

RMFU 2023 Food and Farm Bill Priorities

The following is Rocky Mountain Farmers Union's (RMFU) framework towards building a strong 2023 Food and Farm Bill. These policy recommendations are built upon the foundation of our memberestablished policy and has been informed by the experience of our members. We believe this is a sound platform that can lead to a more resilient food system that benefits everyone involved in the value chain.

Increased baseline funding for the Food and Farm Bill is of utmost importance if we are to broaden our safety net, foster more resilience against the effects of climate change and build a more fair, competitive food system. In addition to increased baseline funding, we must rethink the way that overall eligibility for many of these programs is determined to further goals without adding costs or opting to increase funding for a new or current program at the expense of another.

Being that the Farm Bill usually covers a period of five years, we should think holistically about other legislation that can bolster Farm Bill funding to achieve the necessary changes that must occur to fix the many systemic problems that exist in the value chain. *Thus, some of these recommendations may extend beyond the normal extent of the Farm Bill.* However, the Farm Bill is a legislative mechanism, and we feel that it is appropriate to explore areas for future inclusion.

List of priorities:

Maintain an effective, holistic safety net in concert with robust conservation programming.

Disaster programs, crop insurance and commodity programs should correlate to provide an overall safety net that is consistent and that complements the goal of improving, short and long-term family farm and ranch economic sustainability. This acute and prolonged natural disaster response should also mitigate potential fraud. Expanding allowable commodity crops in Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) and creating broader access to Whole Farm Revenue Protection and the Non-Insured Crop Disaster Assistance Program as well as expanding coverage for perennial production will provide important production options to farmers and contribute to an effective system that builds proactive resilience to climate and market uncertainty. Lasting impacts from drought should be recognized as a natural disaster. RMFU supports equitably capping payments and reevaluating eligibility in these programs to prioritize family-scale agriculture as well as creating safeguards for ecologically appropriate production. These reforms could aid in lowering the funding requirements for both the Commodities and Crop Insurance Titles.

We support the permanently authorized programs in Title 1 (Commodities) including the Livestock Indemnity Program (LIP), Livestock Forage Disaster Program (LFP), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP), and the Tree Assistance Program (TAP). However, we would like to see LFP and ELAP adjusted to encourage stronger stewardship of our shared public lands and further protect ranchers who operate leased acreage on federal and state grazing allotments. In addition, creating more flexibility for ranchers to adjust stocking rates without tax penalties as well as market support programs for restocking are important. Federal grazing allotments should also allow for managed flexibility for temporarily incorporating an additional cattle brand to allow for rebuilding a herd or for a next generation rancher to gain equity while building their own herd.

Title 2 (Conservation) is a high priority area in this Farm Bill as the window of opportunity is quickly closing for agriculture to adequately mitigate the harmful effects of human-caused climate disruption. The conservation programs that were funded in the recent passage of the Inflation Reduction Act are a vital part in the intersection of agriculture and climate. However, there is still great need to evaluate Farm Bill programs in Title 2 to ensure that there is a holistic campaign to modernize agriculture and bring it into a climate-smart future through voluntary, incentive-based measures. This evaluation should be done thoughtfully to actualize effective conservation policy while limiting any negative impact to baseline funding that could harm other important aspects (and stakeholders) of the Farm Bill. In addition, Conservation Technical Assistance is a vital resource of NRCS, and we ask that this is prioritized in the next Farm Bill.

Conservation programming must consider the diversity of agriculture and weather patterns in the *entire* nation. Western landscapes, based on the scale of acres managed, have amazing potential to improve the water cycle and mitigate climate change. Increasing soil health and incentivizing practices that fight aridification and desertification thereby creating more water holding capacity is critical towards combating the negative effects caused by evaporation and evapotranspiration. Conveniently, these are the same practices that lead to carbon sequestration and other ecosystem benefits.

Conservation Reserve Program (CRP)

While we support CRP and feel that it is a valuable tool in protecting highly erodible soils, managing supply, supporting sensitive species and habitat, sequestering greenhouse gases, developing water holding capacity in soil aggregate structure and maintaining water or air quality, we believe that there are unintended consequences with the broadness of the program such as a disparity in rates, impacts to land values, reenrollment eligibility and a reduction of access to land for next generation.

