

October 28, 2011

The Honorable Debbie Stabenow Chairwoman, Committee on Agriculture, Nutrition & Forestry United States Senate Washington, DC 20510

The Honorable Pat Roberts
Ranking Member
Committee on Agriculture, Nutrition & Forestry
United States Senate
Washington, DC 20510

The Honorable Frank Lucas Chair, Committee on Agriculture U.S. House of Representatives Washington, DC 20515

The Honorable Collin Peterson Ranking Member Committee on Agriculture U.S. House of Representatives Washington, DC 20515

Dear Chairwoman Stabenow, Chairman Lucas, and Ranking Members Roberts and Peterson:

As you enter the final weekend and upcoming week in your preparations to make recommendations to the Joint Select Committee on Deficit Reduction, we are writing again to express as succinctly as possible our top line requests.

A great deal of work has gone into developing a new, revised commodity title. We welcome the move away from direct payments, though we have concerns about the shape and size of the replacement product. Most importantly, though, we believe the resulting product must restore the social contract with respect to production subsidies and insurance premiums.

That social contract, written into farm bills over the course of four decades, says that subsidies should be targeted and capped and should be conditional on conservation requirements. Sadly, this social contract is today badly frayed and largely ineffective. The current re-visioning of the commodity and crop insurance titles, however, presents a unique opportunity to embrace and restore the two-fold social contact.

A new safety net must not recreate the current system that subsidizes farm consolidation, the destruction of economic opportunity, and risky environmental behavior. In that light, our support for the bill under development will hinge on whether it:

- includes effective per farm subsidy limitations for all commodity and insurance programs;
- reforms actively engaged in farming law to close the loopholes that today invite massive abuse;
- strengthens conservation compliance requirements;
- re-applies conservation compliance to all insurance programs; and
- contains a strong, nationwide sodsaver provision.

The size of the rumored conservation funding cut, when added to the cuts already made in appropriations, results in a 15 percent reduction, greater than the 10 percent reduction at the rumored level of cuts for commodity and insurance subsidies, and equal to a 40 percent reduction in

the widely supported and touted increase in conservation funding over the course of the last two farm bills combined. In our view, this is already too large and too disproportional a cut, and certainly anything larger would be completely unacceptable.

No less important than funding is policy. Small but important improvements are needed in structure and substance of each conservation title program. Obviously, we cannot detail those in a brief letter, but with respect to the conservation title in general terms, our support for the bill under development will hinge on whether it includes:

- an effective and robust working lands suite of programs, including a continuation and enhancement of the Conservation Stewardship Program;
- an improved and enlarged Cooperative Conservation Partnership Initiative;
- a streamlined set of easement options, including a full Wetlands Reserve Program budget; and
- targeted improvements to existing programs for beginning and socially disadvantaged farmers and ranchers, local food producers, and organic agriculture.

Finally, on a par with the items above, we urge you to renew and expand support for the innovative and job-creating programs that currently receive farm bill direct funding for beginning and minority farmers, direct marketing and local and regional food systems, rural microenterprise and farm value added grants and loans, organic farming, specialty crops, agricultural research, and renewable energy. We cannot support a bill that leaves it out or reduces the scope of this funding. Here too, policy is no less important than funding. We urge you therefore to also adopt the important policy changes contained in the Beginning Farmer and Rancher Opportunity Act and in the Local Farms, Food, and Jobs Act. The future viability of American agriculture and rural prosperity depend on investment in the growth areas of agriculture represented by these newer farm bill programs.

Thank you for your consideration of our views.

Sincerely,

Ferd Hoefner, Policy Director

FerdHacken

cc: House and Senate Agriculture Committee Members