Policy Solutions from the office of U.S. Representative Earl Blumenauer

3rd District, Oregon

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Background</td>
<td>2</td>
</tr>
<tr>
<td>Principles</td>
<td>3</td>
</tr>
<tr>
<td>Proposal for Reform</td>
<td></td>
</tr>
<tr>
<td>Focus Resources on Those Who Need It Most</td>
<td>5</td>
</tr>
<tr>
<td>Foster Innovation</td>
<td>10</td>
</tr>
<tr>
<td>Encourage Investments in People and the Planet</td>
<td>14</td>
</tr>
<tr>
<td>Ensure Access to Healthy Foods</td>
<td>18</td>
</tr>
<tr>
<td>Conclusion</td>
<td>20</td>
</tr>
</tbody>
</table>

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Introduction

The Farm Bill is the most important yet underappreciated piece of federal legislation Congress regularly considers. Hopelessly complex, it sets national priorities for federal investment while undermining human health, nutrition, carbon reduction, economic development, land conservation, and animal welfare. Even the name is a lost opportunity. At a minimum, it should be called the Food and Farm Bill.

Not only is the Farm Bill costly and expensive, its resources are misdirected. The legislation gives too much to the wrong people to grow the wrong food in the wrong places. This misallocation is tragic because of the power and reach of the U.S. Department of Agriculture (USDA) programs authorized by this legislation every five years. The USDA is the only agency in the federal government that can build a community from the ground up, and tackle issues like housing and infrastructure as well as all aspects of America’s farms and ranches.

The scope, complexity, and vast sums of money from the current Farm Bill work against reform efforts. People get lost in the details and temper their demands in exchange for modest incremental gains in their specific programs. These minor improvements matter, but are a fraction of what is needed, merited, and possible.

The major challenge to developing the farm and food policy that America needs and deserves is an inability to harness the majority of interests that are short-changed. Most states and many affected parties are cheated by the status quo. To date, the unified vision, voice, and constituency necessary to win concessions from industrial farming, and big meat and food processing interests has not materialized. As a result, large agribusinesses benefit, while most others are short changed. In one telling example of this disparity, the top 10% of subsidy recipients received 77% of farm subsidies between 1995 to 2014.¹

This report is the culmination of over two years of outreach and collaboration that began as an effort to understand how federal policies could better serve Oregon agriculture. People who eat, cook, shop, and care about hunger, land conservation, and animal welfare have become part of a diverse and growing coalition. In Oregon, we have been able to help many people understand that they have a stake in what this Congress does as it reauthorizes the next Farm Bill, expected in 2018. In a time of deep partisan division and rancor, it’s exciting to see people agree on common interests.

As budget cuts loom, better policies and outcomes for stakeholders can cost less and ensure benefit for more people. Most importantly, we can bring people together for a healthier America and a more robust and sustainable agriculture sector. Our task is to show the great potential and power in growing healthier, more affordable food while meeting an array of needs for health, nutrition, the economy, and environmental conservation, all while saving taxpayer money.

The following report includes recommendations to help us achieve that goal with a Food and Farm Bill for the 21st century.

Sincerely,

Earl Blumenauer
Member of Congress
Background

The Farm Bill is an omnibus, multi-year, multi-billion-dollar package of laws that sets the course for our food and farming system. The bill contains twelve sections, called “titles,” that range from Commodities to Conservation, Research to Nutrition, Energy to Specialty Crops. These titles establish policy for many programs that govern the way we farm, eat, and treat our natural environment. Programs cover policies such as insurance for crops, support for sustainable farming practices, access to healthy food for low-income families, animal welfare, and farmer education.

The Farm Bill was created in 1933 as part of President Franklin Delano Roosevelt’s New Deal legislation. While originally intended to respond to the exigencies of the Dust Bowl and Great Depression, the Farm Bill’s core purposes still hold true today: to ensure fair food prices for farmers and consumers, to provide adequate food for the country, and to protect the environment necessary to grow that food. Over the years, hundreds of billions of dollars have been spent on the policies, programs, and initiatives outlined by the Farm Bill.

The Farm Bill is typically authorized for five years, and it’s up to Congress to propose, debate, and enact each bill. The current Farm Bill, which was projected to cost about $489 billion dollars over five years, was signed into law in 2014. The next Farm Bill is due for reauthorization by fall of 2018.

Sing Your Own Farm Bill

Over a two-year period, Congressman Blumenauer met with a range of stakeholders in Oregon and across the country to discuss their priorities for the next Farm Bill. The “Sing Your Own Farm Bill” project, modeled on the practice of people coming together in an un-rehearsed chorus to sing Handel’s Messiah, has brought together diverse voices to brainstorm how the Farm Bill could be best shaped to meet Oregon’s distinct and varied needs. Blumenauer has heard from agricultural researchers, farmworkers, nutrition advocates, conservation interests, winemakers, nurseries, small and mid-sized farmers, ranchers, processors, agricultural policy advocates, environmentalists, and more. The project has informed this report, which details Oregon’s priorities for Farm Bill reform. It builds upon the feedback received from the public to develop a Food and Farm Bill that best reflects the values of Oregon and our nation. The content of the report is the basis for Blumenauer’s agriculture agenda in the 115th Congress to enact fundamental reform during the following reauthorization process.

