Rural America is characterized by individual initiative and self-reliance—the bedrock of our nation’s culture and character. It’s how American agriculture became the envy of the world. That spirit of working together lives and thrives today in the 2,000 farmer co-ops that are providing for America.

Farmer-owned cooperatives are central to America’s abundant, safe and affordable food, feed, fiber and fuel supply. Through their cooperatives, farmers can improve their income from the marketplace, manage risk, and strengthen their bargaining power, allowing individual producers to compete globally in a way that would be impossible to replicate as individual producers. By pooling the buying power of hundreds or thousands of individual producers, farmer cooperatives can supply their members—at a competitive price—with nearly every input necessary to run a successful farming operation, including access to a dependable source of credit. Furthermore, farmer cooperative members also can capitalize on new marketplace opportunities, including value-added processing, to meet changing consumer demand.

Public policy should continue to protect and strengthen 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.

It is important to note that while a farm bill is vital to the success and viability of rural America, there are numerous critical issues facing production agriculture that must also be addressed by Congress, including the unprecedented labor shortage. Our national security is tied to our ability to feed ourselves, and that security is currently under threat due to the labor crisis facing the agricultural industry. Congress must act now to provide much needed reform to our current agricultural guest worker system if we want these farmers and ranchers to utilize these farm bill programs and continue providing the food and fiber for not only Americans but around the world.

GENERAL PRINCIPLES

Farm bill programs serve a variety of purposes, including meeting the food, fuel and fiber needs of consumers worldwide, strengthening farm income, improving our balance of trade, promoting rural development, and creating needed jobs here at home.

As was the case with the 2018 farm bill, the upcoming farm bill debate will be presented with the challenge to be fiscally responsible. Farmer co-ops are mindful of this challenge. At the same time, it is imperative that Congress recognize the continued importance of farm bill policies that promote a healthy and competitive U.S. agricultural sector. That recognition starts with providing adequate resources to support policies in the next farm bill that will preserve the productive capacity of our farms in times of poor production or prices.

NCFC will continue to work with farm and commodity groups and other allied interests in support of farm legislation, together with needed funding, that builds on the success of the 2018 farm bill.

We urge members of Congress to protect and strengthen the farm bill’s longstanding structure that supports our entire food and fiber chains. A strong farm bill supports our farmers and ranchers, feeds our nation and those who have fallen on tough times, protects our vital natural resources, and brings both urban cities and rural communities together. This strong collaboration is critical to the success of the farm bill.

NCFC strongly recommends that the next farm bill strengthen the nation’s farmer cooperatives by:

• Promoting the continued viability of the Capper-Volstead Act and other cooperative statutes.

• Promoting farmer cooperatives and their abilities to enhance competition in the agricultural marketplace by acting as bargaining agents for their members’ products; providing market intelligence and pricing information; providing competitively priced farming supplies; and vertically integrating their members’ production and processing.

• Supporting the cooperative Farm Credit System.
GENERAL PRINCIPLES (CONTINUED)

• Ensuring farmer cooperatives are eligible to leverage federal programs for the benefit of their farmer members.

• Expanding all U.S. agriculture exports and global competitiveness, including through substantially improved access to foreign markets.

• Supporting a responsive safety net, together with adequate funding, that incorporates improved, comprehensive risk management tools and programs for producers and their cooperatives.

• Ensuring our farmers and ranchers have access to labor so they can continue to harvest our crops and care for livestock here in the United States.

• Supporting responsible and cost-effective regulatory policies that are consistent across federal agencies and provide a safe and productive work environment while promoting our economic competitiveness.

• Support USDA being the lead agency to determine and oversee the climate policies that impact agricultural commodities and production.

• Address USDA staffing shortages, especially those offering technical assistance, to effectively implement various agency programs.

Additionally, trade is vital to the continued prosperity of co-ops and their farmer and rancher members—with over 95 percent of the world's population living outside of the United States, our agricultural producers need foreign markets to grow demand and the programs that serve as catalysts to increased market access.

