



## National Family Farm Coalition

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September 5, 2018

The Honorable Michael Conaway  
Chairman  
Committee on Agriculture  
US House of Representatives  
Washington, DC 20515

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

The Honorable Pat Roberts  
Chairman  
Senate Committee on Agriculture,  
Nutrition, and Forestry  
US Senate  
Washington, DC 20510

The Honorable Debbie Stabenow  
Ranking Member  
Senate Committee on Agriculture,  
Nutrition, and Forestry  
US Senate  
Washington, DC 20510

Dear Farm Bill Conferees,

National Family Farm Coalition (NFFC), representing 70,000 family farmers and ranchers around the nation, thanks you for your work on the 2018 Farm Bill. As you know, the farm economy is in dire straits: net farm incomes have fallen more than fifty percent in past five years; 175 acres of farmland is lost every hour; and farmer crisis hotlines are overwhelmed with calls, including from farmers at risk of suicide. The problems in rural America are serious and they disproportionately impact family farmers.

Arriving amid the worst crisis in farm country in 30 years, the 2018 Farm Bill provides an opportunity to revitalize the rural economy. There are several important provisions included in the Senate draft of the bill that will do just that, and we strongly encourage you to include them in the final conference report. These six measures, which are relatively small in financial outlay and administrative costs but will deliver significant returns, were recommended by NFFC members, staff, and partner grassroots organizations, and thus directly address the needs of family farmers.

- **Section 5304: Equitable Relief**  
Provides relief for farmers who receive a US Department of Agriculture (USDA) loan in good faith yet are unknowingly not in complete compliance with federal law. Instead of immediately repaying the loan, the farmer may retain the loan for its original period or receive appropriate equitable relief.
- **Section 5306: Emergency Loan Eligibility**  
Farmers who have previously restructured or received a write-down on a USDA loan are currently barred from receiving an emergency USDA loan following a natural disaster. This critical section would remove this restriction, offering all farmers impacted by extreme weather events and other natural disasters the opportunity to rebuild, regardless of previous loan history.

- **Section 1413: Milk Donation Program**  
In an [April 23 letter](#) to Congressional agricultural leadership and USDA regarding today's dairy crisis, NFFC proposed establishment of a milk purchasing program using Section 32 funds. We are pleased that USDA did just that last month. This complementary donation program will provide nutritious dairy products to food banks while paying farmers a fair price for their milk. To have maximum impact, we recommend it be funded at \$20 million annually.
- **Section 12301: Farming Opportunities for Historically Underserved Producers**  
Strengthens programs designed to help beginning and historically disadvantaged farmers and ranchers by creating permanent baseline funding for hands-on technical support, education, and training programs.
- **Sections 12623-12625: Heirs Property Rights**  
Just four-tenths of one percent of US farmland is owned by African-Americans. Over 40 percent of that is estimated to be in heirs property arrangements, which often offer tenuous ownership and inheritance rights. Recognizing and expanding heirs property rights will allow these owners to access USDA loans as well as technical and programmatic assistance. This provision will also allow for data collection on unresolved land tenure issues.
- **Section 5101-03: Farm Loan Limits**  
We support the Senate's increase of direct farm ownership loans to \$600,000, although limits should be indexed to regional land values. We urge limits on guaranteed loans to remain under the \$1.75 million cap in both House and Senate bills. Finally, we support maintaining the current limits on direct operating loans as is in the House bill.

More broadly, the long history of linking farm and nutrition programs in the farm bill strengthens both rural and urban communities and must be maintained. We appreciate the continued support of the Supplemental Nutrition Assistance Program (SNAP) in the Senate bill, and since most SNAP recipients are already working, we urge you to reject the punitive work requirements proposed by the House.

We also urge you to:

- Protect the funding, structure, and long-term integrity of the conservation title, including the Conservation Reserve Program;
- Invest in rural development and re-establish the post of Undersecretary for Rural Development;
- Support the Local Agriculture Market Program in the Senate bill (Section 10102), which consolidates several local food systems programs and establishes permanent baseline funding;
- Maintain funding for the tremendously impactful Community Food Projects Competitive Grants Program at \$9 million annually, per the House version;
- Reject Representative King's amendment in the House bill (HR 4879), which would prevent state and local governments from regulating the production or manufacturing of agricultural products, representing an alarming attack on local jurisdictions and states' rights.