Americans deserve a better Farm Bill. Current agricultural policies spend too much money supporting large corporations, don’t adequately help the majority of small and mid-sized farmers, and subsidize manufactured food at the expense of fruits and vegetables. A Food and Farm Bill would focus on helping rural and urban communities, and support small and mid-sized farmers to take care of the land and grow healthy food that can feed all Americans. Most important, it would be a guide for investment in the next generation of farmers and their vision for the future.
Guiding Principles for Transformational Reform

The following guiding principles and core objectives can help redirect spending, promote healthy food, and provide innovative solutions to environmental challenges. They have the potential to create and energize what could be the most powerful coalition in American politics.

Focus resources on those who need it most

Rather than pay too much for people to grow the wrong crops in the wrong places, the reauthorization should focus taxpayer dollars on investments that produce results. Support should be for the farmers and ranchers who truly need assistance, especially beginning and small farmers, and – whenever possible – programs that achieve multiple goals.

- **Commodity Programs:** Greater limits should be placed on these payments, saving taxpayer dollars and bringing them in line with the support systems available for fruits and vegetables.
- **Crop Insurance:** A new crop insurance program should be created that is fair, cost efficient, more accessible to those who grow fruits and vegetables, and focused on those who really need assistance.
- **Beginning Farmers and Ranchers:** Changes should be made to current programs, and new programs should be established to support beginning and underserved farmers and ranchers.

Foster innovation

Farmers, ranchers, and other agricultural entities should be supported in producing and processing food in sustainable ways that are light on the land and fair for the consumer. The reauthorization should include support for crop and consumer resiliency, and should account for the impacts of climate change.

- **Research and Development:** Research and development dollars have played an important role in boosting America’s farm and ranch productivity. Funding levels should be increased and competitive research grants encouraged to maximize innovation.
- **Local and Regional Food Systems:** By investing in rural and urban economies, opportunities for local and regional producers and processors would be expanded. The focus should be on improving local marketing support and increasing infrastructure access for local producers.
Encourage investments in people and the planet

Every American has a stake in the quality of our water and air, the long-term productivity and health of our farmland, and the economic strength of our communities. The Farm Bill should reward farmers who promote these values and ensure that taxpayers get their money’s worth from their investments. Programs that undercut these values should be reformed or eliminated.

- **Conservation Programs:** Recognizing the important role of conservation for farmers, ranchers and the public, the reauthorization should shift to performance-oriented conservation programs. This would give farmers and ranchers flexibility, while ensuring that taxpayers get cleaner air and water, and healthier soil.

- **Fair Immigration Policy:** A Food and Farm Bill would build and support rural communities that treat immigrant farmworkers fairly – and invest in them in the long term.

Ensure access to healthy foods

Through low-income nutrition programs and support for agricultural producers, the Farm Bill should ensure that every American has affordable and consistent access to safe, healthy, and fresh food. With the world’s greatest agricultural production, the richest nation on Earth should no longer tolerate “food deserts,” wasting over 40% of our food supply, and subsidizing food practices that literally make Americans sick.

- **Strengthen Nutrition Programs and Reduce Waste:** The reauthorization should improve the outcomes of nutrition programs and local farm economies by coordinating the two. Americans who rely on nutrition benefits should have access to healthy food from local farms, and more food will be eaten instead of wasted.
Focus Resources on Those Who Need It Most

Bring Common Sense to Commodity Programs

Farm policy in the United States has long focused on basic support to help feed America’s growing population. This worked well for decades, offering certainty for a costly and risky business. Yet the safety net has become a less efficient, patchwork system that picks winners and losers without regard for their performance. Specifically, a selection of crops, referred to as commodities, receives billions each year under Title I of the Farm Bill. These crops – wheat, corn, sorghum, barley, oats, cotton, rice, peanuts, soybeans, and oilseed – are heavily subsidized. Farmers are encouraged to grow them regardless of current supply, demand, environmental consequences, or ability to actually nourish Americans.

Ninety percent of these subsidies benefit producers who grow corn, rice, wheat, soy, and cotton. While American diets should consist of a variety of fruits, vegetables, grains, meats, and dairy products, the heavily subsidized commodities have assumed an outsized role in most Americans’ diets. For those who consume high portions of these food products, there is a greater risk of obesity, abnormal cholesterol, high blood sugar, and inflammation.

On Capitol Hill, it is always easier and more popular to debate who should receive more funding, rather than less. That is why few of the tens of thousands of people who lobby federal lawmakers are asking for less money. Yet to create a more balanced Food and Farm Bill, the playing field must be leveled by reducing funding for commodities. While the 2014 Farm Bill eliminated the generous subsidies for commodity growers known as “direct payments,” many of these subsidies were effectively rolled into new programs including Agriculture Risk Coverage, Price Loss Coverage, Supplemental Coverage Option, or Stacked Income Protection Plan.

To create a Farm Bill that works for producers, consumers, and taxpayers, Congress cannot continue to fund an unnecessary, expensive, and hopelessly complex system. The proposals below are simple, common-sense changes that provide the groundwork for comprehensive reform of the commodity system.

