



August 2, 2018

Dear Chairman Roberts, Chairman Conaway, Ranking Member Stabenow and Ranking Member Peterson:

The National Sustainable Agriculture Coalition (NSAC) applauds you for your hard work in moving the farm bill into conference and your dedication to getting a new farm bill signed into law this year. As the conference negotiations get underway, we urge you to expeditiously work through the complex and challenging issues that will arise and to reach agreement on a five-year, comprehensive, bipartisan, and reform-oriented farm bill.

On behalf of our 48 family farm, rural, and conservation member organizations, we urge you to reach agreement on a farm bill that can pass both the House and the Senate, and that expands and unites farm bill constituencies in a manner that advances the public interest. Key ingredients of such an approach include adopting the best available farm program reform ingredients, protecting the Supplemental Nutrition Assistance Program, maintaining and improving the Conservation Stewardship Program (CSP), dropping extraneous non-germane issues, and enhancing policies and investments that advance local food systems, rural development, beginning and socially disadvantaged farmers and ranchers, renewable energy, organic farming, and agricultural research.

In particular, we urge you to:

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

A central issue for conference is whether to take steps to make the current payment limit the real payment limit, or to do the opposite by widening existing loopholes to eviscerate payment limits altogether. On Title I payment limits and actively engaged in farming rules, the final bill should take the Senate approach and adopt its commonsense reform.

We therefore urge you to:

- Adopt the payment limit and actively engaged in farming reforms contained in Title I of the Senate bill, and reject the House bill's new corporate, extended family, and marketing loan gain loopholes;
- Accept the Senate bill's modest reduction in the adjusted gross income (AGI) limitation for Title I programs, and reject the House bill's new AGI loophole;
- Include the Senate bill's improvements to the Sodsaver grasslands protection provision, but expand its reach;

- Include the Senate bill's language to make the Non-insured Disaster Assistance Program (NAP) work better for small and diversified operations as well as beginning and socially disadvantaged producers.

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

As stewards of over forty percent of the landmass in the United States, American farmers and ranchers are important managers of our natural resources. The \$4 billion cut to the Conservation Title enacted by the 2014 Farm Bill had a real and measureable impact on the ability of farmers and ranchers to secure conservation support from USDA. As a starting point, the 2018 farm bill should seek to reverse this damaging policy by restoring this funding. Doing so would facilitate a number of widely supported funding increases for federal conservation programs. On working lands in particular, we support the Senate's approach to retaining and improving both CSP and the Environmental Quality Incentives Program (EQIP), though we urge you to reverse the cuts made to both programs.

We therefore urge you to:

- Increase total funding for the Conservation Title in order to pay for funding increases for the Agricultural Conservation Easement Program (ACEP) and Regional Conservation Partnership Program (RCPP);
- Adopt the Senate bill's continuation of and policy improvements to CSP, including improvements related to coordination, ranking, thresholds, soil health and cover crops, organic agriculture, payments, conservation planning, and beginning and socially disadvantaged farmers and ranchers;
- Adopt the House provision authorizing USDA to measure, evaluate, and report on conservation program outcomes;
- Exempt partial-field, continuous enrollments from rental rate and cost-share reductions within the Conservation Reserve Program (CRP);
- Adopt the House grasslands initiative provisions and the Senate provisions to reserve CRP acreage for continuous enrollments, establish a water quality initiative (CLEAR), make incentive payments counter cyclical, and authorize CRP easements for water quality and wildlife continuous enrollments;
- Adopt the Senate bill's changes to the CRP Transition Incentives Program (TIP), including funding and policy changes to improve outreach, expand eligibility, and strengthen the program;
- Adopt the Senate bill's changes to EQIP related to beginning and socially disadvantaged farmers and ranchers, organic agriculture, coordination, wildlife habitat, and soil health;
- Modify language related to EQIP payments to irrigation districts so as to place a strict cap on payments to non-producers, exclude farmers and ranchers from any waiver of AGI and payment limits, and require non-consumptive use of net water savings;

- Adopt the Senate bill's ACEP and RCPP provisions, but do not create a new grant program within RCPP and do require that any unused RCPP funds be returned to covered programs;
- Adopt the Senate bill's mandatory funding levels for the Rural Energy for America Program; and
- Adopt the Senate bill's crop insurance provisions for good farming practices, conservation data, and conservation-based premium discounts.

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

Agriculture is critical to our nation's economy, yet barriers to both entry and farm viability 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 the success of the next generation of farmers, as well as our country's future food security.

