Federal and state agricultural conservation programs, while extremely valuable assets to support conservation adoption, do not have sufficient resources to achieve the level of conservation needed to reach a variety of environmental targets. This recognition has driven many states to explore innovative approaches to financing agricultural conservation.

About this report
A report, published in September 2019 by the National Association of State Departments of Agriculture (NASDA) and Environmental Defense Fund (EDF), seeks to highlight and share examples of innovative state-led efforts to finance agricultural conservation. The goal is to fuel a conversation among states about lessons learned and effective program design with the hope that states will find inspiration in these examples to scale their own conservation efforts.

Key findings
States have created innovative, nontraditional financing mechanisms — transferable tax credits, revolving loan funds, environmental double dividends, crop insurance incentives and water credit flexibility — to support agricultural conservation. These efforts offer multiple demonstrated benefits for farmers, state residents, taxpayers and society at large.

Farmers benefit from support in adopting conservation measures, which is particularly important during a depressed farm economy.

State residents benefit from improved water quality, reduced agricultural water consumption, increased habitat for wildlife and a more resilient food system.

Taxpayers benefit from programs that are tailored to states’ specific needs to make more cost-effective use of conservation dollars.

Society benefits from the incubation of ideas that can be implemented in other states or at the federal level.

NASDA and EDF are committed to working with states on replicating successful models of conservation stewardship. Overall, the solutions included in this report help state and private dollars go further toward increasing the number of acres of farmland conserved across the country. These efforts are ensuring that valuable natural resources are productive well into the future.

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