To promote exports, U.S. policy must also include infrastructure investments that facilitate efficient movement of U.S. agricultural products both domestically and internationally. A focus should be on prioritizing movements of agricultural products given the importance of food security worldwide. Critical to improving transportation infrastructure will be creating a real-time scheduling and data sharing system, as well as advancing workforce training and recruitment.

Finally, estimates by the United Nations show world population growing to 9.7 billion people by 2050; a vibrant, productive U.S. agricultural economy will be key to feeding and clothing a growing world. The next farm bill must be written to ensure that American farmers and ranchers have the tools and technologies needed to meet this challenge.

TITLE I & XI – COMMODITIES AND RISK MANAGEMENT

• Maintain and strengthen the ability of farmers to participate in federal farm and other programs, including commodity purchase programs, by preserving the ability of farmers to access these programs through their cooperatives.

• Provide a responsive safety net, together with adequate funding, that meets the varying needs of U.S. producers while ensuring the long-term viability, health and competitiveness of U.S. agriculture.

• Preserve the current sugar program.

• Strengthen the dairy program to reduce extreme volatility and create a viable and effective domestic safety net for producers with a focus on protecting the operating margin experienced by producers as reflected by milk price and input costs.

• Maintain but do not expand requirements to meet specific environmental standards such as protecting water quality, wetlands, or soil health as a condition of receiving Title 1 or crop insurance benefits.

• Oppose actions that would tie adoption of climate-smart practices to a farmer’s or rancher’s ability to participate in federally funded risk management programs, such as crop insurance and Title 1 commodity programs.

• Support lowering the threshold for losses in the Tree Assistance Program to improve accessibility to the program.

• Provide for strong, meaningful, and affordable crop insurance protection for this nation’s farmers and ranchers and oppose any changes to crop insurance that would discourage producer participation or undermine private sector delivery, including limiting program eligibility through means testing.
TITLE I & XI – COMMODITIES AND RISK MANAGEMENT (CONTINUED)

• Provide improved risk management tools and programs for farmers, including crop insurance, and ensure that farmer cooperatives are part of the delivery system.

• Obtain improvements in the scope, availability and delivery of crop insurance for the specialty crop industry, including creation of food safety and quarantine policy riders allowed in statute.

• Support polices that enhance the ability of U.S. farmers to produce food, feed, fiber and fuel using technologies that are based on proven science, including biotechnology.

TITLE II – CONSERVATION

• Support the continuation of voluntary, locally-led programs which recognize the uniqueness of the agricultural community and which operate under the parameters of the nationally determined general priorities.

• Support elimination, or at a minimum, an increase of the current Adjusted Gross Income limitation on conservation programs to encourage greater delivery of program goals.

• Increase mandatory funding from the current authorized levels for USDA working lands conservation programs, including the Environmental Quality Incentives Program (EQIP) and Conservation Stewardship Program (CSP) while recognizing the environmental benefits to farming systems that include animal agriculture.

• Support improvements and funding for technical assistance programs for public and private providers, allowing NCFC member cooperatives to provide technical service to their service areas especially to support farmers who are maintaining, enhancing, or adopting climate-smart farming systems.

• Support the recognition and continued incentivization of the ongoing work and environmental impact reductions achieved by early adopters when implementing NRCS and other USDA programs.

• Allow USDA to streamline conservation program implementation that would recognize Certified Crop Advisors’ (CCA) recommendations on nutrient management and conservation programs which would be equivalent to a Technical Service Provider’s (TSP) recommendations.

• Codify USDA Natural Resources Conservation Service’s (NRCS) science-based data collection abilities through programs like the Conservation Effects Assessment Program (CEAP) to help show how conservation measures are working to improve environmental conditions. NCFC supports making these reports permanent to help develop science-based, data-driven policy with regard to nutrient management.

