1

AN ACT concerning local government.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The State Finance Act is amended by changing
Section 6z-32 as follows:

6 (30 ILCS 105/6z-32)

7

Sec. 6z-32. Partners for Planning and Conservation.

8 (a) The Partners for Conservation Fund (formerly known as 9 the Conservation 2000 Fund) and the Partners for Conservation Projects Fund (formerly known as the Conservation 2000 10 11 Projects Fund) are created as special funds in the State 12 Treasury. These funds shall be used to establish а 13 comprehensive program to protect Illinois' natural resources 14 through cooperative partnerships between State government and public and private landowners. Moneys in these Funds may be 15 16 used, subject to appropriation, by the Department of Natural 17 Resources, Environmental Protection Agency, and the Department of Agriculture for purposes relating to natural resource 18 19 protection, planning, recreation, tourism, climate resilience, 20 compatible agricultural and economic and development 21 activities. Without limiting these general purposes, moneys in 22 these Funds may be used, subject to appropriation, for the following specific purposes: 23

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(1) To foster sustainable agriculture practices and 1 control soil erosion, sedimentation, and nutrient loss 2 3 farmland, including grants to Soil and Water from Conservation Districts for conservation 4 practice 5 cost-share grants and for personnel, educational, and 6 administrative expenses.

7 (2) To establish and protect a system of ecosystems in private ownership through conservation 8 public and 9 easements, incentives to public and private landowners, 10 natural resource restoration and preservation, water 11 quality protection and improvement, land use and watershed 12 planning, technical assistance and grants, and land acquisition provided these mechanisms are all voluntary on 13 14 the part of the landowner and do not involve the use of 15 eminent domain.

16 (3) To develop a systematic and long-term program to 17 effectively measure and monitor natural resources and 18 ecological conditions through investments in technology 19 and involvement of scientific experts.

20 (4) To initiate strategies to enhance, use, and
21 maintain Illinois' inland lakes through education,
22 technical assistance, research, and financial incentives.

(5) To partner with private landowners and with units
 of State, federal, and local government and with
 not-for-profit organizations in order to integrate State
 and federal programs with Illinois' natural resource

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1 protection and restoration efforts and to meet 2 requirements to obtain federal and other funds for 3 conservation or protection of natural resources.

4 (6) To <u>support</u> <u>implement</u> the State's Nutrient Loss
5 Reduction Strategy, including, but not limited to, funding
6 the resources needed to support the Strategy's Policy
7 Working Group, cover water quality monitoring in support
8 of Strategy implementation, prepare a biennial report on
9 the progress made on the Strategy every 2 years, and
10 provide cost share funding for nutrient capture projects.

11 (7) To provide capacity grants to support soil and 12 water conservation districts, including, but not limited 13 to, developing soil health plans, conducting soil health 14 assessments, peer-to-peer training, convening 15 producer-led dialogues, professional memberships, lab 16 analysis, and development and travel stipends for meetings 17 and educational events.

18 19 (8) To develop guidelines and local soil health assessments for advancing soil health.

(b) The State Comptroller and State Treasurer shall automatically transfer on the last day of each month, beginning on September 30, 1995 and ending on June 30, 2023, from the General Revenue Fund to the Partners for Conservation Fund, an amount equal to 1/10 of the amount set forth below in fiscal year 1996 and an amount equal to 1/12 of the amount set forth below in each of the other specified fiscal years: SB1701 Enrolled - 4 - LRB103 29043 AWJ 55429 b

1	Fiscal Year	Amount
2	1996	\$ 3,500,000
3	1997	\$ 9,000,000
4	1998	\$10,000,000
5	1999	\$11,000,000
6	2000	\$12,500,000
7	2001 through 2004	\$14,000,000
8	2005	\$7,000,000
9	2006	\$11,000,000
10	2007	\$0
11	2008 through 2011	\$14,000,000
12	2012	\$12,200,000
13	2013 through 2017	\$14,000,000
14	2018	\$1,500,000
15	2019	\$14,000,000
16	2020	\$7,500,000
17	2021 through 2023	\$14,000,000

18 (c) The State Comptroller and State Treasurer shall 19 automatically transfer on the last day of each month beginning 20 on July 31, 2021 and ending June 30, 2022, from the 21 Environmental Protection Permit and Inspection Fund to the 22 Partners for Conservation Fund, an amount equal to 1/12 of 23 \$4,135,000.

