## The Rural Economic Farm and Ranch Sustainability and Hunger Act

Senator Richard Lugar and Congressman Marlin Stutzman

The Rural Economic Farm and Ranch Sustainability and Hunger (REFRESH) Act of 2011 will save an estimated \$40 billion in taxpayer money over the next ten years. The REFRESH Act creates real reforms to U.S. farm and food support programs that will serve more farmers more fairly and that will improve accuracy and efficiency in federal nutrition programs, while protecting America's hungry.

### Specifically, the REFRESH Act:

- 1. Reforms and eliminates outdated farm subsidies by providing a <u>producer safety net</u> for all producers, saving \$16 billion over ten years.
  - Eliminates direct payments, counter-cyclical payments, ACRE payments, marketing assistance/loan deficiency payments, and mandatory loans and price support provisions for sugar
  - Establishes an aggregate risk and revenue management (ARRM) program for producers that protects against losses between 75% and 90% of the expected crop revenue, subject to compliance with conservation measures
  - Establishes a voluntary margin protection program for dairy producers that covers 80% of a producer's production history when margins fall
  - Provides opportunity for farmers to purchase additional insurance to insure gross revenue and makes whole farm insurance available

## 2. Protects our nation's resources with financially sound <u>conservation</u> reforms, saving <u>\$11 billion</u> over ten years.

- Reduces acreage-idling by lowering the cap on the Conservation Reserve Program to 24 million acres and allowing 8 million acres of productive land to return to agricultural production
- Streamlines federal easement programs, improving efficiencies and making the taxpayer dollar go farther by encouraging productive use of lands
- Streamlines federal working land programs to allow for less bureaucracy and easier processing

# 3. Closes loopholes and eliminates government overlap in federal <u>nutrition</u> programs, saving <u>\$14</u> <u>billion</u> over ten years.

- Eliminates broad-based categorical eligibility for the Supplemental Nutrition Assistance Program (SNAP), limiting eligibility to only those receiving cash benefits from a qualifying program
- Reduces government overlap and duplication of 47 federal employment and training programs by relieving the U.S. Department of Agriculture of its job training responsibilities
- Improves enforcement of SNAP by eliminating the investment option for states sanctioned for improper payments for three consecutive years

### 4. Ensures creation of rural jobs in new and renewable energy.

- Encourages development and marketing of biobased products, bolstering consumer choice and encouraging new market opportunities in rural America
- Leverages private investment in biorefineries, on-farm energy feedstocks, and on-farm energy
  efficiency improvements and encourages the demonstration of technological and economic
  opportunity for energy innovations
- Reduces energy costs for rural homes and small businesses by facilitating low-interest loans to rural consumers for energy efficiency retrofits

#### 5. Continues the future of American agriculture through research initiatives.

- Provides states with flexibility to attract private funding in lieu of the current matching funds requirement for federal funding and grants
- Reforms the Biomass Research and Development Initiative