1: Cap Total Commodity Benefits at $250,000 per Year for Any One Farm

The most direct reform is to prioritize aid to those who need it most. During debate over the 2014 Farm Bill, both the House and the Senate versions of the Farm Bill included provisions to place caps on commodity payments. Unfortunately, these provisions were eliminated during conference negotiations and replaced with a directive for the U.S. Department of Agriculture to cap these payments through a rulemaking process. The final rule released in 2015 predictably did not go far enough and was riddled with loopholes that benefitted large farms. Placing real limits of $250,000 per year on commodity payments will ensure support for more vulnerable, smaller farms and a more equitable distribution of federal spending. It will not further enrich big operations which already have substantial advantages over smaller operations, especially organic and sustainable producers of specialty crops.

2: Place Annual Limits on Agriculture Risk Coverage and Price Loss Coverage

As part of the effort to eliminate direct payments in the 2014 Farm Bill, Congress created the Agriculture Risk Coverage program and the Price Loss Coverage program to provide coverage for farmers who would lose access to direct payments. These programs have cost nearly ten billion dollars more than was projected. In 2016, federal farm payouts were at the highest level since 2006, undercutting efforts to level the playing field and contain costs. The reauthorization of the Farm Bill should place a cap on the total mandatory spending of these programs in order to save taxpayer money and rein in subsidies, putting producers on more equal footing.
Crop Insurance that Protects Farmers and Taxpayers

Every American has an interest in the continued viability of small- and mid-scale farming. One reason is fundamental fairness. Smaller operations have been forced out of business by an inability to compete for land and resources. Weather, pests, market variability, and natural disasters all threaten the solvency of these farms and ranches. Insurance on a farmer’s crops can mitigate those uncertainties, helping maintain operations in the face of unforeseen circumstances.

Preserving the smaller farms also protects a more diversified agriculture base with a variety of products. Smaller scale operations can more easily operate as good neighbors in and around urban areas, which still have some extraordinary cropland. Finally, the smaller farmers and ranchers often make up for less volume with production methods that are higher-quality and more sustainable, a different type of agriculture that many consumers desire and will pay more to enjoy.

The current U.S. crop insurance system, however, does not resemble the insurance most Americans purchase for their homes or businesses. Unfortunately, it does very little to protect non-commodity operations despite being extraordinarily costly. The 2014 Farm Bill only made this worse – expanding the program by 10% while failing to make it more accessible to small and mid-sized farms, as well as specialty crop producers.

Typically, a farmer buys an insurance policy from a private company, choosing between a yield protection or revenue-based protection policy. A yield-based policy guarantees that a farmer will get paid for a set yield on their farm, while a revenue based policy provides protection for losses on a set dollar value per acre on the crop. The federal government then reimburses the farmer for a certain percentage—on average, sixty percent—of the premium costs. Costs for higher coverage increase only marginally, creating a strong incentive for farmers to buy the highest level of coverage. Underpriced crop insurance encourages risky or inefficient farming practices.

For example, in many of the Plains states farmers are “busting sod,” i.e., plowing and planting sodgrass land, even though they know that the crop revenue from this land will not even pay the costs of the labor. However, the crop insurance payments they receive on the sodland are high, because the areas in which they’re located generally have high yields. While the 2014 Farm Bill made attempts to restrain this practice, it did not cover several key states where “busting sod” occurs, including Texas, Oklahoma, Kansas, and Colorado. Crop insurance payments make this practice profitable, but at great cost to the environment and to the taxpayer.

In addition to creating market distortions, the crop insurance program is highly inefficient. In 2017, only sixteen companies in the U.S. offered federally subsidized crop insurance. The federal government, in turn, guarantees a reimbursement to these private insurance companies for any losses they experience, as well as a percentage of administrative costs – generally 12%. Since 2005, for every crop insurance dollar that goes to farmers, $1.44 goes to the crop insurance companies, guaranteeing profitability regardless of performance.

The major commodity crops – corn, soy, wheat, and cotton – make up approximately 75% of crop insurance enrolled acres. For farms that grow multiple crops, insurance is more complicated. Congress authorized a whole farm insurance pilot in the 2000 Agricultural Risk Protection Act in an attempt to address this problem. Despite changes in the 2014 Farm Bill to make it more accessible, it is not widely used. Similarly, crop insurance for organic farms is available on a significantly more limited and more expensive basis than for conventional farms.
A Food and Farm Bill would address the entire delivery mechanism of the crop insurance system. The following are some ways to make it fairer, more accessible, and less costly.

1: Eliminate Perverse Incentives
The existing system provides incentives for farmers to forego sound agricultural and stewardship practices in favor of planting in risky and environmentally sensitive areas such as wetlands. Farmers should be limited in their ability to plant crops on marginal or sensitive lands, destroy wildlife habitat, and use excessive amounts of chemicals. This will help ensure that farmers are not so insulated from risk that they forgo basic, sound farming practices such as planting in viable soils or crop rotation.

