



*National Family Farm Coalition unites and strengthens the voices and actions of its diverse grassroots members to demand viable livelihoods for family farmers, safe and healthy food for everyone, and economically and environmentally sound rural communities. Founded in 1986, NFFC today represents family farm and rural groups in over thirty states.*

### **2018 Farm Bill Principles for Family Farmers**

Farm country is in crisis. US net farm income has declined by 50 percent since 2013. Milk prices are so low that dairy farmers fear not being able to afford to plant feed crops this spring. Even certified organic farmers, who have long benefitted from higher prices, are seeing their “organic premium” erode – in part from imported or fraudulently-labeled competition. A bubble in land values has meant elevated farmland rents, exacerbated by rising interest rates. Low income and high costs have led to skyrocketing debt. The resulting credit crisis is predicted to be the worst in rural America since the 1980s. Farmer suicide rates are nearly five times those of the general population; with milk prices at a 20-year low, one coop sent farmers a suicide prevention hotline number along with market forecasts. Meanwhile, more than 41 million Americans live in food insecure households, two-thirds of adults are overweight or obese, and diet is a major factor in three of the top five leading causes of death in the US. The food and farm system is clearly broken.

The nation’s farm policy should support US farmers and consumers and provide an ample, safe, healthy, affordable food supply for all, while conserving land, water, and biodiversity. Instead, several 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. The 2018 farm bill promises more of the same.

It doesn’t have to be this way. National Family Farm Coalition has always fought for a sustainable family farm system based on a fair price for farmers, strong conservation priorities, food sovereignty, and trade equity. Our 2007 Food from Family Farms Act spelled out the mechanisms of that system. A decade later, with crop prices at historic lows and farmers unprotected by an inadequate safety net, the recommendations from the Food for Family Farms Act are more relevant than ever.

#### ***The Problem with Today’s Farm Policy***

Farm policy of recent decades has encouraged farmers to produce as much as possible and find the best price available at harvest time. But this system is flawed: harvest comes at the same time for most farmers. According to laws of supply and demand, an abundant crop therefore depresses prices – sometimes to well below the cost of production. This inequity allows agribusiness companies to buy raw materials at far below cost, while farmers struggle to pay mounting bills. Federal subsidies and crop insurance make up a small portion of the difference, but really those payments profit insurance companies and subsidize food conglomerates while still not providing the farmer with a living wage. This steady supply of taxpayer-funded below-cost grain has allowed confined animal feeding operations (CAFOs) and the processed food industry to thrive.

#### ***The Common Sense Alternative***

NFFC instead supports a price for farmers based on their cost of production. This is achieved by setting a price floor for commodities (grains, dairy, storable crops), re-establishing strategic grain reserves, and idling marginal lands. US farm policy followed these practices for decades, and many other nations have similar policies. In fact, a grain reserve, which is much like the strategic oil reserve, dates back millennia and is referenced in the Bible. The US has not had a grain reserve since 1996.

A 2011 study by National Farmers Union and the University of Tennessee found that if a reserve-based system had been in place since 1999, farmers' net incomes and consumer prices would have been more stable, while taxpayers would have saved almost \$96 billion in farm spending over 12 years. Agribusiness, on the other hand, would have paid the real cost of grain rather than an artificially low price.

There is a potent myth that US farmers must produce as much as possible in order to “feed the world.” The reality is that the world produces more than one and a half times enough calories to feed the population – while one in nine people goes hungry globally. The solution to feeding the world is not one of volume but of politics and economics. Overproduction feeds a false imperative to increase exports, lowers farmer prices, destabilizes rural areas, and threatens national security at home and abroad. We support farm policies based instead on principles of food sovereignty: the right of nations and communities to determine what, how, and by whom their food is produced.

### ***What NFFC Stands For***

NFFC represents a diverse range of producers across the country, including commodity farmers, fruit and vegetable growers, ranchers, and fishermen. Not all farmers are directly impacted by the prices of grain and other commodities, but those low prices set a false standard of what food costs to produce. We will not have a fair food system for all farmers, workers, and consumers until we have a commodity system that pays farmers a fair price. We also support all other initiatives to guarantee fair prices to producers and fair wages to workers across the food system, including through trade, immigration, and labor policies.

