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December 20, 2022

United States Department of Agriculture
Natural Resources Conservation Services
Terry Cosby, Chief
1400 Independence Ave, SW
Washington, DC 20250
{FR Doc. NRCS 2022-0015}

RE: Request for Public Input About Implementation of the Inflation Reduction Act Funding

Dear Mr. Cosby:

The National Cotton Council (NCC) appreciates the opportunity to comment on the Natural Resources Conservation Services (NRCS) “Notice of Request for Public Input About Implementation of the Inflation Reduction Act (IRA) Funding.” The NCC is grateful for the opportunity to provide feedback determining best utilization of additional funds in order to maximize, target, monitor, and quantify improvements to soil carbon, reductions in nitrogen losses and the reduction, capture, avoidance, or sequestration of carbon dioxide, methane, or nitrous oxide emissions associated with agricultural production. For years, U.S. cotton producers have utilized best-management practices through the adoption of cutting-edge technology, soil conservation, and efficient fertilizer and water use not only to the benefit of natural resources and society, but to enhance profitability.

The NCC is the central organization of the United States cotton industry. Its members include producers, ginner, cottonseed processors and merchandizers, merchants, cooperatives, warehousemen and textile manufacturers. A majority of the industry is concentrated in 17 cotton-producing states stretching from California to Virginia. U.S. cotton producers cultivate between 9 and 12 million acres of cotton, with production averaging 12 to 18 million 480-lb bales annually. The downstream manufacturers of cotton apparel and home furnishings are in virtually every state. Farms and businesses directly involved in the production, distribution and processing of cotton employ more than 125,000 workers and produce direct business revenue of more than \$21 billion. Annual cotton production is valued at more than \$5.5 billion at the farm gate, the point at which the producer markets the crop. Accounting for the ripple effect of cotton through the broader economy, direct and indirect employment surpasses 280,000 workers with economic activity of almost \$100 billion. In addition to the cotton fiber, cottonseed products are used for livestock feed and cottonseed oil are used as an ingredient in food products, as well as being a premium cooking oil.

The cotton industry's creation of the U.S. Cotton Trust Protocol (Protocol) and its partnership with USDA in the U.S. Climate Smart Cotton Program provides the tools to bring quantifiable and verifiable goals and measurements in sustainable cotton production to the discussion as we move towards improvements in sustainability metrics outlined in the use of new IRA funding such as land use, soil carbon, soil loss, and greenhouse gas emissions. The Protocol is also partnering with 1890 Land-Grant institutions such as Alabama A&M and the University of North Carolina A&T to enhance Protocol participation from underserved producers.

As NRCS strategizes the most appropriate method to target funding, we continue to strongly encourage the Agency to include early adopters of any current or new practices as it relates to program and incentive payments. Early adopters should be rewarded for being pioneers of innovation, which would convey a message that USDA recognizes the benefits these growers have contributed to global society and production systems. Many producers who adopted conservation practices such as cover crops were able to do so through participation in working lands programs such as CSP and EQIP. However, a number of these producers are being denied participation in these programs due to a lack of funding. Continuing these practices is more costly now due to the increased costs of seed, fertilizer, and fuel. NRCS must give these long-time practitioners of climate-smart practices the opportunity to resume participation in the working lands programs.

USDA should also tailor current programs and develop new programs that encourage grower participation throughout all production regions while recognizing climate-smart regional and sub-regional production practices and their benefits to society.

List of Questions for Commentors

- (1) What systems of quantification should NRCS use to measure the carbon sequestration of carbon dioxide, methane, and nitrous oxide emissions outcomes associated with activities funded through IRA?
 - How should NRCS design a scientifically based framework for field-based quantification and analysis that can integrate into USDA's Greenhouse Gas Inventory and Assessment Program?
 - What methods should NRCS use to quantify carbon sequestration and carbon dioxide, methane, and nitrous oxide emissions?
 - What sources of information should NRCS consider in developing protocols or what preexisting, standardized protocols should be used to support field-based data collection and analysis?
 - What types of field-based data should be collected and analyzed to assess carbon sequestration and reduction in carbon dioxide, methane, and nitrous oxide emissions outcomes associated with agricultural and conservation activities?

- How should USDA monitor and track carbon sequestration and greenhouse gas emissions trends and the effects of NRCS supported activities?
- How or should the framework developed by NRCS to provide field-based quantification integrate with satellite data to provide a comprehensive picture of GHG emissions and removals from agricultural activities and conservation practice implementation?

USDA currently has tools such as COMET-Farm, which gives an individual producer the ability to calculate reductions in greenhouse gas emissions based on anticipated fuel savings. This model establishes a process where standardization of measurement is locally sourced by crop and soil type. USDA should ensure uniformity of data through integration across USDA and similar science platforms. USDA should explore collaboration with existing regional research and promotional groups similar to cover crop councils for adoption enhancement.