2: Strengthen Conservation Minimums
Premium subsidies should be predicated on compliance with real, measurable, and comprehensive conservation standards. The 2014 Farm Bill required a basic set of minimum conservation standards to receive premium subsidies—referred to as conservation compliance. Unfortunately, these standards do not go nearly far enough to ensure that farmers maximize conservation of the land for future generations. In addition to correcting for market distortions, these conservation minimums should include limits on subsidies that would otherwise encourage farming on environmentally sensitive lands, and tie soil data to premium subsidies in order to improve conservation outcomes. These standards should be strengthened and farmers should be encouraged to work within the existing conservation programs to further conserve their land.

3: Ensure that Crop Insurance Coverage is Available to Any Farmer
If subsidized crop insurance is an important part of a farmer’s safety net, then the federal government should ensure that it is consistently available. This means extending insurance to farms that have traditionally been difficult to cover, such as organic and multi-crop farms.

4: Limit Crop Insurance Premium Subsidies to $50,000
The Senate version of the 2014 Farm Bill contained a provision that would make the wealthiest growers pay more for subsidized crop insurance, reducing their premium subsidy if they reported an annual adjusted gross income of $750,000. While this provision was a small step in the right direction, it was stripped out in conference. More should be done to level the playing field by capping crop insurance premium subsidies at $50,000 per farmer or entity. While only 2.5% of farmers would be impacted, this change would stop lavishing scarce resources on those who need help the least.

5: Cap Crop Insurance Rate of Returns on Earned Premiums at 8.9%
The Bipartisan Budget Act of 2015 contained a number of provisions to cut spending in order to offset rollbacks of sequestration. These included a provision that established an 8.9% cap on the overall rate of return for crop insurance providers—a decrease from the previously established 14.5% level. This modest 5.6% reduction in subsidy to private crop insurers would save taxpayers $3 billion over 10 years. Unfortunately, this never took effect. After the bill was signed into law in November 2015, large agriculture interests worked behind-the-scenes to successfully roll back this reform. They argued that any changes to crop insurance should be accomplished through the next Farm Bill. Now is the time to realize these savings and reinstate this change.
Support Beginning Farmers and Ranchers

The average American farmer is 58 years old.27 Without a significant younger population of well-trained farmers and ranchers ready to enter the business, the United States runs the risk of losing farmland to development and reducing the amount of food we produce. Across the country, young people are drawn to food and agriculture in ever increasing numbers. People new to farming are eager to enter the sector, bringing with them a new mindset geared towards sustainability, respect for tradition, and a desire to connect with the land. There is a clear national interest in making it easy and attractive for new farmers to succeed.

Beyond education, the biggest challenge for most beginning farmers is access to capital and land. A Food and Farm Bill should reduce the barriers to land and capital acquisition to help this new generation follow its passion.

1: Build Upon the Beginning Farmer and Rancher Development Program
The federal government should provide increased resources for people who want to begin to farm. The Beginning Farmer and Rancher Development Program can assist farmers in a range of ways. It helps them learn new and sustainable techniques such as dry farming, and guides them in navigating food safety compliance measures. While the 2014 Farm Bill authorized $100 million in mandatory funding, new legislation should greatly expand this program by at least $40 million. The funding should be made mandatory to ensure that new farmers are being supported in practicing sustainable and humane agriculture techniques.

2: Support Complementary Programs for the Next Generation
Conservation programs should also recognize that many beginning farmers and ranchers want to preserve the land and minimize their environmental impact. Land transfers to beginning farmers should be considered a priority in conservation programs, allowing willing new farmers to assume current conservation contracts without new applications. In addition, the current amount of funding set aside for beginning farmers in two of the most popular Farm Bill conservation programs is woefully inadequate. New legislation should increase this funding to reflect demand and the percentage of beginning farmers in today’s farming population.

Individual Development Accounts (IDA) have been authorized in the past two Farm Bills, but never funded. These IDAs could help young and beginning farmers save money by matching funds that they put into a savings account. To help them become successful entrepreneurs, business planning courses should also be required. This program should receive mandatory funding.

3: Provide Technical Assistance
To provide more technical assistance and support to beginning farmers and ranchers, each state should have a liaison within the U.S. Department of Agriculture.

4: Ensure Access to Succession and Farm Transfer Planning
The federal government already provides some support to aging farmers to engage in succession planning, but more is needed to ensure that farmers are able to complete their plans. New legislation should provide funding to incentivize farmers to take on – and complete – succession planning. Integrating outreach and assistance opportunities with existing Farm Bill programs would help farmers at various stages complete the process. In addition, a Land Tenure Commission should be created to engage stakeholders involved with farmland ownership and operation. This would focus the efforts and resources of agency staff and programs toward the long-term viability of our farming population.
5: Open Up Capital and Opportunities for Growth
Farming’s intense capital requirements discourage many new farmers. This should be addressed by offering tax benefits to facilitate land, equipment, and other asset transfers to beginning farmers and ranchers. In addition, the Farm Service Agency’s Farm Storage Facility loan program should be expanded to include products grown by farming cooperatives, a popular option for those new to the business.

These opportunities, which build upon already successful programs proven to help the next generation get their start, simply await enhanced federal commitment and stability.
Fostering Innovation

Preserve America’s Edge through Research and Development

Average farm output has more than doubled between 1948 and 2013, while the number of American farms has steadily decreased. Many different technological breakthroughs and discoveries have influenced this remarkable productivity, especially innovations related to food production, processing, and marketing, as well as pest and disease management. Publicly financed research is the key to many of these important breakthroughs.

