Growing Opportunities

Family Farm Values
for
Reforming the Farm Bill

112th Congress

Rep. Earl Blumenauer

GROWING OPPORTUNITIES

FAMILY FARM VALUES FOR REFORMING THE FARM BILL

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Executive Summary

Americans deserve a better Farm Bill. Current agricultural policy spends too much money supporting large corporations, doesn't adequately help the majority of small and midsize farmers, and subsidizes manufactured food at the expense of fruits and vegetables. This report outlines a series of reforms to make the Farm Bill more accountable, more affordable, and fairer to taxpayers, farmers, ranchers and consumers alike.

Commodity Programs: The report advocates for eliminating direct payments and storage payments, and placing limits on counter cyclical, market assistance and ACRE payments to save taxpayer dollars and create a more level playing field for America's farmers.

Conservation Programs: While recognizing the important role that conservation plays for farmers, ranchers and the public, the report supports a shift to performance-oriented conservation programs, giving farmers and ranchers flexibility while ensuring that taxpayers get cleaner air and water, and healthier soil.

Research and Development: The report acknowledges the important role that research and development dollars have played in boosting America's farm and ranch productivity, and supports increasing or at a minimum keeping level research funding.

Beginning Farmer and Rancher Programs: Recognizing the importance of engaging younger Americans in farming and ranching, the report advocates for small changes to current programs to support beginning farmers and ranchers.

Crop Insurance: While the last negotiation of the Standard Reinsurance Agreement made some improvements to the crop insurance program, most economists agree that it is still in need of reform. This report advocates for several principles that should be used to guide the creation of any new crop insurance agreement.

Nutrition: The report recognizes the opportunity to improve the outcomes of nutrition programs and local farm economies by coordinating the two. It also advocates for increased local flexibility so that communities can take steps on their own to increase access to fresh, local food.

Introduction

For the first time in half a century, the Farm Bill is getting the attention it deserves. Over 70% of Americans say that providing healthy, safe food should be the biggest priority in the upcoming Farm Bill.[1] This attention is reflected in the increased interest in agriculture itself. Twenty percent of the 2.1 million U.S. farmers are just beginning their farm careers.[2] For the first time in decades, the steady decrease in the number of farms has slowed.[3] The number of farmers' markets has grown by 16% in 2010 and 17% in 2011.[4] With this greater interest in food and agriculture comes more public scrutiny of how the $407 billion Farm Bill impacts American agriculture and the American food supply.

This additional scrutiny reveals a current farm policy that shortchanges consumers, taxpayers, and the majority of farmers and ranchers. While current programs spend billions in subsidy payments, the majority of these payments are concentrated in the hands of just a few large agricultural corporations. Sixty-two percent of American farmers receive no subsidy payments at all.[5] The Farm Bill creates a system that subsidizes the production of crops that contribute to American's expanding waistline, that incentivizes farm consolidation, and that makes it more difficult for new farmers to get started.

America deserves a Farm Bill that creates opportunities – to start a new business, to strengthen communities, and to better provide for our families. It's time for a Farm Bill that reflects the values of America's family farms.

The following reforms should be considered in the upcoming Farm Bill reauthorization. These reforms envision a new farm policy that supports farmers and ranchers as well as consumers, strengthens local economies, enhances our environment, provides healthy food and agricultural products, and maximizes taxpayers' investments.

The report's multi-faceted emphasis—on the economy, environmental sustainability, small and midsize farmers, and nutrition—is purposeful. The Farm Bill touches on the lives of every American, but most are poorly served by current policies. This report is composed of many elements that have been supported by a coalition made up of groups from the environmental, health, rural development, and small government communities. Some of these reform proposals will be familiar and have been included in various deficit reduction plans, including President Obama's proposal and Congressman Paul Ryan's budget resolution.

Guiding Principles for Smart Reform

The following is a set of principles that many in the small government, environmental, public health and small farmer communities have supported in past Farm Bill reauthorizations.

Use Americans' taxpayer dollars wisely

The Farm Bill should target taxpayer dollars for investments that produce results, farmers and ranchers who truly need assistance, and – whenever possible – programs that achieve multiple goals.

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Support small and midsize family farmers

Now more than ever, we should support our small and midsize farmers and ranchers, and make it easier for them to keep their land in production. Compared to industrial agricultural operations, these farms and ranches have a larger impact on local economies, implement better conservation practices, and employ more sustainable techniques. The Farm Bill should support these smaller farms to ensure their long-term viability, deter farm consolidation, and encourage new and beginning farmers.