It is necessary to more effectively allocate funds to meet desired outcomes regionally. We support flexibility in CRP that prioritizes local environmental conditions as determined by the local FSA Committee, NRCS Office and/or Conservation District. A study to evaluate adjusting the rate floor and the county cap of 25% as well as possible payments to local governments (similar to PILT) would be valuable.

- An increased effort to preserve and protect more fragile farmland, and to restore the health of native grasslands through best management practices that utilize CRP lands in rotational grazing systems and managed haying thereby minimizing fire hazard should be supported. This should mirror GRP but be allowed for producers who wish to keep their original CRP contracts and not change to Grassland 30.
- Expansion of CRP acres should be prioritized through an enhanced environmental benefit index and the index should be revisited to ensure that CRP benefits are spread equitably across regions.
- Explore the idea of a Water Conservation Reserve Program whereby producers commit to partial reductions of water use over the length of a contract. Seasonal

precipitation levels should also factor in the level of required curtailment year-toyear.

Conservation Reserve Program Transfer Incentive Program (CRP-TIP)

We support CRP-TIP and ask for an analysis of ways to make this program a more effective incentive for succession/transition of an ag business including using this model with other USDA programs.

Conservation Reserve Enhancement Program (CREP)

We support expanding CREP regions. There are opportunities to create unique conservation goals per region and cater programming to meet them. Allowing public input and a public process for setting goals could create buy-in for conservation opportunities within communities. Pass the CREP Improvement Act of 2023 (S.1224) that will:

- Evaluate circumstances when to allow dryland and continuous cropping systems.
- Increase fairness in payments, include a permanent retirement of a water right to be eligible for the full irrigated payment rate and make them retroactive.
- Waive the \$50,000 annual payment limitation.

Environmental Quality Incentive Program (EQIP)

This is a very popular and favored program and is over-subscribed. We are happy to see increased funding for specific components of EQIP coming from the Inflation Reduction Act and ask for all of EQIP to receive adequate funding.

- We ask for more flexibility for perennial production.
- Add additional options for infrastructure for reducing conflicts with wildlife as eligible within EQIP.

Conservation Innovation Grants (CIG)

We ask for increased funding because these grants are effective vehicles for regionallybased solutions.

We support using a portion of CIG funding for state block grants for soil health and GHG reduction programs.

We support regional composting programming being included as a priority in CIG funding.

Conservation Stewardship Program (CSP)

We are happy to see that parts of CSP funding were included in the Inflation Reduction Act and ask that CSP be prioritized in the Farm Bill. This is also a very popular program that can be tailored to opportunities at individual operations.

Grazing Lands Conservation Initiative (GLCI)

We support robustly funding the Grazing Lands Conservation Initiative. There is a valuable opportunity to build partnerships and learn from best practices to improve range management and pasture-based livestock systems. This initiative should provide competitive grants or cooperative agreements for locally led efforts to provide technical assistance to help maintain and improve the management, productivity, and health of our nation's grazing lands.

We support the creation of a new Grasslands 30 program as outlined in the Ag Resilience Act through which grasslands at risk of conversion to cropping (or development) could receive annual payments. These should, however, have a mechanism that encourages long-term protection. Grazing and hay production are essential to the long-term health of these landscapes and these practices should be allowed in lands enrolled in this program. This could easily be incorporated into the Grazing Lands Conservation Initiative.

We support innovative pasture-based practices like managed-intensive grazing and virtual fencing. Investment in pasture-based systems will not only yield positive ecological benefits, but it could also diversify our meat supply and balance blending requirements for meat packers.

Agriculture Conservation Easement Program Agricultural Land Easements (ACEP-ALE)

We are very happy to see ACEP funding included in the Inflation Reduction Act and see a number of ways to streamline the process of enacting a conservation easement.