Over the past century, the U.S. has implemented a layered system of research funding to meet the needs of different agricultural sectors, regions, and practices. State funds are often combined to leverage federal research dollars. Formula and other block funds (such as the Hatch Act and the Extension program) are distributed based on some statistical criteria for specific types of work, which represent the majority of federal research funding. The remaining are competitive grants, awarded on a project-specific basis.

Over the past decade, private sector funding for food and agricultural research has sharply increased, surpassing public funding. Because of the increased privatization of agricultural research, federal funding for specific areas—organic farming techniques, practices to mitigate climate uncertainty and invasive plant and pest species, and specialty crops—has become even more important. Yet for thirty years, federal funding for agricultural research has fallen. A vibrant farm economy requires strong public investment in agricultural research.

While there are areas where federal agriculture spending can be redirected or reduced, research funding must be increased. Federal agricultural research funding not only influences farmers’ decisions about what crops to grow and how to grow them, but also consumers’ decisions about how to feed their families.

1: Build Upon Successful Programs
The 2014 Farm Bill provided critical funding for research. This included Specialty Crop Research, Organic Research and Extension, Beginning Farmer and Rancher research, and education and extension. The next bill should renew and increase funding for these programs, as well as the competitive grants through the Agriculture Food and Research Initiative.

2: Prepare the Next Generation of Farmers to Deal with the Effects of Climate Change
Given the severe climate impacts on agricultural production, more funding should be made available for research into climate change adaptation. This is particularly crucial where working lands and forests impact drinking and irrigation water quality. It is also important to offer more support for farmer-initiated research on pest reduction in a changing climate; breeding of disease-resistant and climate-resilient cultivars; and sustainable techniques to prepare for the many implications of a warming planet.

3: Maximize Funding for Organic Research
Federal investment in organic research has had significant returns and helped to spur the tremendous growth in the organic sector. Unfortunately, the federal government’s investment has not kept pace with the growing demand. The Organic Agriculture Research and Extensions
Initiative (OREI) helps organic producers and processors expand their market share by investing in research, education, and extension, closing the gap between sector growth and organic research needs.

The 2014 Farm Bill included a new matching requirement for OREI grants, which has been burdensome for institutions and organizations attempting to take full advantage of this program. Eliminating the matching requirement would ensure maximum utilization of OREI funding.

Research projects address the most critical challenges that both organic and conventional farmers face in their fields every day. The Farm Bill should reflect that priority by shifting away from direct subsidies and towards research and innovation.
Improve Market Access for Local and Regional Food Systems

Local and regional food systems are key to a healthy population and healthy economy. Farmers can feed their families and support both rural and urban economies by keeping more food dollars where the food is grown.

Consumer, producer, and policymaker interest in local foods is growing. Farmers are selling more food directly to consumers, and demand for fresh, healthy food in markets, stores, and schools has grown exponentially over recent years. Consumers care more about where their food comes from, and that it is grown with minimal environmental impact.

The 2014 Farm Bill made some baseline federal investments local and community food systems. Approximately $429 million was dedicated to expand access to healthy food, help farmers access local markets, and develop infrastructure to support resilient local and regional food systems. This should be regarded as a down payment, with more money dedicated to ensure that local and regional food systems flourish.

1: Improve Access to Local Marketing Support

Many small and mid-sized producers with local and regional sales report struggling with market development. They cobble together marketing resources and often operate without brand or marketing strategies, consistent marketing communications, optimal sales outreach, or more robust strategic planning. Marketing support should include creation and promotion of local markets to sustain and grow small and regional food systems. There should be one-on-one assistance creating marketing plans, analyzing marketing data and enterprise budgets, and strategizing growth. Domestic market development training, tools, and services targeted to support small and mid-sized farms and agriculture infrastructure programs should be expanded, particularly those growing food for human consumption.

2: Codify and Expand the Food LINC Pilot Project

The U.S. Department of Agriculture’s Food Leveraging Investment for Network Coordination (LINC) project connects demand for local food in ten pilot urban areas with supply from rural farmers and ranchers. This effort has proven to strengthen local food systems while increasing consumer access to healthy food. This program should not only be made permanent, but expanded to serve more producers.

3: Focus on Supporting Local Food Systems Enterprises

Farm Bill programs to support smaller producers and promote local foods are often critically underfunded. They often contain grant matching requirements that discourage all but the most well-organized and well-funded producers. To encourage development of local and regional food systems, funding should be expanded for programs such as the Local Food Promotion Program and technical assistance for the Business and Industry Loan Guarantees program though Rural Development. To foster local food system growth in rural areas, Rural Development’s Healthy Food Financing Initiative should also be expanded. It should focus on mid-tier value chain projects such as cooperative delivery and distribution services. Matching grant requirements should be tempered to promote participation by those who would most benefit, but be less likely to afford the full match.
4: Increase Access to Processing and Distribution Infrastructure
Smaller producers often take responsibility for multiple links or even entire supply chains – from production, processing, and packaging to storage and distribution. Producers of this size, particularly diversified producers, are at a significant disadvantage relative to commodity producers. They often have difficulty overcoming barriers to use existing infrastructure, are unable to meet processing or distribution volume minimums, and lack the ability to make exclusive contracts. Some food processing facilities are too dispersed geographically for efficient, practical access and use. Producers and processors also lack tools to collaboratively maximize use of existing facilities. Federal support is needed for regional-level assessment of existing food infrastructure, to identify opportunities for resource-sharing and collaboration. This is critical to empower small and mid-sized producers to compete effectively.
Encourage Investments in People and the Planet

