

"Inspire All Utah Families to Connect, Succeed, and Grow Through the Miracle of Agriculture."

Prepared Statement of
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Hearing on H.R. 5499 & H.R. 7006
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Chairman Tiffany, Ranking Member Neguse, and members of the subcommittee, thank you for the opportunity to testify today on H.R. 5499 and H.R. 7006. The Utah Farm Bureau Federation supports both bills, and I hope that my testimony will add positively to the committee's deliberations.

My name is Wade Garrett, and I am the Vice President for Advocacy and Strategic Relations at the Utah Farm Bureau Federation. The Utah Farm Bureau Federation is our state's largest voluntary organization of farmers and ranchers. Our organization consists of over 35,000 members committed to protecting Utah's farms and ranches and ensuring a safe, fresh, and locally grown food supply. Our members live in all of Utah's 29 counties and belong to county Farm Bureaus, which, in turn, comprise the Utah Farm Bureau Federation. Our mission is to inspire all Utah families to connect, succeed, and grow through the miracle of agriculture.

In addition to my work for the Utah Farm Bureau, I am a volunteer with the Future Farmers of America, and my family runs a farm in Nephi, Utah, where seven generations of Garretts have cultivated and stewarded private and public land. I was born and raised in Juab County, a rural county roughly three times the size of the state of Rhode Island with a population of 12,155 people. Throughout my life I have been fortunate to travel to all corners of Utah and to meet Utahns from all walks of life. Prior to working for the Utah Farm Bureau, I worked as a staffer for former Congressman Jason Chaffetz. During my time with Representative Chaffetz' office, I spent considerable time visiting Utah's public lands, including Utah's national monuments. I have a deep love for rural Utah, its people, and its lands.

Utah is a public lands state, with roughly 66 percent of our land owned by the federal government. Utah is second only to Nevada in the overall percentage of land owned by the federal government. With such a sizable portion of our state's land owned or managed by the federal government, the economic viability of many industries including ranching, logging, mining, recreation, and tourism, hinges on decisions made by our federal land management agencies.

This hearing comes at a crucial time, as Utah is once again in the national spotlight regarding national monuments and other restrictions on federal public lands. Members of the Utah Farm



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Bureau are watching debates surrounding federal lands closely and we are actively participating in planning processes. Utah Farm Bureau is troubled by the trajectory our federal lands are on in Utah and throughout the West. We are concerned about changes that federal land management agencies are proposing or recently made, including restrictive land management plans for Grand Staircase-Escalante and Bears Ears National Monuments, creation of a sprawling new monument in our neighboring state of Arizona, significant expansions of wilderness areas and areas of critical environmental concern, and the Bureau of Land Management's (BLM) proposal to issue conservation leases and to elevate conservation as a use on par with other multiple uses.

Utah is at the epicenter of debates surrounding the establishment of national monuments using the Antiquities Act. The Antiquities Act authorizes the President of the United States to "declare by public proclamation historic landmarks, historic and prehistoric structures, and other objects of historic or scientific interest that are situated on land owned or controlled by the Federal Government to be national monuments." The Act further states that the monument "shall be confined to the smallest area compatible with the proper care and management of the objects to be protected." For more than a century, the president has had the power to unilaterally designate federal lands as a national monument without the input or consent of Congress, state, and local governments, or affected citizens. The designation of Grand Staircase-Escalante and Bears Ears National Monuments in Utah were clear abuses of the original intent of the Antiquities Act, as they set aside far more land than was necessary to meet the law's purpose.

The Antiquities Act is itself a relic of the past as it pre-dates the establishment of five states, the establishment of the Bureau of Land Management and the National Park Service, and the enactment of major environmental and archeological resource protection laws. Use of the Antiquities Act is now a blunt tool of the executive that does not provide for the robust public process that Americans expect and that decisions of this magnitude merit in the modern era. If added protections for specific objects of historic or scientific interest are needed, these proposals should be thoroughly vetted by Congress and receive signoff from local elected officials. The scale of Antiquities Act designations in recent decades goes far beyond the executive authority that Congress originally intended. Such abuses of the Antiquities Act hinder economic opportunity and remove decision making from the states and private citizens. These designations affect grazing rights, water rights, and even access to state and private lands.

Utah Farm Bureau supports H.R.5499, Congressional Oversight of the Antiquities Act, sponsored by Representative Miller-Meeks. This commonsense bill provides a vital check on the president's ability to designate monuments using the Antiquities Act by requiring congressional approval of presidential declarations within six months of a designation or before the last day of the sitting Congress during which the monument was designated, whichever comes first. We believe Congress, in coordination with the executive branch, and with the input and approval of state and local governments, should be the body to designate national monuments.



