



October 5, 2011

Dear Senate Agriculture Committee Member:

As you prepare to make recommendations to the Joint Select Committee on Deficit Reduction next week, we are writing to share our farm bill budget recommendations with you. Also attached please find a copy of our complete recommendations, which we sent to you previously with a copy of our September 20 letter to the Select Committee.

As we said to the Select Committee, in our view, the prospect of achieving a measure of deficit reduction from the farm bill is not incompatible with writing a better bill and achieving long overdue policy reform, provided some very important principles are followed.

First, if cuts are to be made they need to be smart cuts, ones that will bring farm bill provisions in line with widely shared, publicly supported policy goals.

Second, any farm bill cuts should be made in rough alignment with their overall contribution to total mandatory spending. Disproportional cuts will also not help the policy reform effort.

Third, in weighing different options, the totality of food, agriculture and rural spending, on both the mandatory and discretionary side, and their respective trend lines and interactions, need to be considered, rather than one in isolation from the other.

More specifically, in putting together your recommendations to the Select Committee, we urge you to:

- Recognize that the appropriations process has already cut over \$2 billion in farm bill mandatory conservation spending since passage of the 2008 Farm Bill. In other words, the conservation budget has already contributed significantly to deficit reduction, uniquely among the primary spending titles of the farm bill. Conservation should not be asked to contribute even more. Agro-environmental pressures and problems are mounting. Farmer and rancher demand for conservation dollars exceeds supply by multiple factors for most programs. In the face of renewed severe erosion, climate change pressures, water depletion, and mounting energy prices, we need a bigger, not smaller investment in farm conservation to protect the land that is our long-term food security. We realize that is not possible at this point in time, but we would urge you to at least do no further harm.
- Provide ongoing and long-term support for wetland restoration easements and grassland protection easements by creating a permanent baseline for these programs. In our view, this can be accomplished by capturing a percentage of the savings generated through the consolidation of Title I programs and through adjustments to the CRP that reflect market considerations while minimizing the loss of environmental benefits.
- Renew and expand support for the new, innovative and critical programs that received farm bill direct funding for the first time in the current farm bill cycle, including beginning and minority farmers, direct marketing, rural microenterprise and farm value added grants and loans, organic farming, specialty crops, and renewable energy.

- Take steps to stimulate rural job creation and begin to reverse the trend line for USDA rural economic and community development funding that currently puts it on a glide path to total extinction within twenty years.
- Make reductions to commodity and crop insurance programs in a manner that is fair and that supports increased economic opportunity in farming and that caps subsidies to the largest operations. We urge you to make all funding recommendations relative to farm programs with an eye toward the future and a concern for the next generations of American farmers and ranchers.

We have long supported the elimination of direct payments and continue to do so. Payments made automatically, without reference to price and yield, are the antithesis of the safety net concept. We believe it is critical that the savings from such an action be divided between deficit reduction, a new improved and more targeted and rational safety net, and much needed investments in beginning farmer development, rural development, renewable energy, agricultural research, organic farming, and new market and food system infrastructure development. This three-way division is entirely practical and achievable, but will require thoughtful preparation of comprehensive budget recommendations.

It will not work to simply do away with misguided direct payments without careful consideration of a new, more targeted and less costly safety net. However, the new safety net cannot simply recreate the current system that subsidizes farm consolidation and the destruction of economic opportunity. On both the commodity program side and the crop insurance side, any new or continuing benefits should be targeted and capped. Subsidies should no longer be available no matter how large a farm grows or how many other farms it consolidates in the process. Real caps are needed on both sides of the safety net ledger and the loopholes that have been written into the law that allow unlimited and abusive subsidies need to be closed once and for all.

The new safety net program also needs to end the current practice of providing subsidies for the destruction of prime grasslands and the important ecological values and ranching opportunities they represent. All continuing commodity and crop insurance taxpayer support should also require adoption of basic conservation plans by the recipient as part of the social contract. Subsidizing natural resource depletion is a bad deal for the taxpayer and is unfair to the majority of farmers who are already doing the right thing. This is another instance in which deficit reduction can be achieved in a manner that supports rather than detracts from public values.

Please refer to the attached document -- the budget chapter of our forthcoming farm bill platform -- for more detailed information. Thank you for your consideration of our views.

Sincerely,



Ferd Hoefner, Policy Director

cc: House and Senate Agriculture Committee Members

National Sustainable Agriculture Coalition represented member organizations:

Agriculture and Land Based Training Association - Salinas, CA
Alternative Energy Resources Organization - Helena, MT
California Certified Organic Farmers - Santa Cruz, CA
California FarmLink - Sebastapol, CA
C.A.S.A. del Llano (Communities Assuring a Sustainable Agriculture) - Hereford, TX
Center for Rural Affairs - Lyons, NE
Clagett Farm/Chesapeake Bay Foundation - Upper Marlboro, MD
Community Alliance with Family Farmers - Davis, CA
Dakota Rural Action - Brookings, SD
Delta Land and Community, Inc. - Almyra, AR
Ecological Farming Association - Watsonville, CA
Fay-Penn Economic Development Council - Uniontown, PA
Flats Mentor Farm - Lancaster, MA
Florida Organic Growers - Gainesville, FL
Food Animal Concerns Trust - Chicago, IL
Grassworks - Wausau, WI
Illinois Stewardship Alliance - Springfield, IL
Institute for Agriculture and Trade Policy - Minneapolis, MN
Iowa Natural Heritage Foundation - Des Moines, IA
Island Grown Initiative - Vineyard Haven, MA
Izaak Walton League of America - St. Paul, MN
Kansas Rural Center - Whiting, KS
Kerr Center for Sustainable Agriculture - Poteau, OK
Land Stewardship Project - Minneapolis, MN
Michael Fields Agricultural Institute - East Troy, WI
Michigan Integrated Food and Farming System - East Lansing, MI
Michigan Organic Food and Farm Alliance - Lansing, MI
Midwest Organic and Sustainable Education Service - Spring Valley, WI
National Catholic Rural Life Conference - Des Moines, IA
National Center for Appropriate Technology - Butte, MT, Fayetteville, AR, Davis, CA
Nebraska Sustainable Agriculture Society - Ceresco, NE
Northeast Organic Dairy Producers Alliance - Deerfield, MA
Northern Plains Sustainable Agriculture Society - Fullerton, ND
Northwest Center for Alternatives to Pesticides - Eugene, OR
Ohio Ecological Food and Farm Association - Columbus, OH
Organic Farming Research Foundation - Santa Cruz, CA
Rural Advancement Foundation International, USA - Pittsboro, NC
Union of Concerned Scientists Food & Environment Program - Washington, DC
Virginia Association for Biological Farming - Lexington, VA
Wild Farm Alliance - Watsonville, CA