We therefore urge you to:

- Adopt the Senate bill's Farming Opportunities Training and Outreach (FOTO) Program, which consolidates and streamlines the Beginning Farmer and Rancher Development Program and Outreach and Assistance for Socially Disadvantaged and Veteran Farmers and Ranchers program, but add to the \$50 million in permanent mandatory spending per year provided in the Senate bill;
- Adopt the House bill's position (no increase) on the cap for direct operating loans, and the Senate bill's position on the cap for direct farm ownership loans, but index the latter cap to farmland inflation rates;
- Adopt the Senate bill's provision requiring USDA to report annual lending trends for Farm Service Agency (FSA) loans, including progress in meeting target participation rates for both beginning and socially disadvantaged farmers within both guaranteed and direct loans;
- Adopt the House bill's provision modifying the total loan cap for microloans to allow farmers to secure both operating and ownership microloans;
- Adopt the Senate bill's EQIP and CSP provisions related to set-asides and advance payments for beginning and socially disadvantaged farmers and ranchers;
- Adopt the House bill's expansion of beginning farmer crop insurance incentives for whole-farm revenue insurance, the Senate bill's reporting requirement on whether crop insurance is effectively serving underserved producers, and the Senate bill's position retaining the Risk Management Education Program;
- Adopt the Senate bill's provisions addressing heirs property issues for farmers of color, including a new data initiative on farmland, and the Senate Farm Credit provision related to loans to socially disadvantaged farmers and ranchers.

- **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 that the next farm bill fosters policies that create economic opportunities for farmers by opening new local and regional markets, improving processing and distribution infrastructure to better connect farmers with consumers and markets, 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 America.

We therefore urge you to:

- Adopt the Senate bill's provision creating a new Local Agriculture Market Program with at least \$60 million in permanent mandatory spending per year;
- Adopt the Senate bill's funding level for the National Organic Certification Cost Share Program;
- Provide \$5 million per year in mandatory funding for the Rural Microentrepreneur Assistance Program;
- Adopt the House bill's funding levels for the Food Insecurity Nutrition Incentives Program;
- Adopt the Senate bill's provision creating a Harvesting Health Produce Prescription Pilot Program to demonstrate and evaluate the impact of produce prescription programs;
- Adopt the House bill's funding level of \$9 million per year for the Community Food Projects program;
- Adopt the Senate bill's language aiming to improve access to crop insurance for diversified operations and farmers producing food for local markets;
- Adopt the Senate bill's language directing USDA to allow non-profits that are running multiple farmers markets to utilize a single electronic benefit technology machine for all markets;
- Adopt the Senate bill's language directing USDA to appoint a Senate-confirmed Under Secretary for Rural Development.

- **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 national research agenda 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 breeding efforts will foster the innovations that farmers and food businesses need to be successful.

We therefore urge you to:

- Adopt the Senate bill's funding level for the Organic Agriculture Research and Extension Initiative;
- Adopt the House bill's language establishing new priorities related to farm transition, beginning farmers and ranchers, and soil health for the Agriculture and Food Research Initiative;
- Adopt the Senate bill's improvements to staffing for the Office of the Chief Scientist, but also create a Strategic Investment Fund to provide the Office with a modest, but immediate research budget;
- Adopt the Senate bill's provision eliminating the universal match requirement for competitive research grant programs;
- Adopt the Senate bill's language requiring the National Genetics Resource Advisory Board to establish and report on targets for public cultivar development, and gaps and priorities for future plant breeding research; and the Senate provision to conduct a national strategic germplasm collection assessment;
- Adopt the House bill's funding authorization level for the Food Safety Outreach Program.

In our view, the final farm bill must protect CSP, include real and defensible limitations and eligibility rules for commodity title subsidies, and substantially increase mandatory funding for programs that advance local food systems, rural development, beginning and socially disadvantaged farmers and ranchers, and organic agricultural research. NSAC would oppose a farm bill that does not meet these tests.

In addition to the issues addressed above, we urge you to reject non-germane riders in the final bill, including those dealing with the Federal Insecticide, Fungicide, and Rodenticide Act, Pesticide Registration Improvement Act, Endangered Species Act, Clean Water Act, and Commerce Clause. Not only are each of these policies wrong on their merits, but they also fall outside of farm bill jurisdiction and threaten 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,



Greg Fogel
Policy Director

Cc: Members of the Farm Bill Conference Committee