



## Inflation Reduction Act of 2022

### *Agriculture Provisions*

#### U.S. FOREST SERVICE AND PRIVATE FORESTRY

The Inflation Reduction Act of 2022 includes investments in forestry programs to ensure our public and private lands have the tools they need to address the destructive fire seasons, restore forest ecosystems, improve watershed health, enhance wildlife habitat, and address climate change.

Program	Inflation Reduction Act
Hazardous Fuels Treatments on NFS land (Within the Wildland-Urban Interface)	<b>\$1.8 billion</b>
Vegetation Management	<b>\$200 million</b>
National Environmental Policy Act Reviews	<b>\$100 million</b>
Inventory of Old-Growth and Mature Forests	<b>\$50 million</b>
Competitive Grant Program for Underserved Foresters to Carry Out Climate Mitigation or Forest Resilience Practices	<b>\$150 million</b>
Competitive Grant Program for Underserved Foresters to Participate in Emerging Private Markets	<b>\$150 million</b>
Competitive Grant Program for Foresters Owning Less than 2,500 Acres of Forestland to Participate in Emerging Private Markets	<b>\$100 million</b>
Competitive Grant Programs for Payments for Private Landowners for Measurable Increases in Carbon Sequestration	<b>\$50 million</b>
Wood Innovations Grants Program	<b>\$100 million</b>
Forest Legacy Program	<b>\$700 million</b>
Urban and Community Forestry Assistance Program	<b>\$1.5 billion</b>
Administrative Costs	<b>\$100 million</b>
<b>Total</b>	<b>\$5 billion</b>

### Strategic forestry investments include:

- \$1.8 billion for hazardous fuels treatments in the Wildland-Urban Interface. Priority will be given to projects that are NEPA cleared, collaboratively developed, or include opportunities to restore or support recreation that is compatible with the primary restoration purpose.
- \$200 million in vegetation management projects on NFS land that include removal of vegetation, use of prescribed fire, restoration of aquatic habitat, or decommissioning of certain roads in accordance with provisions of the Healthy Forest Restoration Act of 2003.
- \$150 million for NEPA efficiency, and old-growth forest activities, tactics, and inventory.
- \$450 million to support private and underserved foresters to address resilience practices and participate in emerging markets.

### CONSERVATION

The Inflation Reduction Act includes investments in oversubscribed farm bill conservation programs. It also provides technical assistance funding to help producers plan and install conservation practices on their land. Expanded participation in these conservation programs and additional TA will help producers to reduce greenhouse gas emissions and sequester carbon. More access to these proven programs will help producers fight climate change off- and on-farm, helping them to also mitigate the impacts to their operations.

Program	Inflation Reduction Act
Environmental Quality Incentives Program	\$8.45 billion*
Conservation Stewardship Program	\$3.25 billion*
Agricultural Conservation Easement Program	\$1.4 billion*
Regional Conservation Partnership Program	\$4.95 billion*
Conservation Technical Assistance through Natural Resources Conservation Service	\$1 billion
Carbon Sequestration and Greenhouse Gas Emissions Quantification Program	\$300 million
Administrative Costs	\$100 million
<b>Total</b>	<b>\$19.45 billion</b>

### Strategic conservation investments include:

- With these programs having backlogs in the billions of dollars, these additional dollars will enable more producers to enroll in proven conservation programs.

- Increased funding for these programs will provide producers with opportunities to address on-farm resource concerns while also addressing climate co-benefits through the implementation of practices that are proven and tested.
- \$1 billion to provide conservation technical assistance through the Natural Resource Conservation Service will expedite the realization of environmental benefits by making it easier and faster for more producers to have access to technical assistance to undertake conservation planning and install practices.
- \$300 million for NRCS to carry out a carbon sequestration and greenhouse gas emissions quantification program to better understand challenges and opportunities.

### RURAL DEVELOPMENT/ENERGY/BIOFUELS

The Inflation Reduction Act of 2022 includes over \$13 billion in investments to help our rural communities modernize and increase the efficiency of their energy systems, provides funding to support transition of rural electric cooperatives to renewable and zero emission energy systems, and makes infrastructure investments to increase access to clean fuels.