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As mentioned above, Utah Farm Bureau is also concerned about restrictive land use designations. We support the multiple-use concept of federal lands, recognizing that definable land areas have dominant-use capability, which should be recognized with the concept of multiple uses without the total exclusion of other uses. For these reasons, Utah Farm Bureau also supports H.R. 7006 sponsored by Representative Curtis to prohibit natural asset companies (NACs) from entering into any agreement with respect to land in Utah or natural assets on or in such land.

On October 4, 2023, the U.S. Securities and Exchange Commission (SEC) published in the Federal Register a public notice entitled "Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change to Amend the NYSE Listed Company Manual to Adopt Listing Standards for Natural Asset Companies." Although the NYSE later withdrew the Proposed Rule, we continue to have serious concerns about NACs and their potential creation and growth in the future.

The Proposed Rule defined a NAC as:

"...a corporation whose primary purpose is to actively manage, maintain, restore (as applicable), and grow the value of natural assets and their production of ecosystem services. In addition, where doing so is consistent with the company's primary purpose, the company will seek to conduct sustainable revenue-generating operations. Sustainable operations are those activities that do not cause any material adverse impact on the condition of the natural assets under a NAC's control and that seeks to replenish the natural resources being used." ¹

Under the Proposed Rule, if a proposed NAC met the definition conceptualized above, then the new NACs would be expected to hold ecological performance rights (EPRs), which are defined as "the value of natural assets and production of ecosystem services." The NACs would:

"...acquire the ecological performance rights of a designated area by entering into an agreement with the natural asset owner (e.g., a governmental entity or private landowner) to obtain a license with respect to such rights."²

Utah Farm Bureau is extremely concerned about this concept, especially considering the BLM's recent Conservation and Landscape Health Proposed Rule. The BLM's Proposed Rule redefines multiple use to include "conservation" as a use. To further "conservation" as a use, the BLM would issue "conservation leases" to businesses, individuals, and certain government bodies, who would hold the leases to further the "conservation" purposes. We believe that BLM adding

¹ 88 FR 68811.

² 88 FR 68814.



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"conservation" as a use and issuing conservation leases violates the law and clear congressional intent under the Federal Land Policy and Management Act. We encourage Congress to act swiftly should BLM finalize its Conservation and Landscape Health Proposed Rule. Utah Farm Bureau also notes that BLM's Proposed Rule would allow businesses to purchase a conservation lease (coincidentally which is for 10 years, the same as the minimum licensing requirements under the SEC's Proposed Rule³) and thereby become eligible for NAC listing as they would hold EPRs.

The Proposed Rule for NACs also included reporting requirements for NACs on what types of activities may be engaged in by the NAC. The Proposed Rule states:

"The NAC will be prohibited **from engaging directly or indirectly in unsustainable activities.** These are defined as activities that cause any material adverse impact on the condition of the natural assets under its control, and that extract resources without replenishing them (including, but not limited to, **traditional fossil fuel development**, **mining, unsustainable logging, or perpetuating industrial agriculture**). The NAC will be prohibited from using its funds to finance such unsustainable activities" (**emphasis added**).

Utah Farm Bureau is concerned about the ambiguous phrasing in this part of the Proposed Rule, especially the phrase "perpetuating industrial agriculture." Not only are we unclear on what that even means, we are frustrated by the hostility the Proposed Rule shows toward agriculture. We take seriously the need to feed and clothe the world. Agriculture, including livestock grazing on federal lands, is vital to the economies of rural Utah. In addition to the important economic role that livestock grazing plays, livestock grazing contributes to carbon sequestration through managed landscapes. Utah Farm Bureau opposes involuntary reductions in grazing and will oppose any efforts by BLM or NACs to that end. Appropriate grazing provides science-backed environmental benefits, and allowing environmental organizations, corporations, or members of the public to lease public lands for the exclusion of other uses runs counter to the principles of multiple use and sustained yield. Livestock grazing is also an effective management tool used to remove noxious and invasive weeds. Using grazing as a management tool also reduces fire risk and is much less expensive than other management options.

For the reasons stated above, Utah Farm Bureau wholeheartedly supports a prohibition on NACs from entering into any agreement with respect to land in Utah or natural assets on or in such land. We appreciate Congressman Curtis' efforts to prevent federal overreach and to protect the livelihoods of our farming and ranching communities in the state of Utah.

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³ 88 FR 68815.