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Reward farmers for protecting their communities and the environment

Every American has a stake in the quality of our water and air, the productivity and health of our farmland and the economic strength of our communities. The Farm Bill should reward farmers who go the extra mile to promote those values and should ensure that taxpayers get their money's worth from their investments.

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Improve access to nutritious food

Whether through low-income nutrition programs or support for agricultural producers, the Farm Bill should ensure that every American has affordable, consistent, and safe access to safe, healthy and fresh food.

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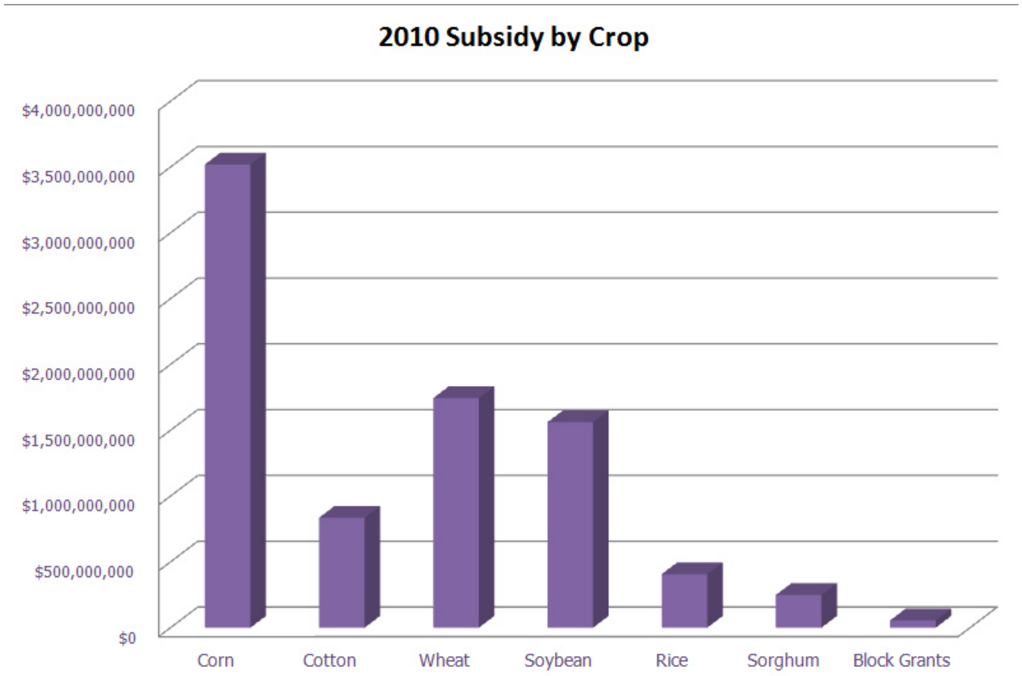
PROPOSALS FOR REFORM

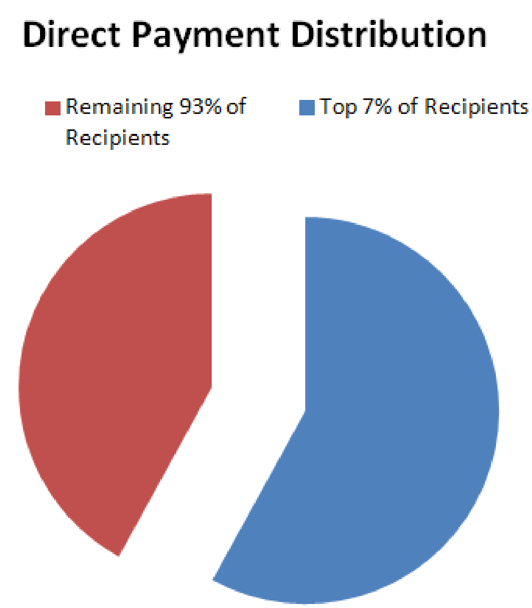
Bring Common Sense to Commodity Programs



Title I of the Farm Bill authorizes multiple commodity programs, the three largest of which are direct payments, counter cyclical payments, and market assistance payments. Together, these programs provide approximately $10 billion every year to wheat, corn, grain sorghum, barley, oat, upland cotton, rice, peanut, soybean, and oilseed producers (commonly referred to as commodity crops.)[6] Ninety percent of commodity payments go to only five crops: corn, rice, wheat, soy, and cotton.[7]

On Capitol Hill, it is always easier to talk about what should receive more funding, rather than less. Few of the thousands of people who lobby Capitol Hill on a daily basis are asking for less money. Most are asking for more. Yet the first step in creating a new and better vision for the Farm Bill is to begin leveling the playing field. If we want to create a Farm Bill that works for producers, consumers, and taxpayers, Congress cannot continue to fund a broken system. The proposals below are simple, common sense changes that lay the groundwork for comprehensive reform.