(c-1) The State Comptroller and State Treasurer shall
automatically transfer on the last day of each month beginning
on July 31, 2022 and ending June 30, 2023, from the

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Environmental Protection Permit and Inspection Fund to the Partners for Conservation Fund, an amount equal to 1/12 of \$5,900,000.

4 (d) There shall be deposited into the Partners for 5 Conservation Projects Fund such bond proceeds and other moneys 6 as may, from time to time, be provided by law.

7 (Source: P.A. 101-10, eff. 6-5-19; 102-16, eff. 6-17-21; 8 102-699, eff. 4-19-22.)

9 Section 15. The Soil and Water Conservation Districts Act
10 is amended by adding Sections 3.24, 3.25, 3.26, 3.27, 22.03a,
11 22.03b, 22.03c, and 22.03d as follows:

12

(70 ILCS 405/3.24 new)

13 <u>Sec. 3.24. "Healthy soils practices" means systems of</u> 14 <u>agricultural, forestry, and land management practices that:</u>

15 <u>(1) improve the health of soils, including, but not</u> 16 <u>limited to, consideration of depth of topsoil horizons,</u> 17 <u>water infiltration rate, water-holding capacity, organic</u> 18 <u>matter content, biologically accessible nutrient content,</u> 19 <u>bulk density, biological activity, and biological and</u> 20 <u>microbiological diversity;</u>

21 (2) follow the principles of: minimizing soil 22 disturbance and external inputs; keeping soil covered; 23 maximizing biodiversity; diversifying crop rotations; 24 maximizing presence of living roots; integrating animals SB1701 Enrolled - 6 - LRB103 29043 AWJ 55429 b

1	and insects into land management, including grazing
2	animals, birds, beneficial insects, or keystone species,
3	such as earthworms; and incorporating the context of local
4	conditions in decision-making, including, for example,
5	soil type, topography, and time of year; and
6	(3) include practices such as conservation tillage or
7	no-till, cover-cropping, perennialization of highly
8	erodible land, precision nitrogen and phosphorus
9	application, managed grazing, integrated crop-livestock
10	systems, silvopasture, agroforestry, perennial crops,
11	integrated pest management, nutrient best management
12	practices, invasive species removal and the planting of
13	native species and those practices recommended by the
14	United States Department of Agriculture's Natural
15	<u>Resources Conservation Service - Field Office Technical</u>
16	<u>Guide.</u>

17 (70 ILCS 405/3.25 new)

18	<u>Sec. 3.25.</u>	"Soil heal	lth assess	ment" mean	s soil	health
19	indicator meas	ures, inclu	uding, but	t not limi	ted to	, soil
20	organic matter,	soil struct	ure, infil	tration and	l bulk de	ensity,
21	water-holding	capacity,	microbia	l biomass	, and	soil
22	respiration.					

23	(70]	LCS 40	5/3.26 new)					
24	Sec.	3.26.	"Initiative"	means	the	Illinois	Healthy	Soils

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1 Initiative.