USDA should develop an economically reasonable scientific methodology/technique/instruments to measure carbon sequestration, as well as economically reasonable verification of practices yielding GHG reductions. It is imperative that all farm operation changes resulting from climate-smart practices are captured, including, but not limited to energy saved from reduction in equipment use, renewable energy production, reduction in GHG associated with change in fertility practices, etc.

GHG mitigation strategies have been developed and available for growers but their efficacies vary by crop and environment. Additional research to understand the relationship between yield and GHG emissions is needed to aid the development of appropriate Climate Smart Agricultural Practices. NRCS should be ready to partner with producers using additional financial resources allocated through the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP) and Regional Conservation Partnership Program (RCPP). These programs should provide a bridge to practices that have climate and societal benefits but may not provide consistent expectations and that may often result in crop yield reductions.

The NCC encourages USDA to recognize that producers need measurement methods at the termination of a practice to be the same as those used at the beginning of the practice. Assertions of using the best science available at the termination of a practice invokes uncertainty how that measurement will relate to the initiation of the practice, a risk that deters producer acceptance and participation.

- (2) How can NRCS engage the private sector and private philanthropy to leverage the IRA investments, including for systems of quantification?

NCC is grateful to USDA for partnering with the U.S. Cotton Trust Protocol to promote sustainable farming practices through its Partnership for Climate-Smart Commodities. USDA and NRCS should continue these partnerships in the future by engaging in the

development of supply chain accounting and traceability programs and fund enhancements/expansions to accommodate USDA goals.

NRCS would be well served by committing financial resources to encourage enrollment in private agricultural, commodity, and industry sustainability programs such as the U.S. Cotton Trust Protocol. These platforms require producers to show continued improvement with goals and objectives very similar to those of NRCS. Having this sustainability data would be a powerful tool to show Members of Congress, taxpayers, and global consumers the environmentally conscious work of American producers.

USDA should also utilize existing platforms such as Field to Market which offers science-driven and outcome-based programs that allows every sector of the agricultural value chain to work together to deliver strategies to accelerate the transition to sustainable agriculture.

- (3) How should NRCS target IRA funding to maximize improvements to soil carbon, reductions, in nitrogen losses, reductions in nitrogen losses, and the reduction, capture, avoidance, or sequestration of carbon dioxide, methane, or nitrous oxide emissions, associated with agricultural production?

Cotton growers are familiar with USDA conservation such as the EQIP and CSP that provide cost share funding opportunities for implementing on-farm conservation practices. IRA funds should be targeted to methods that allow for additional practice-based payments for carbon sequestration, nitrous reductions and/or equivalents. NRCS should also utilize incentives-based payments that achieve societal outcomes regardless whether these practices lead to increase on-farm efficiencies and production. If the goal is the reduction in soil loss, nitrous oxide, and GHG emissions, producer practices that achieve these goals should be rewarded as accomplishing societal needs rather than duties of producers.

NRCS should also investigate on-farm methods that decrease nitrous oxide use leading to increased water conservation. For the last several decades, many cotton producers have been utilizing a planting practice called skip-row to efficiently allocate water resources due to increasing drought caused by climate change. Skip-row consists of alternating rows of cotton and fallow land rather than “solid planted” cotton where cotton is planted with equal space between rows. Some growers also testify that these practices reduce fertilizer usage, thus having a positive impact on nitrogen oxide emissions.

Devastating droughts in the West have forced many growers to fallow land due to mandatory water restrictions. In many parts of Arizona and California, some producers have been fallowing land for more than decade and will likely increase this practice due to the continued lack of rainfall and the drastic measures needed to conserve water. The only alternative for these growers is filing for Prevented Planting through crop insurance, though that option has become more restrictive on non-productive land. Increased funding targeted to the Agricultural Conservation Easement Program should

prioritize funding for these producers which will also subsequently meet carbon sequestration and emission reduction goals.

- (4) How should NRCS streamline and improve program delivery to increase efficiencies and expand access to IRA funded programs and projects for producers, particularly underserved producers?

Local NRCS employees provide a valuable service of NRCS program education to local producers and landowners. Funds targeted to outreach efforts will help to alleviate low participation rates among underserved producers. It is vital that IRA resources be allocated to ensure adequate staffing for promotion and outreach to NRCS personnel for IRA program implementation.

- (5) How can NRCS expand capacity among partners to assist in providing outreach and technical assistance to support the implementation of IRA funding?

Outreach through NRCS, land grant and other university extension personnel (including 1890s and 1994s land grant institutions) will be important to reaching a broad segment of producers. NRCS should utilize its current associations in the Partnerships for Climate-Smart Commodities to assist in reaching out to those producers they represent. Outreach efforts should also include lending institutions, crop insurance agents, crop consultants, agribusinesses, and marketers.

Thank you for the opportunity to provide input and comments on behalf of the NCC.

Sincerely,



Gary Adams
President and CEO