As farm and ranchland values increase, development becomes a more attractive alternative to conservation. In order to attract the highest priority projects for conservation, NRCS should allow state offices to determine a level of funding above 50% (up to 80%) of conservation easement value for properties that reflect the state's priorities. This increased payment relative to appraised conservation easement value could also be applied to historically underserved landowners to further incentivize participation by socially disadvantaged producers, veteran producers and beginning and limited resource farmers and ranchers.

This program is essential to accomplishing the administration's 30x30 goals. However, time is of the essence and program eligibility must be expedited and timely for hearty participation.

- Modifications especially amendments must be allowable for this program to succeed. As our climate changes and agriculture adapts, easement holders must be able to evaluate circumstances and allow for amendments that are neutral or positive for the conservation purposes of the easement.
- Increase cost-share and transaction costs: 65% for ALE and 80% for GSS.
- Improve the process for entities to become certified: automatic for land trusts that are accredited through the Land Trust Alliance and have completed at least 5 projects.

 Buy Protect Sell – allow government entities to be interim landowners. Water rights have become so expensive in the arid West that often only government entities have access to the scale of capital relative to the need. Allowing governmental entities (whether local governments or water management entities) to enter into an agreement to purchase land and water rights, conserve them with eligible entities, and then resell them to farmers and ranchers will be critical to address the pace and scale of conversion of critical irrigation water that will cripple the West's most productive agriculture.

Regional Conservation Partnership Program (RCPP)

We ask that funding from the Inflation Reduction Act be used to diversify eligibility and encourage a more regional approach to develop conservation practices and that the Farm Bill support these changes. This is a great program that makes federal dollars go further because of the state and private matches that occur with it. However, standards and rules between NRCS, FSA and the IRS often conflict, and staffing levels are a barrier to expedited project completion. The 10% take that NRCS automatically receives off the top of any award is also problematic.

- Recognize certified entities and allow for deed flexibility and streamlined review process or vest agency with all authorities that reside in the programs of origin (Certified Entity is one example within ACEP) make sure this is retroactive.
- Increase cost-share consistent with ACEP easement cost-share, increase transaction costs. If cost-share can't at least match ACEP, there is zero benefit to using RCPP over ACEP, given that ACEP has no required matching funds and simpler administration than RCPP.

Another great opportunity to build resilience is to maintain mandatory and permanent funding for the Rural Energy for America Program (REAP) from Title 9, the energy title. This program not only takes advantage of clean energy opportunities, but it also creates additional enterprises for producers and can cut down on their operating expenses. Further, we support the REAP Improvement Act of 2021 and would like to see those changes incorporated into this Farm Bill.

The foundation to much of this programming, and to effective utilization that will lead to accomplishing climate and conservation goals, is based on sound research that needs to be robustly funded, particularly for resilience to extreme weather, natural disasters and drought.

We call for increased funding to the USDA Regional Climate Hubs and for them to be permanently included in Title 7. These are excellent examples of regionally based conservation strategies and locally developed practices that documents a baseline for the industry -sector by sector. They allow for the creation of scientifically based practices per region, per sector of industry and per production method to avoid an over-reliance on the quantification of outcomes which often makes adoption less cost-effective. We ask for a strong investment in USDA's Western Water and Working Lands Framework for Conservation Action. Originally released in early 2023, this plan addressed water resource management challenges and strategies to address drought but lacked any dedicated funds. We recommend significant financial and technical assistance to support the framework. Multi-benefit projects should be prioritized, and funding should be directed to drought in the West including research and programming to create proactive resilience and drought contingency planning.

Utilize Title 4 (Nutrition) funding to strengthen local food systems and evaluate if current policies are leading to further consolidation in the marketplace.

Understanding the social value of nutrition programs and the fact that this title will likely account for over 80% of the Farm Bill, we ask for an evaluation of ways to maximize these funds to not only assist people experiencing hunger but to support the procurement of local food and the creation of expanded markets for family farmers and ranchers.

