



REPUBLICAN LEADER GLENN 'GT' THOMPSON

PRECISE Act

*Producing Responsible Energy and Conservation Incentives
and Solutions for the Environment*

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SUMMARY: The legislation increases cost share and practice payments under existing federal programs to incentivize the purchase of precision agriculture equipment, systems, and technology.

BACKGROUND: Farmers are the best stewards of their land and strive to reduce the use of water, fuel, fertilizer, and chemicals. Adopting new technologies and practices can be expensive and farmers already borrow more money each year to produce a crop than most Americans will borrow in a lifetime.

Productivity in U.S. agriculture was 287 percent greater in 2017 than in 1948, with farm inputs mostly unchanged. Precision agriculture and countless other innovations across the industry have resulted in American farmers becoming the most efficient producers of food and fiber in the world. Among other benefits, precision agriculture helps determine which fertilizer is best for current soil conditions and where exactly on the field it needs to be applied. This allows farmers to know the exact amounts required, thus saving money and lowering emissions. Accordingly, improved fertilizer, soil, and water use can significantly improve water quality with less runoff.

The expansion of affordable precision agriculture technologies and applications could substantially increase crop yields, improve distribution, and reduce inputs costs, while also lowering emissions and preventing soil degradation. However, many of these technologies remain cost prohibitive for the average farmer.

SPECIFICALLY, THE PRECISE ACT...

- Leverages incentives for the adoption of costly precision agriculture technology by increasing cost share and practice payments under existing federal programs.
- Incentivizes private sector financing of precision agriculture equipment through existing programs.
- Funds 100% of precision agriculture projects through joint participation of conservation cost-share programs and the Conservation Loan Program.

PRECISE Act: Producing Responsible Energy and Conservation Incentives and Solutions for the Environment Act

Short Summary: This legislation leverages incentives for the adoption of costly precision agriculture technology by increasing cost share and practice payments under EQIP and CSP for the purchase of precision agriculture equipment and systems; incentivizing private sector financing of precision agriculture equipment through the Conservation Loan Guarantee Program and the Business and Industry Loan Guarantee Program; and funding 100% of precision agriculture projects through joint participation of conservation cost-share programs and the Conservation Loan Program.

Section-by-Section

Section 1. Short Title

The Producing Responsible Energy and Conservation Incentives and Solutions for the Environment Act, or the “PRECISE Act.”

Section 2. Conservation Loan and Loan Guarantee Program

Section 2 amends section 304 of the Consolidated Farm and Rural Development Act to include precision agriculture within the Conservation Loan and Guaranteed Loan Programs and allows for up to 90% of the loan to be guaranteed for such activities. The section further requires coordination between the Farm Service Agency and the Natural Resources Conservation Service when making or guaranteeing loans.

Section 3. Assistance to Rural Entities

Section 3 amends section 310B of the Consolidated Farm and Rural Development Act by expanding loans to rural entities to include loans for precision agriculture and broadband connectivity.

Section 4. Environmental Quality Incentives Program

Subsection (a) of section 4 amends the Environmental Quality Incentives Program (EQIP) in section 1240A of the Food Security Act of 1985 to include the adoption of precision agriculture practices as a practice recognized under EQIP.

Subsection (b) amends section 1240B of EQIP to allow a producer receiving payments under EQIP to also receive a loan under the Conservation Loan and Loan Guarantee Program to cover additional costs for the same practices on the same land. The Secretary shall inform a producer of availability of this loan or loan guarantee. The subsection further amends EQIP to allow for up to 90% of cost-share under the program for precision agriculture practices.

Subsection (c) highlights the use of precision agriculture technologies in Conservation Innovation Grants.

Section 5. Conservation Stewardship Program

Includes precision agriculture to the additional payments authority in the Conservation Stewardship Program.

Section 6. Delivery of Technical Assistance

Section 6 requires the Secretary to emphasize the use of third-party providers for technical assistance for soil health planning.