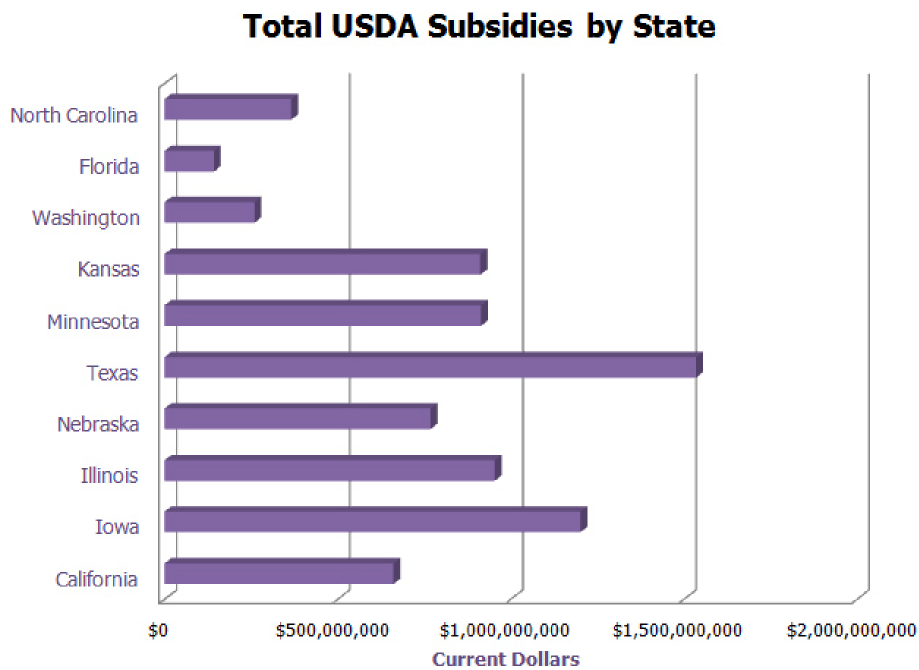
1: Eliminate direct payments

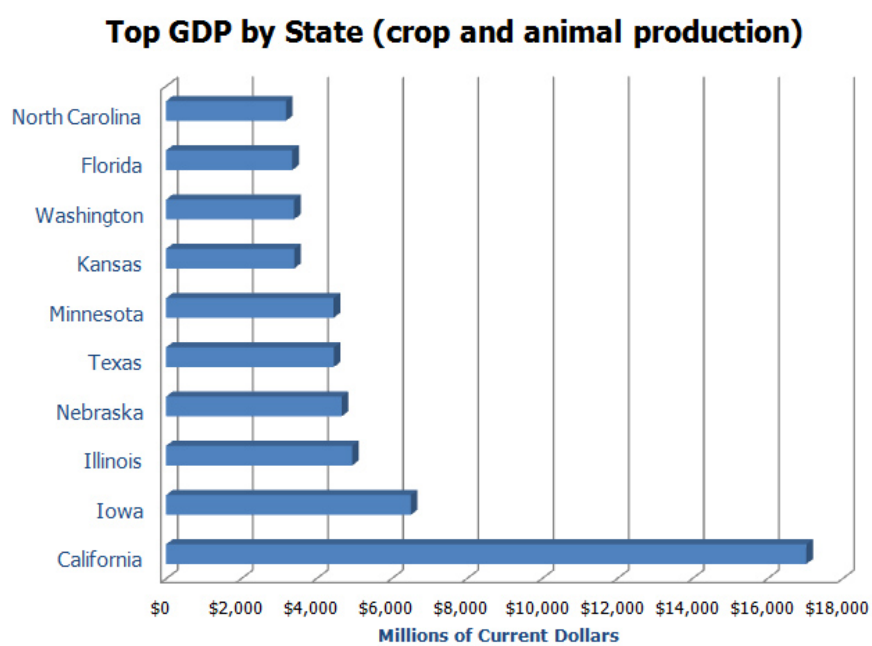


Direct payments are fixed annual payments based on the historical production for commodity producers, given to producers regardless of financial hardship, current production, or need. The Freedom to Farm Act established these programs in 1996 as a mechanism to wean the United States off of the price support system, which was coming under increasingly stringent international trade criticism.[8] At that time, Congress intended to phase out direct payments over a five-year period, but instead extended them in the 2002 Farm Security Act and again in the 2008 Food, Conservation and Energy Act.[9]

