October 24, 2013

The Honorable Frank Lucas
Chairman
Committee on Agriculture
United States House of Representatives
Washington, DC 20515

The Honorable Debbie Stabenow
Chairwoman
Committee on Agriculture, Nutrition & Forestry
United States Senate
Washington, DC 20510

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

The Honorable Thad Cochran
Ranking Member
Committee on Agriculture, Nutrition & Forestry
United States Senate
Washington, DC 20510

Dear Farm Bill Conference Committee Leadership:

On behalf of the more than two million farmers and ranchers who belong to farmer cooperatives, the National Council of Farmer Cooperatives (NCFC) commends you for your relentless pursuit of a comprehensive five-year farm bill. As negotiations commence to resolve the differences between the House and Senate versions of the farm bill, we offer the following recommendations and observations.

Of primary importance, the farm bill must preserve the long-standing rural-urban alliance that reinforces the fact that food security, investment in rural America and a safety net for those in need are priorities benefiting the entire nation. Adding to the importance of this effort is the fact that rural America’s population is, by its very nature, smaller than that of urban and suburban America. As such, it is ill-advised to seek a separation of nutrition programs from the farm bill, especially at a time when the agriculture industry is seeking to better connect with its consumers.

Key to the success of this conference committee will be emphasizing those issues that unite producers, regardless of commodity or location, rather than those issues that divide agriculture. This begins with preserving the productive capacity of our farms by supporting a meaningful and equitable safety net for producers across all commodities, including dairy reform provisions that are contained in S. 954 (Agriculture Reform, Food, and Jobs Act of 2013) and supported by dairy producers of all sizes and all regions of the country. This also includes preserving a strong crop insurance program that is not arbitrarily constrained by payment limits or means testing of those who can participate.

In addition, we seek your continued commitment to the following:

- Protecting and strengthening the ability of farmers and ranchers to join together in cooperative efforts that maintain and promote the economic well-being of farmers, ensure access to competitive markets and help capitalize on market opportunities;

- Continuation of the current sugar program;

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- Restoring the Livestock Indemnity Program, Livestock Forage Program and the Tree Assistance Program, all of which provide those producers with basic risk management tools;

- Continuation of voluntary, locally-led conservation programs and in particular maintaining robust workings lands programs like the Environmental Quality Incentives Program, which helps producers meet their pressing federal and state regulatory compliance needs;

- Sustaining export programs, like the Market Access Program, which are vital to maintaining and expanding U.S. agricultural exports, countering subsidized foreign competition, protecting American jobs and strengthening farm income;

- Investing in specialty crop infrastructure to keep U.S. production strong, including research to enhance competitiveness and further document health benefits, provisions that require transparency and analyze potential market impacts before the development of new risk management tools, creation of a pilot crop insurance program allowing coverage for food safety and quarantine issues, and prevention and treatment of plant pests and diseases that could harm domestic production or international trade;

- Allowing schools to serve more fruits and vegetables in all forms (e.g. fresh, frozen, dried and shelf-stable) as well as nuts under the United States Department of Agriculture’s (USDA) Fresh Fruit and Vegetable Program; and

- Preserving the integrity of the Value-Added Producer Grant program, and recognizing the ability of farmer cooperatives to spread the benefits of the program to a large number of producers.

Additionally, NCFC strongly urges the conference committee to include provisions that address costly and unnecessary regulatory burdens placed on producers. In particular, NCFC strongly supports Section 9013 of the House farm bill which corrects duplicative permitting requirements by specifying that Clean Water Act National Pollutant Discharge Elimination System permits are not needed for the lawful application of pesticides already regulated under the Federal Insecticide, Fungicide, and Rodenticide Act. This legislative language is nearly identical to the Senate’s bipartisan Sensible Environmental Protection Act of 2013 (S. 802). We ask you to include this language in the final version of the farm bill.

Likewise, we appreciate both the House and Senate recognizing the need to protect the private information of farmers and ranchers by including provisions that prohibit the U.S. Environmental Protection Agency (EPA) from procuring or disclosing such information to the public. We encourage the conference committee to maintain such provisions in the final conference report.

NCFC also seeks inclusion of other regulatory provisions contained in the Federal Agriculture Reform and Risk Management Act (H.R. 2642/H.R. 6083) in the final conference report, including:

- Modification of EPA’s Spill Prevention, Control and Countermeasure (SPCC) regulations for farmers and ranchers;

- Clarification that treated seeds shall not be considered a pesticide or device under special import restrictions;

- Instructions to EPA to consult with the Natural Resources Conservation Service (NRCS) with respect to water quality and nutrient management modeling for the Chesapeake Bay watershed;
Consultations between USDA and the Department of Labor to ensure a transparent and equitable process related to labor disputes that impact perishable commodities;

Requirements for scientific and economic analysis of the *Food Safety Modernization Act* regulation prior to final regulations being finalized; and

Enhancements to federal coordination to improve the health and long-term sustainability of managed and native pollinators.

Finally, farmer co-ops strongly encourage the conference committee to oppose provisions that could potentially impact farm bill reauthorizations in the years ahead. The changes that we have seen on our farms and ranches and at our co-ops in the last three decades will almost certainly continue in the future. There is no way that we can predict today what American agriculture will look like in the year 2018, 2023 or beyond. Removing the motivation to address an evolving agricultural economy in future farm bills would impact a number of programs vital to producers and communities across the country, with the result likely being inaction.

American farmers and ranchers and the co-ops they own must have the certainty of a comprehensive five-year farm bill that provides the flexibility, resources, tools and technologies needed to meet the challenges of a growing world. Farm bills need to be forward looking, ensuring that we plan for tomorrow, when times may not be so good, rather than for today. This farm bill should not be our last.

The differences between the House and Senate bills are not insurmountable, and we encourage quick resolution to achieve support of a broad consensus of farm bill stakeholders. We stand ready to work with you, your staff, and the other conferees toward realizing this common goal.

Sincerely,

Charles F. Conner
President & CEO

cc: Farm Bill Conferees