouse Gas Reduction Fund (GGRF).

CDFA's Climate Smart Agriculture Technical Assistance Program provides one-on-one application and implementation assistance to farmers and ranchers applying for funding from the department's climate smart agriculture programs. Of the \$39 million allocated to this program in the FY 2021-22 and 2022-23 budgets, the FY 2023-24 budget cut \$22 million.

## Farm Equipment Sharing

Small-scale, socially disadvantaged farmers and ranchers, and beginning farmers and ranchers face significant barriers in accessing infrastructure resources. After land, the purchase of farm equipment and infrastructure is the second largest capital investment and remains difficult to get to for small, underserved and beginning farmers with limited cash flow for major purchases. These small-scale farming operations require a greater variety of costly equipment and some high-capital equipment is only used a few times a year. Cooperatively managed equipment sharing can help address these infrastructure barriers and increase farm viability, while supporting implementation of conservation practices and maximizing efficient use of equipment.

The appeal of cutting equipment investment costs has driven the development of standard equipment sharing organizations around the globe. In Sweden, machine rings (equipment sharing groups) started at the beginning of the 1990s and now number 20 local associations with about 5000 members (about 6% of Swedish farmers) - while Germany has about five times that amount of equipment sharing activity. Canadian farmers in Ontario and Saskatchewan have formed numerous machinery cooperatives. However, the US is comparatively far behind. The reason seems to be largely a cultural one: while equipment-sharing has been proven successful elsewhere, there is a persistent impression that tool sharing is unlikely to work or not worth the hassle.

Equipment sharing programs allow farmers to borrow or lease high-value equipment from regional agricultural centers such as fairgrounds, universities, cooperative extension offices, farmer cooperatives, and resource conservation districts (RCD). These programs aim to alleviate the financial burden for farmers, increase on-farm safety, reduce emissions, incentivize conservation practices, and provide necessary resources to producers. There is evidence of successful state-government-run equipment sharing programs in states like the Southern Maryland Agricultural Development Commission equipment sharing and rental program and several of New Hampshire's County Conservation Districts have equipment rental programs to allow farmers to borrow specialized equipment at a low cost for soil health and nutrient management practices.

Proposition 4, passed by voters in 2024, includes Fifteen million dollars (\$15,000,000) for grants for regional farm equipment sharing.

This bill will impact small, underserved, and marginalized farmers because we are opening more opportunities to sustainable farming. For example, equipment sharing provides direct assistance to small, underserved, and marginalized farmers because it saves them money by not having to outright purchase equipment. Farming equipment can cost thousands of dollars, which can be difficult for small, underserved, and marginalized farmers to afford, especially when starting a new farm. In addition, small and underserved farmers need technical assistance, such as matching funding coordination and outcome monitoring, which normally, small, underserved, and marginalized farmers would not have the access.

This bill seeks to remedy some issues with HSP based on feedback from farmers in our district. The specific deficiencies include:

- 1) Organic farmers are disincentivized from participating in the HSP through additional barriers such as grant writing and agricultural planning which might dissuade less experienced and small scale farmers. By including grant writing and conservation agriculture planning, and

training as part of the HSP, this bill hopes removing these barriers will help more small farmers to utilize HSP.

- 2) Equipment sharing should be a part of HSP grant awards to reduce costs for small and underserved farmers. Small and underserved farmers find it difficult to purchase equipment after purchasing the land and the costs associated with being a farmer. Equipment sharing can help reduce and control the costs of farming.

This bill will also increase the Scientific Advisory Panel membership from nine to eleven. This change aims to add more perspective on the panel by including more expertise variety on the panel.

According the author, this bill will uplift farmers by expanding technical assistance for farmers by supporting farmers and ranchers with the application process, providing general planning and training for climate-smart agriculture, and more thus removing barriers to sustainable farming.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

A Voice for Choice Advocacy  
California Climate & Agriculture Network (CALCAN)

**Opposition**

None on file.

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