Since 1995, direct payments have cost taxpayers more than $41 billion, with more than half of that money going to just 10% of the farming population.[10] As the U.S. Department of Agriculture notes, "direct payments are not tied to current production or prices and do not require any commodity production on the land."[11] The size of the check that the farmer receives is based partly on historical production and partly on the number of acres planted for that crop year.[12] The system inherently rewards larger farms and encourages farm consolidation.[13] Direct payments also encourage large monoculture agriculture, which is more damaging to the environment and provides reduced economic benefits to local economies as compared with smaller farms.[14]

The vast majority of direct payments go to corporate agribusiness. In 2010, 1% of farming entities received over 20% of all direct payments.[15] That year, ten states received more than 60% of all payments, yet contributed only 30% to the United States agricultural GDP.[16,17]





Even if we ignore the environmental and economic concerns related to direct payments, we simply cannot afford them. The Congressional Budget Office estimates that eliminating direct payments saves $28 billion over ten years. The Iowa Farm Bureau voted to end direct payments, recognizing that increasing budget pressures make them difficult to defend.[18] It is unjustifiable to spend billions each year on a program that pays farmers for no other reason than because they chose to grow one of six commodity crops, for which they are already receiving record market prices.[19]

2: Eliminate cotton and peanut storage payments

Cotton and peanut storage payments are only available to cotton and peanut producers, and reimburse these farmers for the cost of storing their commodities to sell at a more favorable price point. While the cost savings from eliminating this program are small, ($570 million over ten years), this individual marketing decision should not be paid for by the American taxpayer.[20] In addition, the World Trade Organization has ruled that the payments to cotton farmers violate international trade agreements.[21] Rather than reforming our programs, the United States has instead chosen to pay the government of Brazil $147 million per year until new, trade-friendly language can be authorized through the Farm Bill.[22] Clearly the storage program, and its affiliated expenses, is not sustainable.

3: Place limits on who can receive counter cyclical payments, market assistance payments, loan deficiency payments, and ACRE payments

Congress created counter cyclical payments, market assistance payments, loan deficiency payments, and ACRE payments to cushion price volatility for farmers. Together with direct payments, they make up the majority of the commodity program. Like direct payments, these programs are directed exclusively to commodity crop producers. Unlike direct payments, these payments are distributed in response to a larger market trigger.

- Counter-cyclical payments are available to farmers based on historic production; they are triggered when market prices drop below a level set by Congress, regardless of the solvency of an individual farm. In other words, even if an individual cotton producer has a successful year, if the national price for cotton drops, that producer still receives a check from the federal government. The counter cyclical payments program in particular encourages overproduction. Since oversupply depresses prices, which in turn triggers price support payments, despite the farmer retaining substantial produce to sell in the market.

- Congress established market loan payments and loan deficiency payments in the 1985 Food Security Act. For both these programs, Congress sets a minimum loan rate for each commodity crop; farmers can then take out a loan from USDA using their crop as collateral. If the farmer repays the loan when crop prices are higher than the minimum loan rate, he or she repays the loan with cash. Under the market loan payment program, if the farmer repays the loan when market prices are below the minimum loan rate, he or she repays the loan at the value of the lower price and keeps the difference, holding onto the crop to sell at a later date. Under the loan deficiency payment program, farmers can bypass the loan process and accept a payment for the price differential.

- The Average Crop Revenue Election (ACRE) program is similar to the crop insurance program, but it applies only to commodity crops. ACRE protects farmers against decreases in revenue, and thus protects farmers from long-term price declines.[23] To date, ACRE has seen limited enrollment, partly due to the complexity of the program and partly because it requires a 30% reduction in other commodity payments.

It is untenable for farm corporations to receive payments based simply on historical production levels or for production of certain crops. The majority of American crops (64%) are grown without Title I payments. The rate of bankruptcy for small businesses is higher than it is for farmers, yet Title I programs are much more expansive, complicated, and expensive than are those to encourage small businesses.[24]

While even groups such as the National Corn Growers Association admit that "[o]ur members of Congress are telling us they just can't support [direct payments] anymore," the agribusiness lobby continues to believe it can make a case for counter-cyclical payments, market assistance payments, loan deficiency payments, and ACRE payments.[25] These programs make up a significant portion of the Farm Bill cost and go primarily to wealthier landowners producing only five crops. If justification for these payments is to provide financial stability to farmers, payments should be targeted to those farmers actually at risk of suffering extreme financial hardship, rather than to large agribusiness.