Conservation Programs

Industrial scale agriculture has a tremendous impact on the landscape. Chemical fertilizers, pesticides, animal waste, and valuable topsoil clog rivers and streams, causing dead zones along our coasts. Soil health is diminished as more farmers till their land, causing erosion and reducing vital nutrients for crop growth. It also disrupts one of nature’s most valuable carbon sequestration systems. Meanwhile, conversion of land to agricultural production destroys the floodplains and wetlands that naturally filter much of this pollution, and decimates important wildlife habitat. Some rural communities are even seeing their lands slowly turned into desert. Animal waste from concentrated animal feedlots pollutes the water and fouls the air.

Since 1985, the Farm Bill has offered significant resources for farmers, ranchers, and forest owners to voluntarily improve the conservation performance of their land. There has been much discussion about reform, and the 2014 Farm Bill did make improvements. Yet, for the first time since 1985, the same Farm Bill cut several critical conservation programs by $4 billion over ten years, limiting their ability to preserve land and reduce the impact of agricultural practices on the environment.

Americans expect to get real value in exchange for their tax dollars. In contrast to commodity programs, which function more as an expensive corporate welfare program, conservation programs support farmers who take action to directly benefit the public good. They help farmers protect the water supply, reduce soil erosion, conserve animal habitat and open spaces, and manage pollution.

It is essential to use the land wisely, ensuring long-term viability for farmers and for future generations. Small and mid-sized farmers, who depend on the health of their land for their very survival, prove that good stewardship practices are not only economically viable but even profitable. Farmers have every incentive to sustain their land, since the quality of the land is the basis of their livelihood. To quote current Secretary of Agriculture Sonny Perdue: “If you take care of the land, the land will take care of you.”

Farmers clearly understand the value of conservation since these programs have, on average, four times more applications than available funds can meet, suggesting they are significantly underfunded. The small and mid-sized farms must compete for conservation funding with big agribusinesses, where its effectiveness is questionable at best. Inadequate funding levels are compounded by forcing many small farmers to compete with a few large agribusinesses which possess far greater resources and established relationships with the distributors of these funds. Even with increased resources, more work must be done to make these important programs and practices known, available, and affordable.

Conservation programs authorized by the bill are grouped into five categories: working land programs, land retirement and easement programs, watershed programs, emergency programs, and technical assistance programs. While each of these categories is important, a Food and Farm Bill should take a more comprehensive view of conservation. The following recommendations would reform conservation programs to be more cost effective and have significantly better outcomes for both farmers and the environment.
1: Make Conservation Programs Performance-Based
A Food and Farm Bill should establish performance-based standards for conservation programs, echoing the principles of the existing Conservation Stewardship Program (CSP), without embracing its flaws. Such a program would give states more flexibility to align contracts with the state’s conservation plan. It would also require that farmers be rewarded only for actions they would not otherwise take, and would incentivize practices such as crop rotation, which have been shown to be feasible at a national level. The Conservation Reserve Program has traditionally reimbursed farmers simply on the amount of acreage enrolled. It should instead reimburse farmers based on a combination of the number of acres put into protection and benchmarks reached, such as improved water quality, topsoil health, or species proliferation.

This program would allow farmers the flexibility to farm according to their needs, so long as the agreed-upon targets are met. These reforms will need better metrics and accountability systems, as well as improved state conservation plans. Farmers would also need significant technical assistance to ensure that they’re meeting their metrics. Such a program should focus on creating a simple application process with minimal subsequent paperwork. To accomplish this, a certain percentage of current conservation funding should be dedicated to state pilot programs and technical assistance programs, as performance-based measures are phased in.

2: Expand and Build on the Regional Conservation Partnership Program
The Regional Conservation Partnership Program has been successful on a national scale. The program has led to innovative partnerships between stakeholders on a regional basis – putting aside the cookie-cutter approach that has plagued other conservation programs in favor of a more comprehensive way of addressing environmental issues. The flexibility of the program has allowed it to work well in many regions across the United States. A Food and Farm Bill would support and expand funding for this program, while retaining this important flexibility.

3: Facilitate Access to Certain Conservation Programs
CSP and the Environmental Quality Incentives Program (EQIP) can be valuable tools for farmers wanting to reduce their environmental footprint. EQIP can help farmers take conservation-focused actions on their land, and CSP can help maintain them. These programs should be expanded and targeted to ensure spending supports the best practices to address the various conservation challenges now or in the future. The Farm Bill should increase funding, reduce payment caps, and prioritize projects for managing farmland and habitat. The EQIP Organic Initiative should receive equity with the rest of the program in order to reduce barriers for organic farmers and encourage the adoption of conservation measures.

