



Cutting Red Tape to Participate in Conservation Programs

ISSUE

The Natural Resources Conservation Service (NRCS) operates a number of voluntary conservation programs. The programs provide financial incentives for landowners to implement practices that promote clean air and water, healthy soil, and wildlife habitat.

The Federal Funding Accountability and Transparency Act requires entities that do business with the federal government to obtain a Data Universal Numbering System (DUNS) number and register with the federal government's System for Award Management (SAM). A DUNS number is used to distinguish companies from one another. It is issued by Dun & Bradstreet, a publically traded company. Dun & Bradstreet maintains a company's financial history and credit requests. SAM is an online registration site for entities (including farmers) to register to receive grants or assistance from the federal government.

Registration requirements apply to businesses, not individuals, and are identified by the Internal Revenue Service with an Employer Identification Number.

BACKGROUND

DUNS and SAM requirements are a barrier to participating in NRCS programs and have resulted in farmers losing their current funding or being denied access to the programs. Current law provides an exemption for "individuals," but farms organized as a business entity are not eligible for the exemption. Although they are family farms, i.e., owned solely by family members, many farming operations have organized themselves as business entities for legal purposes. Federal law requires those structured as a business to provide much more information to USDA than required of individuals.

While the law is intended to hold the federal government accountable for spending on large government contracts, it has created an added layer of regulation for farmers and landowners who wish to participate in conservation programs. Furthermore, a farmer who obtains a DUNS number and registers on SAM to enter into an NRCS contract must re-register on SAM each year in order to receive NRCS assistance. Since the system is electronic and requires internet access, some farmers and ranchers are put at a disadvantage. Notably, the Farm Service Agency (FSA) has not adopted, nor been directed to adopt, the DUNS and SAM requirements.

Farmers and ranchers voluntarily participate in the wide range of conservation programs offered through NRCS; many of these programs offer a cost-share payment that helps producers with the cost of implementing conservation measures. However, small farmers registered as business entities are inadvertently forced to comply with an annual federal reporting regulation that is time consuming, difficult to navigate, costly and if not done in a timely fashion voids the producer from assistance or even negates an existing contract. It's common sense that small family farms not be subjected to the same reporting regulations as large federal contractors. Legislation eliminating the DUNS and SAM requirements will cut red tape for farmers who want to access important voluntary conservation programs.

Farm Bureau policy opposes the DUNS system being a requirement for participation in farm, conservation and other USDA programs and supports allowing for a SAM number to be valid for the length of the USDA project for the individual producer.

Legislation:

We support legislation titled “Improving Access to Farm Conservation Act” (H.R. 1163), which was introduced by Rep. Ann McLane Kuster (D-N.H.) and has six cosponsors: Reps. Rick Crawford (R-Ark.), Ralph Abraham (R-La.), Michelle Lujan Grisham (D-N.M.), Tom O’Halleran (D-Ariz.), Rep. Tim Walz (D-Minn.), and Jamie Raskin (D-Md.).

We also support additional co-sponsorship.

The bill removes the DUNS and SAM requirements so that farmers can focus on implementing conservation strategies instead of having to worry about complying with costly regulatory mandates. The bill has been referred to the House Oversight and Government Reform Committee and the House Agriculture Committee.