



October 22, 2013

Dear Farm Bill Conferee:

The National Sustainable Agriculture Coalition applauds you for moving the farm bill into conference. As the conference gets underway, we urge you to expeditiously work through the issues and reach agreement on a five-year, comprehensive, balanced, and reform-oriented food and farm bill.

On behalf of our forty farm, rural, and conservation member organizations, we urge you to expand and unite the constituencies served by the bill in a manner that advances the public interest. Key ingredients of such an approach include adopting the best available farm subsidy reform ingredients, excluding radical changes to the SNAP program and the Packers and Stockyards Act, dropping extraneous non-germane issues, and enhancing policies and investments in the final conference bill that advance the broad public and bipartisan interest in rural development, conservation, renewable energy, local food systems, organic farming, agricultural research, and beginning, veteran, and minority farmers.

In particular, we urge you to:

- **Take important steps toward farm safety net reform.**

A central issue for conference is whether to move in the direction of reform or anti-reform on farm programs. Between the two bills, the raw ingredients are available to go either way. The final bill can take the available modest steps in the direction of commonsense reform, in which case we will support it, or it can reverse progress toward reform, in which case we will oppose it. We urge you to:

- Adopt without change the historic payment limitation and actively engaged in farming reforms contained in title one of both bills and adopted in both bodies with substantial bipartisan majority support;
- Include the directive to develop whole farm revenue insurance for diversified farming operations contained in both bills;
- Accept the Senate bill's modest reduction in crop insurance premium subsidies for millionaires, a provision that enjoys overwhelming bipartisan majority support in both houses;
- Include the Senate bill's crop insurance subsidy provisions that protect against destruction of prime grasslands and native prairie on a nationwide basis and that conserve soil and wetland resources;
- Reject all the environmentally destructive and trade distorting provisions that propose to tie program payments of any type to actual planted acres or yield updating; and

- Reject the House provision to obliterate the farmer and rancher protections provided by the Packers and Stockyards Act.

• **Invest in the future of American agriculture.**

Agriculture is a growing sector of our nation's economy, yet barriers make farming and ranching one of the hardest careers to pursue. Policies that enable beginning and socially disadvantaged producers to access land, credit, and crop insurance; to launch and strengthen new farm businesses; and to receive appropriate training and mentoring will ensure that more people can start to farm and contribute to the nation's food supply now and in the future. We urge you to:

- Sustain direct farm bill funding for the Beginning Farmer and Rancher Development Program at no less than \$20 million per year, with an ongoing set-aside for socially disadvantaged, limited resource, and veteran farmers, and without diverting away any funds to unrelated programs;
- Sustain direct farm bill funding for the Outreach and Assistance for Socially Disadvantaged Farmer and Rancher program at no less than \$20 million per year;
- Provide at least \$50 million or preferably full 5-year direct farm bill funding for the Conservation Reserve Program - Transition Incentives Program to help new producers gain access to farm and ranch land while retaining conservation values;
- Include direct farm bill funding for at least five state Beginning Farmer and Rancher Individual Development Account pilot programs for the five years of the new farm bill;
- Authorize the microloan program, including intermediary lending, in order to expand credit options and simplify the Farm Service Agency loan application process for new farmers;
- Prioritize joint financing farm ownership loans (down payment and participation loans), bring the participation loan and limited resource loan interest rates up to date, and authorize local food credit provisions;
- Include farm viability as a purpose of the Agricultural Land Easement Program, and include a higher cost share rate for easements that benefit beginning farmers;
- Increase the beginning and socially disadvantaged farmer advance payment option within the Environmental Quality Incentives Program; and
- Fix the currently unworkable beginning and socially disadvantaged farmer priority and set-aside provisions in the Value-Added Producer Grants program.

• **Enhance natural resources and improve agricultural productivity and environmental quality.**

As stewards of forty percent of the landmass in the United States, American farmers and ranchers are important managers of our natural resources. Funding and strengthening working lands

conservation programs will help producers protect and rebuild soil, improve water and air quality, and reverse habitat loss while maintaining productive farms and ranches.