We call for the creation of a National Food Pantry and Institution Assistance Grant Program that would provide technical assistance and funds to purchase local products direct from producers for use by food banks, pantries, schools and other institutions. Local economies would benefit from this program, and it would provide additional market opportunities for farmers and ranchers. Flexibility is also required for participating schools to increase direct purchases from producers and reform is important to ensure that companies cannot unduly influence school purchases by contract manipulation. Additionally, food pantries and schools require funds to expand critical infrastructure and build capacity including training of food service employees. This program could complement the National School Lunch Program and Gus Schumacher Nutrition Incentive Program (GusNIP).

We support GusNIP, otherwise known as, Double Up Food Bucks as well as Women, Infants and Children (WIC) and the Senior Farmers Market Incentive program and call for an investigation into the unintended consequences of competitive bidding and how WIC and other government contracts can influence the market and contribute to concentration and lack of competition. Other valuable reforms would entail increasing geographic preference and a reduction of match requirements for these and other nutrition programs to develop markets for fresh fruits, vegetables, meat and dairy.

Diversify the value chain within the food system.

We see both Title 6 (Rural Development) and Title 10 (Horticulture) as important avenues for accomplishing this goal.

The Rural Cooperative Development Grant (RCDG) continues to play a key role is developing viable businesses and partnerships across many underserved communities in our nation. Although the 2018 Farm Bill reauthorized RCDG at \$40 million for each year through 2023, appropriated funding levels for this program have been a fraction of that and stagnant for over ten years. We ask for mandatory funding to meet increased demand and that awards are prioritized to eligible entities who primarily create and sustain cooperatives.

The Local Ag Market Program (LAMP) which includes the (Value Added Producer Grant (VAPG), Farmers Market and Local Food Promotion Program (FMLFPP) and the Regional Food Systems Partnership Program (RFSP) is essential to launching new enterprises and building appropriate redundancy in the food value chain. We call for adequate funding and policy incentives for LAMP with the purpose of increased access and market development for regional food supply. This should also include planning and technical assistance to incorporate state economic development programs, other Rural Development programs as well as resources offered by the Small Business Administration.

We call for increased funding for Specialty Crop Block Grants as they continue to be a flexible, locally led approach. This funding should be allocated in an equitable manner to increase appropriate specialty crop production.

Broaden eligibility and participation for all involved in agriculture ensuring equitable, culturally relevant access to all USDA programing while expanding the capacity of local offices.

We call for the creation of a new program, similar to the Fair Food Program, that distinguishes all agricultural end products that meet fair pricing and quality of work standards through the use of a label, which would allow consumers to buy with confidence while rewarding better agricultural practices and working conditions. We ask USDA to create transparency and market-based incentives for this program. Incentives could include ranking higher for program payments or qualifying for lower cost-share requirements for farms/ranches that are in good standing within the program. Programs like these could allow workers to gain more market share to increase wages, create accountability of employers for fair standards and to respond to grievances, and get buy-in from food product end users to ensure that goods are not purchased at below production and labor rates. This worker-driven and values-based program should be certifiable with reliable monitoring, market-rewarded and market-enforced.

Farm Ranch Stress Assistance Network (FRSAN)

We ask for FRSAN (from Title 7) to receive an increase in funding and for it to be mandatory and permanent for a balance of funding pools between the four established regions, state block grants and individual applications. Direct services are also essential and tele-health is an important avenue for delivering these services.

RMFU asks for USDA to continue to work towards reducing barriers for participation by historically underserved, underrepresented populations. Significant paperwork to determine program eligibility and the occasional need to work with two or three different government agencies (Farm Service Agency, Natural Resources Conservation Service and the Internal Revenue Service) can be a challenge in order to become considered eligible many of the programs that we support in the Farm Bill. Historically underserved and lower income farmers and ranchers may not have access to service providers to help them navigate forms with multiple family members or entities and longstanding farm and ranch families of color may have had previous discriminatory encounters with these agencies, making it difficult or uncomfortable to come into an office and work with these agencies. In addition, these offices may be located a significant distance from their home, providing a personal and financial cost to participation, especially to update forms as they change or to keep their eligibility as the process often stretches across multiple agency fiscal years.

Native American/Indigenous producers have distinct structural challenges in accessing land, capital, water, agricultural programs, and services. We encourage a review of current and future federal agricultural policies and programs to ensure that equal access is provided and these programs serve all producers.