However, while each of these provisions is essential, neither version of the farm bill goes nearly far enough to truly improve the lives and livelihoods of family farmers and rural communities. Farm policy should support US family farmers and ranchers while providing an ample, safe, healthy, and affordable food supply for all and conserving land, water, and biodiversity. Instead, decades of misguided farm bills have driven farmers out of business by the hundreds of thousands; shrunk farmer prices and worker wages while profiting multinational corporations; devastated rural economies at home and abroad, restricted aid for the neediest; contributed to climate change and high obesity rates; and left a bleak future for the nation's producers of food and fiber. On balance, the 2018 Farm Bill promises more of the same.

The premise of this farm bill, like those of the past two decades, is to endlessly expand production, force foreign export markets to absorb the oversupply, and rely on insufficient subsidies and insurance programs to buffer farmers from the resulting low prices. The nation's family farmers instead need a price that returns their cost of production; a farmer-owned grain reserve; strong conservation programs; equitable credit access and oversight; and access to fair and open markets. To deliver this security to farmers and consumers alike, NFFC has long advocated establishment of a common-sense commodity supply management program, as described in our [Food from Family Farms Act](#). We recommend the adoption of these measures in the 2018 Farm Bill.

Additionally, the following specific provisions should also be added to the final conference report:

- *An immediate floor price of \$20/cwt for milk used to manufacture dairy products.*  
A floor price will, along with Federal Milk Marketing Order differentials, guarantee farmers the \$22/cwt cost of production. Farmer prices are currently at \$15/cwt or less; as a result of crushingly low prices, dairy farmers are facing a crisis across the country. Nearly 400 dairy farms have closed since January in Wisconsin alone, with similar situations in other dairy states.
- *A Congressional mandate for hearings on the milk pricing formula and the dairy crisis.*  
Hearings must focus on the impact of the current pricing system on family farmers, the monopsony power of dairy processors and manufacturers, and new approaches to dairy policy in partnership with family dairy farmers.
- *An immediate moratorium on Environmental Quality Incentives Program (EQIP) funding and direct and guaranteed loans for concentrated animal feeding operations (CAFOs).*  
Designed to provide cost-share and incentive payments to farmers to address natural resource concerns on their farms, EQIP has been used by hundreds of thousands of farmers to make environmental improvements. However, much EQIP funding currently goes to new or expanding CAFOs. To address this conflict with the program's purpose, EQIP contracts should be capped at \$150,000 and prohibited for all new and expanding CAFOs.
- *Reform of the commodity research and promotion (checkoff) programs.*  
Farmers are assessed mandatory fees on their goods, which are intended to be used for research and promotion of those goods. However, there is little oversight of how these monies are used or the commodity boards who spend them, and too often they work against the interests of the family farmers who fund them. These boards must be prevented from engaging in conflicts of interest.

- *Support of meat processing reform through the PRIME Act.*  
Many small livestock farmers currently lack access to processing facilities, limiting both their ability to market their product and consumer access to locally-raised meats. This measure would address this limitation by allowing states to set health and safety standards for the sale of custom-processed meat within their borders.

Family farms are the basis of America’s long agricultural heritage and are essential to the economic sustainability of rural communities. Moreover, their growth and vitality is recognized by law. 7 USC Section 2266 (a) states: “Congress believes that the maintenance of the family farm system of agriculture is essential to the social well-being of the Nation and the competitive production of adequate supplies of food and fiber. Congress further believes that any significant expansion of nonfamily owned large-scale corporate farming enterprises will be detrimental to the national welfare...[and]... no such program be administered in a manner that will place the family farm operation at an unfair economic disadvantage.”

We urge the Conference Committee to produce a farm bill that protects and supports family farms and rural communities, for the long-term health, security, and prosperity of the nation.

Thank you for your review and consideration.

Sincerely,

Lisa Griffith  
National Program Coordinator  
National Family Farm Coalition

Jim Goodman  
President, Board of Directors  
National Family Farm Coalition

Cc: Members of the farm bill conference committee:

Sen. Patrick Leahy	Sen. Sherrod Brown	Sen. Heidi Heitkamp
Sen. Mitch McConnell	Sen. John Boozman	Sen. John Hoeven
Sen. Joni Ernst	Rep. Glenn Thompson	Rep. Bob Goodlatte
Rep. Frank Lucas	Rep. Mike Rogers	Rep. Austin Scott
Rep. Rick Crawford	Rep. Vicky Hartzler	Rep. Rodney Davis
Rep. Ted Yoho	Rep. David Rouzer	Rep. Roger Marshall
Rep. Jodey Arrington	Rep. Virginia Foxx	Rep. Rick Allen
Rep. John Shimkus	Rep. Kevin Cramer	Rep. Jeb Hensarling
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Rep. Tim Walz  
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Rep. Marcia Fudge  
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