4: Streamline Opportunities within the Agricultural Conservation Easement Program
Under the Agricultural Land Easement option of the Agricultural Conservation Easement Program, there is a 50% match requirement. This requirement is a barrier to smaller, more thinly capitalized operations to participate in the program. The match requirement should be reduced in a Food and Farm Bill to open the program up to smaller farms that have greater need. This approach would also increase the focus of eligibility criteria onto high value, productive agricultural soils while still supporting other natural resource values.
5: Hold Larger Emitters of Greenhouse Gases Accountable
Agriculture accounts for 9% of U.S. greenhouse gas emissions, with sprawling Concentrated Animal Feeding Operations playing a significant role in emissions of carbon dioxide, methane and nitrous oxide.40 These operators are largely omitted from greenhouse gas reporting requirements and regulations. A Food and Farm Bill would start to hold these actors accountable, incentivizing and supporting actions to reduce greenhouse gas emissions at these facilities. As a first step, large-scale emitters should be required to report greenhouse gas emissions, increasing transparency for the public and the industry.

6: Maintaining Consumer Confidence in Organic Certifications
Organic agriculture is one of the fastest growing agriculture industries, and these practices have substantial environmental benefits.41 Reduced use of toxic pesticides, comprehensive soil management, and increased biodiversity all have real conservation gains for farmers. While there has been an increase in organic farming across the United States, organic certification is often self-regulated, leaving it open to abuse. In one recent instance, a large dairy farm in Colorado skirted the grazing requirements, leaving consumers without the nutrition benefits they were paying for with organic milk.42 A Food and Farm Bill would provide the resources needed for thorough, frequent, comprehensive, and sometimes random inspections so as to ensure that organic farmers – large and small – are abiding by the practices required for the organic label.
**Fair Immigration Policy**

Any effort at agricultural reform must address American immigration policy. Immigrants in the agriculture industry are both some of the hardest-working members of our communities, and also some of the most vulnerable. Over 70% of farm workers in the United States were born in other countries, and about half of those individuals are undocumented. They often work exceptionally long hours, face poor working conditions, and deal with job instability and unpaid wages.

Farm workers deserve fair and decent labor standards and the assurance that they won’t be ripped apart from their families in the middle of the night. America’s farmers agree. Federal programs should meet the needs of farmworkers, employers, and consumers to help these individuals work within the system, and ensure they are treated fairly.

The current program for farm labor, the H-2A Temporary Agricultural Workers program, allows agricultural employers to hire nonimmigrant, foreign workers for agricultural jobs that last ten months or less. While many U.S. farmers depend on the H-2A program, it’s riddled with problems. H-2A applications are often submitted to, and sometimes approved by, the U.S. Department of Labor with illegal or questionable job terms. There is also a consistent lack of application of U.S. anti-discrimination laws, and this method of recruiting foreign workers routinely exploits them. This program is important, but in desperate need of reform.

**Fixing Our Broken Immigration System and Improving the Lives of Farmworkers**

Congress’s failure to enact comprehensive immigration reform to fix our broken immigration system has had serious consequences for families, as well as for farmers and ranchers. In 2013, the Senate passed comprehensive immigration reform legislation with a strong, bipartisan vote. This bill would have provided additional resources to secure and control our borders, while addressing the issue of 11 million people currently living in the U.S. without documentation, providing them with a clear path to citizenship. This is something that three-quarters of all Americans support for those undocumented residents who are law-abiding, tax-paying, and already an integral part of the fabric of American life and society. Enactment of policies that bring fairness to our immigration system would be a welcome addition to a Farm Bill that works for all Americans.

Until comprehensive immigration reform is achieved, a Food and Farm Bill should take steps toward reforming our immigration system. It would allow farmworkers who have worked in agriculture for a significant amount of time to earn a certificate permitting them to remain legally in the United States. These individuals who work for a sustained amount of time would then be eligible to apply for a green card, helping build communities rather than tearing them apart at the end of harvest season. Members of Congress are introducing legislation to do just that. The Agricultural Worker Program Act would protect farmworkers from deportation by allowing individuals to earn a “blue card” initially, with the potential to adjust to a green card after three to five years.
Ensure Access to Healthy Foods

With all the complexity of the Farm Bill, it is easy to overlook its major purpose: ensuring that Americans have a consistent, affordable, and secure food supply. Nutrition spending makes up 79% of the Farm Bill, mostly in the form of the Supplemental Nutrition Assistance Program (SNAP).\(^46\) It is critical to ensure that SNAP funding is not cut or SNAP recipients sold short. Instead, Congress should dedicate additional resources to feeding those in our country who are experiencing food insecurity, and break down barriers for those who struggle to obtain healthy food.

At a time when 35.7% of American adults over the age of twenty are clinically obese, and one in three children will develop Type II diabetes,\(^47\) it is obvious that today we face a different type of crisis than in the 1960s when modern nutrition programs were formally established. The problem is not a lack of food; the United States produces huge food surpluses and up to 40% of all food in the country is wasted.\(^48\) Instead, too many struggle to access and prepare healthy, fresh food.