Unfortunately, since the 2008 Farm Bill, Congress has cut over \$3 billion from farm bill conservation programs, with further automatic cuts mounting annually until the folly of sequestration comes to an end. We urge you to:

- Hold additional farm bill conservation program cuts to no more than the overall level in the Senate bill, and make a serious commitment to repealing sequestration and defending against further backdoor cuts through legislative riders on appropriations bills;
 - Keep cuts to ten percent or less overall with respect to each working lands conservation program. We cannot support a final bill that makes a disproportional cut to the Conservation Stewardship Program -- which supports advanced conservation management measures -- relative to the Environmental Quality Incentives Program (EQIP) -- which primarily supports basic farm infrastructure -- or other conservation programs;
 - Within EQIP, eliminate the separate and unfair payment limitation for organic farmers and farmers transitioning to organic, set the overall payment limit at no greater than \$300,000 with no waivers, exceptions or loopholes, and adopt the five percent floor for wildlife practices within EQIP;
 - Adopt the highest possible funding level for the Regional Conservation Partnership Program (RCPP), with the allocation to states, critical conservation areas, and headquarters at one third each, with the nutrient management provisions included in the Senate bill, and with an option for technical assistance cooperative agreements directly as part of the RCPP process.
 - Include the provision giving USDA sole discretion to set technical assistance ratios.
 - Include robust direct farm bill funding for the Rural Energy for America Program, including feasibility studies but excluding blender pumps.
- **Create jobs and spur economic growth through food, agricultural, and rural development.**

Local and regional agriculture is a major driver in the farm economy. It is crucial to develop policies that create economic opportunities through local and regional markets; improve processing and distribution infrastructure for local and regional agriculture; and expand access to healthy food for consumers, including underserved communities. Public investments in training, technical assistance, and microcredit for rural entrepreneurs will enable small business development and revitalize rural areas. We urge you to:

- Increase direct farm bill funding for the Farmers Market and Local Food Promotion Program to at least \$30 million per year, with a ten percent cap on administrative expenses;
- Streamline and strengthen the National Organic Certification Cost Share Program by revising the Agricultural Management Assistance program so that it provides \$11.5 million in direct farm bill funding annually for certification cost share assistance nationally;

- Sustain direct farm bill funding for the Value-Added Producer Grant program at its historic level of \$20 million per year;
- Increase direct farm bill funding for the Rural Microentrepreneur Assistance Program to \$10 million per year;
- Adopt the USDA Foods and DOD Fresh farm-to-school pilots and demonstrations contained in the House bill;
- Adopt the Senate versions of Community Food Projects and SNAP Incentives; and
- Maintain the Senior Farmers Market Promotion Program in its current form as a separate program.

• **Drive innovation for tomorrow’s farmers and food entrepreneurs.**

Investment in agriculture research is vital to continued productivity and innovation in diverse and expanding sectors of American agriculture. A research policy that funds and strengthens successful programs for sustainable agriculture and organic farming systems; addresses new research and data collection needs; and improves coordination on essential public plant and animal breeding efforts will foster the innovations that farmers and food businesses need to be successful. We urge you to:

- Sustain direct farm bill funding for the Organic Agriculture Research and Extension Initiative at no less than \$20 million per year;
- Provide \$5 million in direct farm bill funding for the Organic Production and Market Data Initiatives as well as for the Local Food Data Initiative and Program Evaluation;
- Reject the provision that eliminates the long-standing priority for sustainable agriculture research within the Agriculture and Food Research Initiative (AFRI) and other competitive and special grant programs;
- Include non-profit research and extension institutions, including public and private institutions of higher education, independent research institutions, and NGOs, in the exemption to matching fund requirements so that these institutions are not burdened with an unfair disadvantage;
- Ensure that competitive grants are actually competitive by accepting the Senate provision to allow all eligible entities and individuals to compete for all types of AFRI grants;
- Do not include prohibitions on research funding based on budget reporting requirements;
- Authorize the Regional IPM Centers; and
- Reauthorize the National Sustainable Agriculture Information Service (ATTRA).

In coming years, it is our hope the farm bill will address food, agriculture, and rural issues in a more comprehensive and goal-oriented fashion than is currently the case. In that light, moving to take nutrition out of the farm bill would be moving in exactly the wrong direction and would make the problem worse. We urge you to retain an inclusive bill that operates in its entirety on a five-year cycle.

We believe there are inherent and significant problems in retaining the threat of reverting to antiquated farm programs, but believe just as strongly that making current farm programs permanent only makes matters worse. We believe the obvious and rational solution is to make all current farm bill farm-related programs subject to regular periodic review and potential revision. If that logical step is not taken, however, we would urge you in that case to not repeal permanent law.

Finally, we urge you to reject non-germane riders in the final bill, including those dealing with the Endangered Species Act, the Clean Water Act, the Fair Labor Standards Act, and the Commerce Clause. Each of these is wrong on their merits, but also falls outside of farm bill jurisdiction and threatens the bill's speedy and successful conclusion.

We look forward to working with you to craft a final farm bill that expands opportunities for family farmers to produce good food, sustain the environment, and contribute to vibrant communities.

Thank you for considering our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Ferd Hoefner". The signature is written in a cursive, slightly slanted style.

Ferd Hoefner
Policy Director