Congress should phase out these programs. In the meantime, two basic limits can be applied to ensure that any federal payments through the commodity program are going to those who need it the most: limiting commodity payments to entities with an adjusted gross income of under $250,000 per year, as well as limiting the total amount of commodity payments an entity can receive in one year to $250,000. Taking these steps will ensure support for more vulnerable, smaller farms and a more equitable distribution of federal spending.

Protect our Communities through Better Conservation Programs

Conservation payments can supply farmers with additional income for providing substantial public and environmental benefits, such as cleaner water, healthier topsoil, increased hunting and fishing opportunities, and a more resilient ecosystem. Polling has demonstrated that Americans understand the value of these benefits, are willing to pay for them, and believe that should be a larger part of agricultural policy.[26]

Farmers are among the first to understand the value of conservation; the USDA reports that conservation programs have an average of four times more applications than availability.[27]

The Food, Energy and Conservation Act of 2008 authorized twenty-three programs which can be grouped into five categories: working land programs, land retirement and easement programs, watershed programs (including several that target specific watersheds), emergency programs, and technical assistance programs. Since many of these programs have no guaranteed funding after 2012, the upcoming Farm Bill provides an opportunity to continue these programs while streamlining their administration and maximizing environmental benefits.

Why Conservation Matters

Modern industrial-style agriculture has a tremendous impact on the landscape. Chemical fertilizers and pesticides, animal waste, and valuable topsoil clog rivers and streams and cause dead zones along our coasts. Meanwhile, conversion of land to agricultural production destroys the floodplains and wetlands that filter out much of this pollution, as well as destroying important wildlife habitat.

There is a better way. Small and midsize farmers, who depend on the long-term viability of their land for survival, prove that good stewardship practices are not only economically viable but even beneficial. Because these practices can temporarily result in lower profit margins, since 1985 the Farm Bill has offered significant resources for farmers, ranchers, and forest owners to voluntarily improve the conservation performance of their land.

Americans expect to get real value in exchange for government spending. In contrast to commodity programs, which pay farmers for planting crops, even if there's little demand for them, conservation programs support farmers for taking action to benefit the public good, such as protecting water supply, reducing soil erosion, conserving animal habitat and open spaces, and managing pollution related to agricultural production. In 2010, farmers and ranchers participated in over 1.3 million conservation contracts, covering more than 73 million acres in communities across the country.[28] These contracts supplemented farm families' income, while providing critical public and environmental benefits.

Needed Reform

Conservation programs have been criticized for three reasons:

- Burdensome paperwork reduces participation and favors those who have the time and ability to enroll, rather than those whose land needs protections. The paperwork burden is further complicated by the fact that there are over twenty programs, many of which have overlapping objectives. It can be difficult to know what program makes sense for a given acreage.

- The demand for enrollment in these programs routinely exceeds the available funds. There are over 1,000,000 acres waiting to be enrolled in the Wetlands Reserve Program and the Grasslands Reserve

Program. Applications for the Conservation Stewardship Program and the Environmental Quality Incentives Program often outstrip available funds by two or three times over.

- Conservation assistance to farmers and ranchers is chronically underfunded despite it being critical for maximizing program effectiveness. This underinvestment limits USDA's ability to assist farmers. An increased share of total Conservation Title funding should be devoted to technical assistance.

Most conservation programs reward farmers for taking certain actions, yet there is no requirement to meet certain outcomes. Given that the outcomes—reduced soil erosion, cleaner water, improved wildlife habitat, and access for recreational activities- is what the public is concerned about, why not tie payments to results, rather than actions?

Moving to a performance-based conservation program would echo the principles of the existing Conservation Stewardship Program, without embracing its flaws. Such a program would give states more flexibility to align contracts with the state's conservation plan; it would also require that farmers only be rewarded for actions they would not otherwise take. Programs such as the Wetlands Reserve Program or the Conservation Reserve Program, which have traditionally reimbursed farmers based on the amount of acreage enrolled, could instead reimburse farmers based on a combination of the amount of acres put into protection and benchmarks reached (*e.g.*, water quality, topsoil health for the croplands program, or species proliferation).