The farm bill must continue to link farming and nutrition, including the Supplemental Nutrition Assistance Program (SNAP). We oppose any attempts to hinder SNAP eligibility and we support expanded funding for all nutrition programs and for efforts to link producers more closely with their communities through initiatives like farm to school, farm to hospital, and other institutional relationships.

Additionally, all programs of the farm bill must continue to address the impacts of historic USDA discrimination against racial minorities and women, and eradicate ongoing inequities in agency service.

Our 2018 Farm Bill Principles for Family Farmers draw extensively on the common-sense provisions laid out in the Food from Family Farms Act, and are informed by work of member and ally organizations and the political realities of the current moment. Independent family farmers are especially impacted by these issues:

### **Commodity Pricing**

NFFC strongly supports national farm policy that provides a return of the cost of production plus a reasonable profit for farmers and ranchers. The farm bill should reconnect farmgate prices to the cost of production through price floors; a farmer-owned strategic national food, feed and feedstock reserve; sensible conservation programs; and comprehensive disaster coverage. Further details on this plan can be found at [nffc.net/index.php/ffa](http://nffc.net/index.php/ffa). Milk prices, in particular, must be stabilized immediately to ensure that independent

dairy farmers can continue to produce a wholesome and safe product to consumers and contribute to their local economies. Further, USDA should convene an immediate hearing to determine a new federal milk pricing formula.

### **Fair and Equitable Credit Access**

Farmers rely on access to credit and appropriate risk management tools to run their businesses. All farmers, especially those who have faced discrimination in the past, must have fair and equitable access to credit. We support provisions to ensure that farmers have the same credit protections for their farms as homeowners do for their mortgages, requiring that lenders provide farm borrowers with the best credit they qualify for, strengthening the safeguards for US Department of Agriculture direct farm loan borrowers, and guaranteeing that farmers never lose their farms due to USDA error, malfeasance, or heir property takings. We also support expansion and full funding of Section 2501 for outreach, assistance, and education for socially disadvantaged minority and veteran farmers.

### **Competition**

The massive consolidation of the farm and food industry means that just a few companies capture most of the value in the food system. Little return is left for farmers and workers, consumers have fewer choices and pay higher prices, and rural economies suffer stark consequences. If there is to be any hope of restoring the vitality of rural America, the next farm bill must address the hyper-consolidated food and agribusiness industry, from seeds and pesticides to meatpackers to distribution and retail, in both organic and conventional markets. This must include strengthening enforcement of antitrust laws, along with merger enforcement and safeguards to ensure that all farmers and cooperatives have access to fair prices, fair markets, and fair contracts. Ownership of livestock by meatpacking companies must be banned and country of origin labeling must be re-established for meat and other food products, including dairy and seafood. Finally, rules on existing standards such as organic certification must be fully enforced to protect farmers from fraudulent competition and provide a product integrity guarantee for consumers.

### **Conservation and Sustainability**

The long-term health of the nation's water, soil, and other natural resources is perhaps our greatest asset and responsibility. Especially given the increase in extreme weather connected to climate change, the next farm bill must support farmers to preserve the productive capacity and the biodiversity of the land for future generations by: expanding existing conservation programs; investing in public research on regionally-adapted seeds and breeds; protecting farmers facing herbicide and pollen drift damage; restricting the conservation funds given to confinement animal operations; and committing to a comprehensive definition of sustainable agriculture.

### **Rural Development**

Much of rural America has struggled through decades of economic decline as farms have consolidated, businesses have closed, and residents have moved away. Rates of poor health, depression, drug addiction, and suicide have also skyrocketed. To halt this decline and renew rural prosperity, we must reinvest in all aspects of rural communities, including regional food processing, distribution, and marketing infrastructure; support for new and beginning farmers; mental and physical health services; accessible and affordable broadband; and renewable energy. Finally, the Office of Rural Development and its many important functions must be reinstated as a USDA mission area and its Undersecretary returned to the USDA subcabinet.