2

(70 ILCS 405/3.27 new)

3 Sec. 3.27. "Healthy soil" means the continuing capacity of 4 a soil to function as a vital, living biological system that 5 sustains plants, animals, and humans, increases soil organic 6 matter, improves soil structure and water-holding and 7 nutrient-holding capacity and nutrient cycling, enhances water 8 infiltration and filtration capability, promotes water 9 quality, and results in net long-term ecological benefits. 10 "Healthy soil" includes soil that hosts a diversity of 11 beneficial organisms, grow vigorous crops, enhance 12 agricultural resilience, including the ability of crops and 13 livestock to tolerate and recover from drought, temperature extremes, extreme precipitation events, pests, diseases, and 14 15 other stresses, break down harmful chemicals, and help convert 16 organic residues into stable soil organic matter and retaining 17 nutrients, especially nitrogen and phosphorus.

18 (70 ILCS 405/22.03a new)
19 <u>Sec. 22.03a. Illinois Healthy Soils Initiative.</u>
20 (a) The Illinois Healthy Soils Initiative is created. It
21 is the purpose of the Initiative to improve the health of soils
22 through efforts that improve soil and water quality, increase
23 the resilience of ecosystems to extreme weather events,
24 protect and improve agricultural productivity, and support

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1 <u>aquatic and wildlife habitat.</u>

2	Subject to appropriation, the Initiative shall be
3	administered by the Director of Agriculture with consultation
4	from soil and water conservation districts, the Illinois
5	Environmental Protection Agency, the Department of Natural
6	Resources, and the University of Illinois Extension Program.
7	The Department shall create guidelines and guidance to assist
8	soil and water conservation districts in developing soil
9	health assessments in order to identify desired capacity and
10	funding levels and establish regular, measurable,
11	cost-effective, and technically achievable goals to advance
12	voluntary and incentive-based strategies that improve healthy
13	soils. These assessments shall be used to identify
14	opportunities to access financial and technical assistance
15	from local, State, and federal sources to guide resources to
16	their best potential use.
17	The Initiative shall complement and improve coordination
18	of existing resources and processes and shall not replace
19	existing, local, State, or federal funding or technical
20	assistance programs. The Department shall report on progress
21	of the Initiative annually.
22	The Initiative shall promote voluntary and incentive-based
23	soil health efforts. No part of this Section shall be used to
24	impose mandates or require practice adoption.

25 (70 ILCS 405/22.03b new)

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1	Sec. 22.03b. Guidelines for soil health assessments. The
2	Department shall adopt and revise guidelines to assist soil
3	and water conservation districts in determining local goals
4	and needs for implementing soil health assessments.
5	In developing its guidelines to assist soil and water
6	conservation districts in determining local goals and needs
7	for soil health assessments, the Department shall consider:
8	(1) county and State levels of conservation practice
9	adoption. Guidance should also be provided to districts to
10	meet USDA Natural Resource Conservation Service determined
11	conservation practice standards or Illinois Urban Manual
12	Practice Standards;
13	(2) information regarding beginning, socially
14	disadvantaged, and veteran farmers and ranchers, as well
15	as disadvantaged communities;
16	(3) availability of State and federal financial and
17	technical assistance programs to soil and water
18	conservation districts, local governments, and
19	conservation partners; and
20	(4) opportunities for evaluating results-based
21	practices utilizing tools, such as the U.S. Department of
22	Agriculture's revised universal soil loss equation, that
23	model environmental outcomes at the field, county,
24	watershed, or State level.
25	The information collected through the development of the
26	guidelines shall be compiled and provided to the soil and

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1 water conservation districts to inform the development of 2 local soil health assessments.

3 Initial guidelines shall be completed and provided to soil 4 and water conservation districts annually and shall include 5 the grant agreement for the Soil and Water Conservation 6 District Grants Program as well as outlining the funding 7 resource support contained within the grant agreement to 8 better inform the development of local soil health 9 assessments.

10

(70 ILCS 405/22.03c new)

11 <u>Sec. 22.03c. Local soil health assessments. Upon the</u> 12 <u>adoption of guidelines described in Section 22.03b, each soil</u> 13 <u>and water conservation district shall develop annually its own</u> 14 <u>soil health assessment to guide voluntary and incentive-based</u> 15 <u>strategies to improve soil health. The soil health assessment</u> 16 shall be technically feasible and economically reasonable.

