

# GROWERTALKS

JZ on D.C.

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## New Climate, Health Care & Tax Law Includes Boosts for Agriculture

*Jennifer Zurko*



In August, President Biden signed to enact the climate, health care and tax law known as the Inflation Reduction Act (IRA). While the IRA represents nearly 18 months of congressional work and negotiations, probably few outside of Washington could say what all is included.

Earlier this month, AmericanHort explored how Congress raised the roughly \$737 billion to offset new spending and deficit reduction. Fortunately, several painful tax increases were avoided in the final agreement, which was a key AmericanHort advocacy priority. Now, we look closer at highlights within the nearly \$48 billion for agriculture, rural development, drought resiliency and forestry programs, which are broken out as follows:

- \$19.5 billion for Farm Bill conservation programs
- \$13.3 billion for rural development programs
- \$4 billion for western drought resiliency
- \$6 billion for FSA farm loan borrower assistance
- \$5 billion for forestry programs

Although less than initially proposed in the original Build Back Better bill, the new act spends big on the expansion of green spaces in cities. It invests \$1.5 billion in the Urban and Community Forestry Assistance program, a technical, financial and education assistance program at the U.S. Department of Agriculture (USDA) to plant and care for trees. The funding infusion for grants to local entities represents more than five times the program's current funding level, which the nonprofit American Forests estimates will plant and protect more than 23 million trees in urban areas over the next 10 years.

The act provides an unprecedented level of funding, \$19.5 billion above the previous level authorized by the Farm Bill, for USDA's environmental quality incentives, conservation assistance and quantification of on-farm carbon sequestration. Nursery and floriculture growers stand to benefit the most from new funding for the Environmental Quality Incentives Program (EQIP), which receives \$8.45 billion. EQIP helps share the cost with growers for improvements to irrigation, pest management, energy efficiency and more. (Curious whether EQIP is right for you?

Learn more at [nrcs.usda.gov](https://nrcs.usda.gov) or contact your local USDA Natural Resources Conservation Service office at [farmers.gov](https://farmers.gov) where conservation planners can get you started with free, one-on-one assistance to identify improvements that best fit your needs.)

Assistance to growers also comes in the form of debt relief and loan modification for distressed borrowers of direct or guaranteed loans administered by the Farm Service Agency. USDA says it's still reviewing the new authorities, but it expects to expeditiously implement the \$3.1 billion relief program.

In the eleventh hour, Sen. Krysten Sinema (D-AZ) negotiated \$4 billion for drought mitigation across the American West, noting the region "continues experiencing historic drought." The new funding complements \$8 billion for water infrastructure enacted last fall in the bipartisan infrastructure bill. The additional \$4 billion will support multi-year, local water conservation initiatives, such as incentivizing farmers to cut down on water usage or encouraging conversion to more drought-resilient landscaping.

Meanwhile, as our partners at Pinion (formerly K-Coe Isom) point out, the IRA carries a final ancillary benefit of funding the expansion of USDA climate-focused programs outside of the normal Farm Bill, the re-write of which is currently underway. Pinion analysts wrote in a blog post, "This funding may expedite consideration of the 2023 Farm Bill since many of the conservation programs will already be funded through the Inflation Reduction Act."

*—Evan Lee, Director of Policy and Government Relations, AmericanHort*

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## **FNGLA Joins Coalition Letter Urging Senate Action**

In August, FNGLA lent its support onto a letter, organized by the Agriculture Workforce Coalition, urging the United States Senate to pass an agricultural workforce reform bill this session of Congress. The letter provides a multitude of reasons on the need for reform—from national security to addressing the challenges in the domestic workforce—while also pointing out the decreasing number of farms in general because of various challenges. More than 400 other organizations joined in support of the letter.

For background, the House passed their version of agricultural workforce reform, the bipartisan Farm Workforce Modernization Act, early in 2021. In short, the FWMA had three areas of focus: stabilizing the current workforce, H-2A reforms and enforcement. Ultimately, this legislation, along with overall efforts in the Senate on agriculture workforce reform, have been slow to develop.

What will ultimately happen? Time is running out, but advocates in Washington, D.C., continue to push.

*—Tal Coley, CEO, Florida Nursery, Growers & Landscape Association*

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