

LAND CORE

Advancing soil health policies & programs
that create value for farmers, businesses,
and communities.

LETTER OF SUPPORT

The Honorable Debbie Stabenow
Chairwoman
Committee on Agriculture, Nutrition, and
Forestry
Washington DC 20515

The Honorable John Boozman
Ranking Member
Committee on Agriculture, Nutrition, and
Forestry
Washington DC 20515

The Honorable Glenn Thompson
Chairman
House Committee on Agriculture
Washington DC 20515

The Honorable David Scott
Ranking Member
House Committee on Agriculture
Washington DC 20515

June X, 2023

Dear Chairwoman Stabenow, Ranking Member Boozman, Chairman Thompson, and Ranking Member Scott

We strongly support the **Deferments to Expedite Financing of Essential Resilience (DEFER) Act** to authorize the Secretary of Agriculture to defer payments on all Farm Service Agency (FSA) direct loans for investing in soil health management systems.

Farmers and ranchers across the nation are looking to **build soil health as a strategy to increase resilience to flood and drought, reduce inputs and input costs, and protect long-term profitability.**

One of the biggest challenges in implementing soil health conservation practices, such as cover cropping, no-till, or livestock integration, is financing the transition because **often farmers and ranchers don't have the cash flow available** to invest in new practices.

This program allows direct loan holders to defer 50 percent of their payments in any given year if they invest those dollars in approved soil health conservation practices, or eligible equipment purchases, and presents an incredibly important **opportunity to unlock flexible capital for producers to invest in voluntary conservation and increased resilience.** These investments also accelerate producer access to new markets such as carbon and ecosystem services, creating new opportunities to fill the growing demand for more resilient supply chains. Ultimately this kind of investment leads to increased profitability with more diversified revenue opportunities.

FSA loan deferment also gives USDA a truly scalable way of investing in conservation and American agricultural resilience, without relying solely on grant programs which are consistently oversubscribed. Even minimal participation from current loan holders will contribute **hundreds of millions of dollars in private capital to soil conservation.**

We thank you for your leadership on the DEFER Act and urge you to make this one of your top priorities in the 2023 Farm Bill.

Sincerely,