Program	Inflation Reduction Act
Biofuels Infrastructure Program	\$500 million
Rural Electric's Clean Energy Transition	\$9.7 billion
Rural Energy for America Program	\$2.025 billion*
Rural Electrification Act Section 317 Loan Program	\$1 billion
Rural Development Administrative Funding	\$100 million
<b>Total</b>	<b>\$13.325 billion</b>

#### Strategic investments include:

- \$1 billion for loan funds for renewable energy projects under Section 317 of the Rural Electrification Act, including energy storage. Loans are eligible for up to 50% forgiveness, depending on compliance with loan forgiveness terms & conditions, established by the Secretary.
- \$2 billion for Rural Energy for America Program (REAP) which provides grants covering up to 50% of activity costs and loans, to farmers and small business owners to make energy efficient improvements.
  - Establishes an Underutilized Renewable Energy Technologies, which sets aside funding annually for projects utilizing such technologies.
- \$9.7 billion for loans and loan modifications for USDA Assistance for Rural Electric Cooperatives to purchase and deploy renewable energy, zero emission, carbon capture and storage systems.
  - This program will prioritize applications that will achieve the greatest reduction in greenhouse gas emissions and disadvantaged rural communities.

- \$100 million in additional USDA Rural Development Administrative funds for admin costs, salaries and expenses for the mission area and expenses of the agencies and offices of the Department for the cost of implementing the subtitle.

## AGRICULTURAL CREDIT, OUTREACH, & INCLUSION

### **Section 22006:**

Section 22006 of the Senate-passed H.R. 5376, the Inflation Reduction Act (IRA), appropriates \$3.1 billion for a new USDA program to assist to direct and guaranteed farm loan borrowers, focusing on providing relief expeditiously to those borrowers at risk of losing their farms.

Assistance under this section includes modifying loan terms and reducing loan payments or balances, as authorized under section 331(b)(4) of the Consolidated Farm and Rural Development Act and pays for the costs of such loan modifications and adjustments.

### **Section 22007:**

Section 22007 of the IRA amends section 1006 of the American Rescue Plan Act and increases funding for the provisions within section 1006, as noted below.

In particular, the Senate included \$2.2 billion to allow USDA to provide assistance to farmers and ranchers who have suffered discrimination prior to 2021 in FSA farm loan programs, with USDA using a one or more non-governmental entities to carry out the provision.

<b>Section 22007</b>	<b>ARPA</b>	<b>IRA</b>
<b>Technical and Other Assistance</b> (ARPA 1006(b)(1))	<b>\$50.5 million</b>	<b>\$125 million</b>
<b>Land Loss Assistance</b> (ARPA 1006(b)(2))	<b>\$50.5 million</b>	<b>\$250 million</b>
<b>Equity Commissions</b> (ARPA 1006(b)(3))	<b>\$5.05 million</b>	<b>\$10 million</b>
<b>Research, Education, and Extension</b> (ARPA 1006(b)(4))	<b>\$50.5 million</b>	<b>\$250 million</b>
<b>Financial Assistance to Farmers, Ranchers, and Forest Landowners that Experienced Past Discrimination in USDA Lending Programs</b> (ARPA 1006(b)(5))	<b>\$50.5 million</b>	<b>\$2.2 billion</b>
<b>Administrative Costs</b>	<b>\$0</b>	<b>\$24 million</b>
<b>Not Committed</b>	<b>\$802.95 million</b>	<b>\$0</b>
<b>Total</b>	<b>\$1.01 billion</b>	<b>\$2.859 billion</b>

### Strategic investments in sections 22006 & 22007 include:

- Utilizing existing USDA authority, provides \$3.1 billion in critical farm loan relief for farmers with direct and guaranteed loans who are economically distressed and at risk of losing their farms.
- To support underserved farmers, ranchers, and forest landowners via Section 1006 of ARPA provides a \$2.859 billion investment, including:
  - \$125 million for technical assistance outreach, mediation, financial training, capacity building training, cooperative development and agricultural credit training and support.
  - \$250 million to address heirs' property and fractionated land issues.
  - \$10 million for the creation and operation of one or more equity commission(s) to address racial equity issues within USDA and its programs.
  - \$250 million for research, education, and extension at the 1890 and 1994 Land-Grant Universities and the Alaskan, Hawaiian, and insular institutions, which may include scholarships, internships, and other pathways to increase participation in agriculture.
  - \$2.2 billion to support farmers who have experienced discrimination in USDA farm loan programs.

### Section 22008:

Section 22008 repeals section 1005 of the American Rescue Plan Act. The existing funds in section 1005 offset the cost of section 22006 of the IRA and the additional funding for section 1006 (as amended by section 22007 of the IRA). For additional information on section 1005 of the American Rescue Plan Act, please refer to the Congressional Research Service Legal sidebar and the USDA website.

**\*NOTE: Congressional Budget Office (CBO) scoring numbers may not reflect funding in legislative text because CBO BA (Budget Authority) numbers reflect the 5.7% sequestration impact on programs subject to sequestration.**