The USDA definitions of Socially Disadvantaged, Historically Underserved, Beginning Farmers and Ranchers, Women Farmers and Ranchers, Limited Resource Household and Veteran Farmers and Ranchers are often conflated, confusing and inconsistent. RMFU appreciates the recent strides that USDA has taken to create more equitable programming and asks for more consistency throughout program eligibility and outreach to these individuals and communities. Further, we ask for a publicly available accountability score to be determined annually for the agency, and the programs that USDA offers, to improve equitable access.

These reforms can only succeed if local FSA/NRCS/USFS/BLM offices are effective and fully staffed.

- Make the pay scale for local FSA/NRCS employees more competitive.
- Evaluate other incentives and benefits in addition to adjusting salaries to attract and retain a stable workforce such as housing assistance, childcare assistance, student loan forgiveness, bonuses, etc.
- Invest in the talent pipeline to create additional career pathways either through higher education and/or certificate programs.
- Staff administering federal farm programs should be fully informed and trained on streamlined application and award processes before enrollment periods begin.
- Streamline the application, reporting, and certification processes for federal grants and programs, and make those processes consistent in all state offices.
- Increase and modernize outreach and program participation by utilizing multiple technologies and languages to meet the needs of all farmers and ranchers.
- Improve the process and increase public/private partnerships for technical assistance delivery.
- Empower County Committees to shape regional programming while ensuring equity in access to programs and safeguarding against past discrimination.
- Include in federal contracting language the means to adjust contract amounts in response to inflationary pressures (e.g. Economic Price Adjustment clauses to be applied), to protect both family farmers and the federal government against the uncertainty of inflation and volatile market conditions.

Create a new title in the Farm Bill entitled: Fair and Competitive Market Protections.

This title should include programs that ensure market transparency and have a focus on concentration and antitrust solutions to create a level playing field for producers and ag workers and lead to supply chain resiliency. RMFU supports a dedicated competition title in the Farm Bill.

We ask for the following:

- Enact the Cattle Price Discovery and Transparency Act of 2023 (S.228).
- Establish an Office of the Special Investigator for Competition Matters by adopting the Meat and Poultry Special Investigator Act (S.346).
- Increase enforcement and strengthen Packers and Stockyards Act rules, including addressing retaliation by packers against growers.
 - Strengthen section 202 to override the precedent set by the courts when interpreting competitive injury (having to prove violations to antitrust laws) so that when there are oligopsony conditions, one simply must prove that the actions of

one player, directly impacts its competitors as well as other contributors to the market.

- Harsher penalties and restricting the ability for violators to pay a meager fine and shirk responsibility without accepting guilt.
- Expand regional processing by passing the Strengthening Local Processing Act of 2023 (S.354).
- Reinstate mandatory country-of-origin labeling (COOL) that is compliant with World Trade Organization standards through the American Beef Labeling Act of 2023 (S.52).
- Create clear standards for 'Product of USA' label that are not misleading to the consumer and reflect the animal was born, raised, slaughtered and processed in the United States.
- Improve the Livestock Mandatory Reporting Act (LMR) to ensure consistent and complete data availability.
- Support local and regional food systems that increase competition and resilience.
 - Continue funding for the expansion of processing and value-add business including technical assistance.
 - Develop a National Food Pantry and Institution Assistance Grant Program.
 - Support local procurement, technical assistance for both buyers and sellers to better engage with each other, workforce development for scratch cooking and infrastructure investment.
- Ensure that farmers have the right to repair their equipment.
- Reform checkoff programs to be producer-controlled and regularly reviewed by adopting the Opportunities for Fairness for Farming Act of 2023 (S.557).
- Assess and block any significant proposed mergers within the value chain that would further contribute to increased consolidation.
- Evaluate competitive bidding processes within Farm Bill programs to ensure that government contracts do not lead to concentration and lack of competition.

If you have any questions or would like to further discuss RMFU's position, please contact Director of Rocky Mountain Farmers Union, Dan Waldvogle at <u>Daniel.waldvogle@rmfu.org</u>.