17 <u>The Department shall provide a template to the districts</u> 18 <u>for the local soil health assessment, including the required</u> 19 <u>information listed in this Section as well as information</u> 20 <u>regarding available data and support materials collected as</u> 21 <u>the guidance information listed in Section 25.</u>

Each district is encouraged to collaborate with other local governmental entities and local stakeholders in developing and implementing its soil health assessment. Each district shall use the guidelines provided by the Department SB1701 Enrolled - 11 - LRB103 29043 AWJ 55429 b

1 in de

in developing its soil health assessment.

2 Upon the request of a district, the Department may assist 3 in the preparation of the district's soil health assessment. 4 Districts may also work collaboratively to establish joint 5 plans to leverage existing capacity and resources most 6 effectively.

7 <u>To carry out its assessment, a district shall identify</u> 8 <u>soil health practices. The soil health assessment must</u> 9 <u>consider opportunities to access, leverage, and use State and</u> 10 <u>federal resources within a specific soil and water</u> 11 conservation district service area.

12 <u>Soil and water conservation districts may also convene</u> 13 producer-led dialogues to identify special initiatives or 14 pilot projects to leverage additional resources and implement 15 <u>soil health practices at scale across multiple operations and</u> 16 <u>land ownerships.</u>

17 <u>In developing a soil health assessment, the soil and water</u> 18 conservation district shall:

19 <u>(1) evaluate existing assets, such as current</u> 20 practices, current cropping systems, crop processing and 21 market infrastructure, riparian buffers, wetlands, public 22 lands, funding, education, research and peer-to-peer 23 training opportunities, and existing partnerships;

24 (2) consider the eligible funding categories available
 25 through the Partners for Conservation Fund and the
 26 district's ability to advance healthy soils practices

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1 consistent with Natural Resource Conservation Service soil 2 health principles within a soil and water conservation 3 district service area; (3) determine vulnerabilities, such as runoff risk, 4 5 riparian function, stormwater, floodplains and stream impairments, and observed and predicted impacts from 6 7 climate change, especially to socially disadvantaged 8 farmers, ranchers, and communities; 9 (4) identify opportunities to conduct outreach to 10 agricultural producers and landowners and to develop 11 individual soil health plans; 12 (5) establish goals for achieving measurable outcomes for soil health and farmer viability through voluntary and 13 14 incentive-based activities. This includes identifying opportunities to support beginning, socially 15

16 <u>disadvantaged</u>, and veteran farmers as well as small and 17 <u>mid-scale farmers</u>;

18 (6) estimate 2-year funding levels needed from State, 19 federal and private sources in order to achieve goals; and 20 (7) identify opportunities to develop partnerships and 21 leverage resources from local governments, utilities, and 22 State and federal agencies.

23 <u>The Department shall identify shared goals and priorities</u> 24 <u>between districts and shall assist in developing partnerships</u> 25 <u>and shared funding approaches to maximize capacity and</u> 26 <u>resources. Initial soil health assessments shall be submitted</u>

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to the Department by September 1, 2024.

2	(70 ILCS 405/22.03d new)
3	Sec. 22.03d. Compliance and standards; cost sharing. To be
4	eligible to receive State cost-share support after September
5	1, 2024, soil and water conservation districts shall have an
6	updated soil health assessment.
7	The Department shall update its rules and procedures for
8	cost-share funding to be inclusive of all relevant soil health
9	practices promoting the rapid adoption of cost-effective and
10	technically feasible projects. Updates to the rules and
11	procedures for State cost-share programs shall also address
12	barriers to access experienced by beginning, socially
13	disadvantaged, and veteran farmers.
14	The Department may require results-based practices or the
15	assessments of the environmental outcomes of projects, at the
16	field or county level, as a condition of cost-share funding.
17	Section 99. Effective date. This Act takes effect upon

18 becoming law.