

October 25, 2013

Dear Farm Bill Conferee:

The Center for Rural Affairs is pleased to see the farm bill move into a conference. As you work through conference, we strongly urge you to ensure a final five-year Farm Bill that addresses the needs of rural communities, family farmers and ranchers, and protects our natural resources.

We are members of and represented directly by the National Sustainable Agriculture Coalition. We concur with the broader recommendations in their letter. However, we would like to take this opportunity to highlight our top organizational priorities for a final five-year farm bill.

- **Reform the farm safety net, including farm program payments and federally subsidized crop insurance to serve family-scale farmers and ranchers and protect our natural resources.**

There are important provisions included in one or both bills that will provide needed reforms to these programs so that they serve the interests of family-scale farmers and ranchers. These need to be moved forward to the final farm bill. Therefore, we urge you to:

- Adopt without change the historic payment limitation and actively engaged in farming reforms contained in title one of both bills and adopted in both bodies with substantial bipartisan majority support;
 - Accept the Senate bill's modest reduction in crop insurance premium subsidies for millionaires, a provision that enjoys overwhelming bipartisan majority support in both houses;
 - Include the Senate bill's crop insurance subsidy provisions (Sodaver) that protect against destruction of prime grasslands and native prairie on a nationwide basis and that conserve soil and wetland resources;
 - Reject the House provision to obliterate the farmer and rancher protections provided by the Packers and Stockyards Act.
- **Invest in our small town and rural main street businesses, and entrepreneurial farmers and ranchers.**

Real federal investment in helping small towns and rural entrepreneurs has fallen by half over the last decade, despite the fact that there is broad support for such investment. Nearly nine in ten rural Americans say the rural, small town way of life is worth fighting for, but seven in ten worry that it's dying, according to a poll of rural voters in over 20 other Midwestern, Great Plains and Southeastern states. To ensure real federal investment in helping small towns and rural business thrive, we urge you to prioritize and include:

- Direct, mandatory farm bill funding for the Value-Added Producer Grant program at its historic level of \$20 million per year;
- Increase direct, mandatory farm bill funding for the Rural Microentrepreneur Assistance Program to \$10 million per year.

- **Invest in the next generation of farmers and ranchers**

Beginning farmers and ranchers face many barriers to getting started in agriculture. The farm bill can and should address their challenges through programs that help them access land, capital, and direct service training and mentoring. We urge you to:

- Sustain direct farm bill funding for the Beginning Farmer and Rancher Development Program at no less than \$20 million per year, with an ongoing set-aside for socially disadvantaged, limited resource, and veteran farmers, and without diverting away any funds to unrelated programs;
- Provide at least \$50 million or preferably full 5-year direct farm bill funding for the Conservation Reserve Program - Transition Incentives Program to help new producers gain access to farm and ranch land while retaining conservation values;
- Include direct farm bill funding for at least five state Beginning Farmer and Rancher Individual Development Account pilot programs for the five years of the new farm bill;
- Authorize the microloan program, including intermediary lending, in order to expand credit options and simplify the Farm Service Agency loan application process for new farmers;
- Increase the beginning and socially disadvantaged farmer advance payment option within the Environmental Quality Incentives Program; and
- Fix the currently unworkable beginning and socially disadvantaged farmer priority and set-aside provisions in the Value-Added Producer Grants program.

- **Invest in the protection of our natural resources and environmental quality.**

The farm bill must invest in the farmers and ranchers who make conservation a priority within their working farms and ranches. Therefore, we urge you to:

- Hold additional farm bill conservation program cuts to no more than the overall level in the Senate bill, and make a serious commitment to repealing sequestration and defending against further backdoor cuts through legislative riders on appropriations bills;
- Keep cuts to ten percent or less overall with respect to each working lands conservation program. We cannot support a final bill that makes a disproportional cut to the Conservation Stewardship Program -- which supports advanced conservation management measures -- relative to the Environmental Quality Incentives Program (EQIP) -- which primarily supports basic farm infrastructure -- or other conservation programs;
- Include the Senate's level of direct farm bill funding for the Rural Energy for America Program and support for a broad portfolio of on-farm renewable energy projects. Moreover, we oppose any diversion of funds for blender pumps as that is clearly not in keeping with the intent of the program to support on-farm renewable energy projects.