Although a performance-based conservation system would require a shift in federal conservation payments, it would provide substantial benefits. A performance-based system would allow states to tailor conservation funding to their specific needs by giving priority to applications that meet state conservation and wildlife plans, in addition to a baseline of federal minimum conservation performance measures and allocations to resources. This program would allow farmers—who know their land better than the federal government—the flexibility to farm according to their needs, so long as the agreed-upon targets are met. Since individual contracts would allow more flexibility, programs could be consolidated into three large programs based on long-term goals: land retirement, working lands, and cost-share programs. This would also allow USDA to tailor contracts to the specific needs of the state, the region, the individual farmer, achieving better results.

These reforms will need better metrics and accountability systems, as well as improved state conservation plans. To accomplish this, a certain percentage of current conservation funding should be dedicated to state pilot programs and technical assistance programs, while gradually phasing in performance-based measures.

Conservation programs are an integral part of our farm program. They are available to every farmer and rancher regardless of what they produce, they provide critical public benefits, and they strengthen local economies by providing an additional source of farm income. The current system, however, is too complex for many small and midsize farmers and fails to use our federal dollars efficiently. Shifting to a performance-based system, in combination with increased funding to ensure we are able to meet more of the demand, is necessary to achieve our conservation goals.

Preserve America's Edge through Research and Development

Since 1910, U.S. agricultural output has increased by more than 500%, while the percentage of individuals involved in farming has decreased by over 60%.[29] While there are many things that have influenced this remarkable productivity, the biggest factors are a greater understanding of agricultural techniques, the ability to identify and prevent common plant diseases and pests, and the development of new plant and livestock breeds. Publicly financed research underpins many of these breakthroughs.

Over the past century, the U.S. has implemented a layered system of research funding to ensure that the needs of different agricultural sectors, regions, and practices are met. Much of this funding is combined with state funds in order to leverage research dollars, although state matching has declined the past few years.[30] Formula and other block funds (such as the Hatch Act and the Extension program) make up the majority of federal research funding—approximately 86%.[31] Competitive grant funding makes up the rest. In recent years, specific funding for specific areas—organic farming techniques, practices to mitigate climate uncertainty and invasive plant and pest species, and funding for specialty crops—has become even more important. Over the past thirty years, federal funding for research has stagnated.[32] We cannot hope to support a vibrant farm economy without strong investment in agricultural research.

While this report has discussed areas where federal agriculture spending can and should be cut, research funding must be maintained at its current authorized level, or higher. The discoveries that have come about because of federally funded research are some of the biggest drivers for increasing agricultural production, and benefit farmers across the country. As the United States faces increasing pressure from climate change, invasive species, and a growing population, unbiased research funding without the influence of private industry is even more important.

The Food, Energy and Conservation Act of 2008 provided critical funding for Specialty Crop Research, Organic Research and Extension, and Beginning Farmer and Rancher research, education and extension. The upcoming Farm Bill needs to renew and increase funding for these programs, as well as to increase the inadequate $700 million available in competitive grants through the Agriculture Food and Research Initiative.

Support Beginning Farmers and Ranchers

The average American farmer is 57 years old.[33] Without a significant younger population of well-trained farmers and ranchers ready to step up and replace an older generation, the United States runs a significant risk of losing farmland to development and reducing the amount of food we produce. There is a clear national interest in making it easy and attractive for young and beginning farmers to enter the farming profession.

The biggest challenge for most beginning farmers—in addition to education—is access to capital and land. These proposals will reduce the barriers to land and capital acquisition for beginning farmers:

- Include "land transfer to a beginning farmer" as a priority in conservation programs, allowing willing new farmers to assume current conservation contracts without a new application;
- Authorize the Natural Resource Conservation Service to provide technical assistance to beginning farmers for whole farm planning purposes;
- Streamline the loan process for beginning farmers and encourage USDA to increase the amount available for flexible spending microloans;
- Reauthorize the Beginning Farmer and Rancher Development Program and increase funding to meet current demand; and
- Allow farm or ranchland placed under a conservation easement and valued at $5 million or less to be exempted from the estate tax.

These changes would make it easier for beginning farmers and ranchers to enter the agricultural sector and begin their careers. The high capital costs required by farming have traditionally been a significant barrier to entry. These recommendations build upon already successful programs to help the next generation get their start.