At a minimum, those who eat must understand where their food comes from and how it affects their health. Soft drinks, which are linked to obesity and other diseases, have become a staple in the average American diet and are the number one purchase by SNAP households.\(^49\) Non-SNAP households are not far behind. If we are to make a difference in the battle against obesity, Congress must ensure that the Farm Bill supports the production and distribution of healthy food.

The 2014 Farm Bill made several important adjustments to facilitate healthier eating choices for low-income Americans. Building on progress from the 2008 Farm Bill, new provisions made SNAP benefits redeemable for shares of Community-Supported Agriculture and certain grocery delivery services. It authorized Food Insecurity Nutrition Incentive grants to help households purchase healthy foods. Making SNAP more accessible and expanding these and other programs will help to combat obesity, diabetes, and their associated health costs. It will also ensure that farmers have a strong local market for their crops.

Important program improvements include:

1: **Improve SNAP access for seniors, the disabled, working families, and other recipients**

The value of Supplemental Nutrition Assistance Program (SNAP) benefits are continually eroded by the rising cost of food. Many families must choose between putting food on the table and other important expenses like rent and medical bills. Several modest adjustments to the SNAP program, included within the Closing the Meal Gap Act of 2017, can help address this growing disparity and make SNAP benefits do more for those in need. One option is to permanently authorize the standard medical deduction for seniors and disabled individuals applying for SNAP benefits. Another is to incorporate the Low-Cost Food Plan into the SNAP formula to help adjust the cost of living for SNAP recipients in areas with high rent and other cost pressures. A Food and Farm Bill should also exempt able-bodied adults from SNAP work requirements if enrollment in state SNAP Employment and Training programs is full in order to prevent food insecure families from being penalized for situations beyond their control.
2: Expand existing programs such as the Healthy Food Financing Initiative, Food Insecurity Nutrition Incentives program, and Farmers Market Support Grants to combat food deserts and support local agriculture and small business

Existing programs provide support for projects that increase the availability of fresh food in underserved areas, called food deserts, as well as in farmers markets for SNAP recipients. Whether through the Healthy Food Financing Initiative or the Food Insecurity Nutrition Incentives program, more financial support is needed to help support grocery stores, small retailers, corner stores, and farmers markets expand access to healthy, nutritious food. Congress does not appropriate nearly enough money to adequately fund these programs. The Farm Bill reauthorization should expand these efforts with mandatory funding to help communities increase access to healthy, fresh, and local food.

3: Reduce needless food waste and ensure more resources go to the needy

The United States produces enough food so that everyone, regardless of income or zip code, can be well fed. Yet 40% of that food is wasted. Grocery stores discard food based on purely aesthetic standards, and restaurants and households throw away food that is perfectly good to eat. Our complicated date-labeling system confuses consumers, who end up disposing of food products well before they’ve spoiled.

A Food and Farm Bill should reform the date-labeling system with clear and precise labels. It would ensure that the liability for grocery stores and restaurants that donate excess food is fair and clearly stated in order to provide certainty for food donations. To make sure that discarded food is not totally wasted, a grant program should be created to support municipalities with compost systems.

Reducing this waste creates food that is virtually free. It will save everyone money, from families to supermarkets and restaurants. It just requires better public education and clear rules regarding use of food. For this effort to be successful, someone needs to be in charge. The U.S. Department of Agriculture could be designated as the lead agency in educating consumers on food waste—ensuring that Americans understand when their food actually spoils, how to use different parts of food products, and the importance of composting.

These recommendations grow out of existing programs that are already producing promising results. They can be brought to scale quickly to help low-income Americans stretch their food benefits while broadening the positive impacts of healthy food grown on American farms.
Conclusion

The path forward to a Farm Bill that better meets the needs of those who farm and those who eat is complex, but clear. There’s plenty of common ground. Most farmers and ranchers don’t want big government handouts. Like the rest of us, they want to be able to do their job well, provide for their families, and protect their quality of life. The 98% of Americans who don’t farm or ranch want access to a safe, healthy food supply. We all want accountability for taxpayer dollars and protection for our air, water, and soil. The federal government can provide a safety net that cushions the inevitable insecurity of agricultural production. The most important role, however, should be in creating and funding conservation, research, and nutrition programs that support local agriculture and access to healthy food. Critical to that mission are loans to ensure that farmers – especially small, mid-sized, and beginning farmers – have the access to capital they need. With these smaller, targeted investments, the Food and Farm Bill can provide more support to those who actually grow our food. By ensuring a level playing field and providing taxpayer accountability, we can protect our natural resources, and guarantee a safe healthy food supply for our communities.

Together, Americans can craft a Food and Farm Bill that works for the common good, to grow healthy and affordable food that improves the environment. We can do all this while helping develop urban and rural economies, treating animals humanely, and saving taxpayer money. This is the best chance in a generation to have a Farm Bill that supports our values and our farmers.
Endnotes


6 Id.

7 Id.


9 Schnepf, Randy. “Farm Commodity Provisions in the 2014 Farm Bill (P.L. 113-79),”


14 Id.


16 Krasny, Ros. Stebbins, Christine. “US Farmers set to get huge government payouts despite bumper harvest.”


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32 Id.
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