

## Vermont Natural Resources Conservation Districts (NRCDs)

*Request to support the Senate budget appropriations of an additional \$112,000 in base funding to restore the Natural Resources Conservation Council's base budget of \$612,000, as well as \$100,000 in additional one-time funding.*

### Base Funding

We request that the House Agriculture Committee support the Senate's budget to add \$112,000 to Natural Resources Conservation Districts' FY25 base funding, bringing funding levels back to our FY24 baseline of \$612,000.

- This money supports the basic operations of Vermont's 14 Natural Resources Conservation Districts (NRCDs) plus the State Natural Resources Conservation Council (NRCC).
- Conservation Districts' base funding was increased by \$250,000 each year in FY23 and FY24. This additional funding has allowed Districts to catch up on long-overdue operational and systems upgrades, hire and retain more staff, and leverage more grant funding:
  - Districts have been able to add approximately **10 full-time equivalents (FTEs)** in staffing since 2022. For example, this base funding has allowed Grand Isle NRCD and Ottauquechee NRCD to convert their District Manager positions from part-time positions to full-time positions. Other Conservation Districts have been able to leverage increased base funding to bring on new staff positions. For example, Franklin NRCD has been able to increase its staffing by 3 FTEs and Poultney Mettowee NRCD has been able to increase its staffing by 2 FTEs. These positions have supported increased operational capacity and the expansion of District programming and services.
  - Districts have been able to add, for the first time, staff benefits, such as **healthcare and retirement benefits**. Districts have also been able to begin bringing salary levels in alignment with comparable organizations. These improvements have been made in accordance with statewide strategic planning efforts targeted at **reducing staff turnover** and **increasing consistency of services statewide**.
  - Districts have been able to invest in time-saving **software and services** that will help improve District **capacity and operational efficiency**. For example, several Districts have upgraded their bookkeeping software while others have invested in payroll services to support their increased staffing levels.
  - In addition to meeting basic operational needs, increased base funding has enabled Districts to leverage additional grant funding by providing **matching funds**. For example, Windham NRCD was able to use base funding to secure grants for multiple invasive species initiatives. Other Districts used base funding as match for staff positions relating to natural resources and agriculture programming.
- Districts and NRCC rely on ongoing base funding to support staffing and basic operations, but it is also crucial in growing District capacity to meet the needs of future statewide natural resources and agriculture initiatives.

### One-Time Funding

We request that the House Agriculture Committee support the Senate's budget to add \$100,000 in additional one-time funding to the Natural Resources Conservation Districts' budget.

- Natural Resources Conservation Districts requested base funding of \$3 million for FY24 and FY25. This budget is based on actual identified needs within the Districts and NRCC.
- An additional \$100,000 in FY25 will allow NRCC to establish a grant fund to partially meet needs that are left unfunded by the base allocation. Identified one-time needs include equipment and software purchases and contracted services.
- NRCC will solicit proposals from the Natural Resources Conservation Districts to ensure that one-time funds are targeted at areas of highest need and priority.

### Funding Vermont's Agricultural Community

Since their creation in 1939, Natural Resources Conservation Districts have worked to support Vermont's agricultural producers and rural communities. NRCDs have a close relationship with NRCS, and due to our structure and our history, we're uniquely positioned to bring Federal funding into the state. Because of our ability to draw down federal funds, any state investment in conservation districts has double the impact. Conservation Districts have already used their modest base increases from the past two years in this way. For example, Windham County NRCD has used \$2,400 in state funding to bring in more than \$18,000 in additional grant funding. Essex NRCD has used their increased state funds as match for a \$1.5 million dollar project to improve stream crossing structures in the county. Conservation Districts' local work groups also help to inform NRCS funding priorities, and Districts' work helps ensure Federal funding, like EQIP, gets to local farmers.

In addition, NRCDs are key partners to the Vermont Agency of Agriculture, Food, and Markets (VAAFAM). This month, NRCC submitted a Congressionally Directed Spending (CDS) proposal to Senator Welch's and Representative Balint's offices for \$7.45 million to enhance VAAFAM's popular and wildly oversubscribed Working Lands Development Grants programs, including the Maple Agricultural Development Grants, Meat and Produce Agricultural Development Grants, and

the Working Lands Enterprise Initiative (Small Farm Diversification and Transition Grant; Business Enhancement Grant, and Supply Chain Impact Grant). Conservation districts are already on the ground, helping farmers and producers apply for these grants, and we see a serious need to increase the state funding towards these programs so our constituents can get the financial assistance they need to be successful.

#### **A Part of Local and State Government**

It is important to emphasize that Natural Resources Conservation Districts are local subdivisions of state government. NRCC is named in statute as an agency of the state. Though our funding structure currently relies heavily on grants, we are not nonprofit organizations. We value the partnerships and support the work of all farm-related nonprofits in the state of Vermont, and we partner closely with them, but it has been – and continues to be – an educational process to help ensure a broader understanding of the governmental structures we have in place currently under Vermont statute.

Vermont's Natural Resources Conservation Districts are the state's preexisting conservation delivery system. As the state focuses increasingly on climate change, flood resiliency, water quality issues, land conservation, biodiversity protection, and sustainable and economically viable agricultural operations, the Conservation Districts are faced with the need to rapidly expand their capacity in order to meet the needs of their constituents and their communities. Base operational funding is essential to this effort. Because of that, we ask that the House Agriculture Committee support the Senate's recommendation to add \$112,000 to add \$112,000 to Natural Resources Conservation Districts' FY25 base funding, bringing funding levels back to FY24 baseline of \$612,000 and to award Natural Resources Conservation Districts an additional \$100,000 in one-time funding.