Reform Crop Insurance to Protect Farmers and Taxpayers

Every American has a vested interest in helping farmers and ranchers and in the continued viability of small- and mid-scale farming. Weather, pests, market variability, and natural disasters all pose threats to the insolvency of farms and ranches. Crop insurance can mitigate those uncertainties, helping farmers maintain their operations in the face of bad weather and unforeseen circumstances. The current U.S. crop insurance system, however, does not resemble the insurance most Americans purchase for their homes or businesses. It is instead based on inefficiencies, market distortions and preferences for commodity—rather than food--crops. It often spends more money on crop insurance agents than farmers and encourages financially unsound and environmentally damaging farming practices.[34]

Typically, a farmer buys an insurance policy from a private insurance company, choosing between a yield-based policy and a revenue-based policy.[35] The federal government then reimburses the farmer for a certain percentage—sixty percent on average—of their premium costs.[36] Because the costs for higher coverage increase only marginally for farmers, there is a strong incentive for them to buy the highest level of coverage. Studies suggest that the low-cost availability of crop insurance may increase risky farming practices.[37]

An example of the extent to which crop insurance impacts farmers planting decisions can be found in many of the Plains states where farmers are "busting sod" (*i.e.*, plowing and planting sodgrass land), even though they know that the crop revenue from this land does not even pay the costs of the labor. [38] However, the crop insurance payments they receive on the sodland are high, because the areas in which they're located generally have high yields.[39] Crop insurance payments thus make this practice profitable, but at great cost to the environment and to the taxpayer.

In addition to creating market distortions, the crop insurance program is highly inefficient. Only sixteen companies in the U.S. are allowed to offer federally subsidized crop insurance. The federal government, in turn, guarantees a reimbursement to these private insurance companies for any losses they experience, as well as for 18% of their administrative costs.[40] Since 2005, for every crop insurance dollar that goes to farmers, $1.44 goes to the crop insurance companies.[41]

The crop insurance program focuses its spending on the major commodity crops, and spends more helping large agribusiness than small farmers.[42] Four major commodity crops (corn, soy, wheat and cotton) make up approximately 75% of the enrolled acres.[43] For farms that grow multiple crops, insurance is more complicated. Congress authorized a "whole farm" insurance pilot in the 2000 Agricultural Risk Protection Act but it is not widely available. Similarly, crop insurance for organic farms is available on a significantly more limited and more expensive basis than it is for conventional farms.

There are several changes that should be made to achieve the goals of the crop insurance program, while making it fairer and fiscally responsible:

- **Reduce administrative burdens:** The Standard Reinsurance Agreement (SRA) renegotiation mandated by the Food, Energy and Conservation Act of 2008 slightly reduced the amount that the U.S. pays in administrative costs; it also increased underwriting protection. The Congressional Research Service estimates that within the next ten years, federal spending on crop insurance will outpace spending on traditional commodity programs by approximately one third; in 2010, the program cost the U. S. $4.7 billion.[44] By comparison, in 2009 the federal government eliminated the middleman from the federal student loan program, saving $68 billion dollars over eleven years.[45] Moving the crop insurance program towards this model would allow the program to serve more farmers at a lower cost.

- **Eliminate perverse incentives:** The existing system provides incentives for farmers to forego sound agricultural and stewardship practices in favor of planting in risky and environmentally devastating areas. Congress should change the program to minimize the degree to which crop insurance coverage influences what, where and how farmers choose to plant.

- **Require conservation minimums:** Currently farmers who receive direct payments have to meet basic conservation standards, such as protecting wetlands and reducing soil erosion; they also have to prove that they are engaged in "active farming." These standards are not difficult to achieve; any entity participating in the highly subsidized crop insurance program should be expected to meet them as well. In addition to correcting for market distortions, these conservation minimums should include limits on subsidies that would otherwise encourage farming on environmentally sensitive lands.

- **Ensure that crop insurance coverage is available to any farmer:** If subsidized crop insurance is the "most important part of a farmer's safety net," then the federal government should ensure that it is consistently available.[46] This means including farms that have traditionally been difficult to cover, such as organic and multi-crop farms.

These recommendations for improvements to the crop insurance system should be implemented immediately. Currently, Canada is testing an online, weather-based insurance system, which gives farmers more flexibility, reduces the administrative costs for taxpayers, and is more consistent with what Americans think of when they envision a taxpayer subsidized insurance program. There are many thoughtful proposals for comprehensive overhaul. One, from Vincent Smith at Montana State University, advocates for a yield-based coverage for commodity crops, and weather-based insurance for crops that are more difficult to cover through a yield structure, such as fruits, vegetables, and most nuts. In the long run, Congress should re-evaluate the entire delivery mechanism of the crop insurance system.

Fuel a Healthy Population with Better Nutrition

With all the complexity of the Farm Bill, it is possible to overlook the major purpose: ensuring that Americans have a consistent, secure food supply. In fact, nutrition spending makes up 74% of the Farm Bill, mostly in the form of the Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps.

At a time when 34% of American adults over the age of twenty are clinically obese, and one in three children will develop Type II diabetes, it is obvious that today we are face a different type of crisis than we were in the 1960s when the food stamp program was formally established. The problem is not a lack of calories. Instead, too many struggle to access and prepare healthy, fresh food, and that do not understand the connection between agriculture and the food on their table. If we are to make a difference in the battle against obesity, Congress must ensure that the Farm Bill supports the production and distribution of healthy food.

The Food, Energy and Conservation Act of 2008 made several important adjustments to facilitate healthier eating choices for low-income Americans. Programs such as the Senior Farmer's Market Nutrition program, the Farmers' Market Promotion program so SNAP recipients can use their SNAP benefits (called EBT cards) at farmers' markets, and the Community Food Project competitive grants are important first steps. Building on those programs will help to combat obesity and the associated health costs, and ensure that farmers have a strong local market for their crops.

The next Farm Bill should:

- **Increase the number of people with access to nutrition education**.

  When possible, local SNAP and Women, Infants and Children (WIC) nutrition programs should be coordinated to ensure that their recipients receive nutrition counseling. In addition, Congress should expand the SNAP education program authorized in the Food, Energy and Conservation Act of 2008. Additional uses, such as cooking and gardening classes, should be encouraged.

- **Make the local food nutrition programs pioneered in the Food, Energy and Conservation Act of 2008 permanent.**
  Programs such as the Senior Fresh Fruit and Vegetable program and the SNAP Farmer's Market program increase healthy food options for low-income individuals and should be expanded. In recent years, communities have sought pilot programs to increase the use of reimbursement programs at farmer's markets, provide incentives for fruit and vegetable purchases, limit the purchase of sodas and sugar sweetened foods, increase the health standards at SNAP authorized grocery stores, and to use flexible funds to support low income community gardens and Community Supported Agriculture (CSA) systems. Local jurisdictions should be given the flexibility to test those concepts.

- **Institute a Healthy Food Financing Initiative, to simultaneously combat food deserts and support local agriculture and small business.**
  The Healthy Food Financing Initiative would provide financial support, mainly through low interest loans, to projects that increase the availability of fresh food in underserved areas, called "food deserts." Programs like Pennsylvania's state wide effort have created jobs and stimulated economic development, while helping increase access to healthy food. Several other states, including New York, California, Illinois, Louisiana, Michigan, New Jersey, and the District of Columbia are all in the process of replicating the Pennsylvania program while other states are addressing food access

problems in different ways. A national program could amplify this work, increase access to fresh and healthy food, and reduce costs.

These recommendations build on existing programs that are producing strong results. They can be implemented quickly and will help low-income Americans gain access to healthy food grown on American farms.

Conclusion

The path forward for a better Farm Bill is clear. For most Americans, there's plenty of common ground. Most farmers and ranchers don't want big government handouts. Like the rest of us, they want to be able to do their job well, provide for their families, and protect their quality of life. The 98% of Americans who don't farm or ranch want the reassurance of a safe, healthy food supply, accountability for taxpayer dollars, and the reassurance that our air, water, and soil are protected.

The federal government can provide a safety net that cushions the inevitable insecurity of agricultural production, but its most important role should be in creating and funding conservation, research, nutrition programs that support local agriculture, and loans to ensure that farmers have the access to capital they need. With these smaller, targeted investments, the Farm Bill can provide more farmers the support they need, ensure a level playing field, provide taxpayer accountability, protect our natural resources, and guarantee a safe healthy food supply for our communities.

The Farm Bill impacts every American, but for too long it has focused on supporting the politically connected agribusiness. Small and midsize farmers and ranchers, consumers, taxpayers and all of us who depend on clean air and clean water deserve better.

Endnotes

[1] http://www.ewg.org/agmag/2011/09/americans-views-of-industrial-agriculture-by-the-numbers/
[2] http://www.choicesmagazine.org/choices-magazine/theme-articles/innovations-to-support-beginning-farmers-and-ranchers/potential-challenges-for-beginning-farmers-and-ranchers
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For more information, visit Rep. Blumenauer on the Web at www.blumenauer.house.gov or call 202.225.0820

Alberta Farmers Market in Portland, Oregon