• The Conservation Reserve Program (CRP) should be shifted away from enrollment of whole farms (general sign-up) toward partial field enrollment (continuous sign-up). CRP should make it a priority to keep working lands in production, used to improve the natural resources of working farms, and to decrease overuse of lands not suitable for farming. Greater emphasis should be placed on enrolling buffers, filter strips, and/or only portions of farms, thus substantially limiting or eliminating future whole farm enrollment unless the entire farm meets certain environmental thresholds.

• CRP rental rates should be market-driven and backed by USDA National Agricultural Statistical Service data.

• The Environmental Benefits Index (EBI) should allow for flexibility to address local concerns. Currently, the EBI gives equal weight to soil erosion, water quality and wildlife benefits. However, in some parts of the country, it is very difficult to achieve cost-effective wildlife benefits.

• Support the rights of farmers to bring land back into production at the end of their CRP contract. Encourage utilization of sound conservation practices as land is returned to production. Direct the Secretary to allow early-outs to respond to emergency situations such as extreme stocks-to-use, drought, or global commodity supply emergency situations without financial penalty.

• Support continuation of the Agricultural Conservation Easement Program under NRCS, especially the Wetlands Reserve Easement Partnership, which provides financial and technical assistance to producers to restore and protect agricultural wetlands.
# TITLE III – TRADE

- Enhance USDA international programs and provide the resources necessary to meet current and projected needs over the life of the 2023 farm bill.
- Advocate the importance of USDA’s Foreign Agricultural Service and export programs to enhance our ability to expand agricultural exports. This includes increased funding beyond the $200 million for the Market Access Program (MAP) and $34.5 million for the Foreign Market Development Program (FMD) annually.
- Continue to advocate preferences for cooperatives in USDA’s export programs and ensure continued eligibility for farmer cooperatives to access MAP directly.
- Support modification to allow use of funds under the Technical Assistance for Specialty Crops (TASC) program to address emerging trade barriers.
- Seek mandatory funding for the Global MRL Database, the Grower MRL Database and the IR-4 project to support specialty crop requirements to access international markets and facilitate registrations of pest management tools to fight invasive pests.
- Expand market analysis and other research activities at USDA with the goal of increasing the agricultural trade surplus.
- Advocate for enhancements to USDA Export Credit Guarantee Programs to increase utilization, consistent with existing WTO obligations.

# TITLE IV – NUTRITION

- Support USDA food and nutrition programs, including Section 32 and commodity purchase programs, together with needed funding, to help achieve their important objectives.
- Maintain the ability of farmers who cooperatively market their products and their cooperatives to continue to be eligible under USDA commodity purchase programs.
- Encourage USDA’s food and nutrition programs to provide all forms of fruits, vegetables, and nuts as outlined in the 2020 Dietary Guidelines.
- Support the strengthening and enforcement of the Buy American requirements in the school meals programs administered by USDA.

# TITLE V & VI – CREDIT AND RURAL DEVELOPMENT

- Enhance programs to better serve rural communities and their local economies.
- As farmer cooperatives are local businesses located in many rural areas, USDA should prioritize relationships with cooperatives to enhance those local economies.
- Encourage coordination between USDA, the Rural Business Cooperative Service, and cooperatives to incentivize rural business initiatives and programs to enhance economic opportunities.
- Modernize rural housing program to allow for agricultural producers, workers, and cooperatives to have more access to capital and opportunities for better housing.
- Improve USDA farmer cooperative programs, including research, education, and technical assistance. Provide additional direction to USDA’s Rural Business Cooperative Service program area in support of farmer cooperatives.
- Protect the integrity of the USDA broadband program, while supporting updates to technologies relevant to safety and security of network systems.
- Coordinate with the Farm Credit Institutions as they develop system-wide priorities for the next farm bill.
TITLE VII – RESEARCH
• Support robust funding and coordination for Agricultural research, with emphasis on industry priorities, public private partnerships, and swift accessibility to producers.
• Seek funding for specialty crop research to improve crop characteristics; address threats from pests and diseases; improve production efficiency; promote innovation and technology, including mechanization; and reduce food safety hazards.
• Support designating as a high priority research that examines nutrient management practices based on source, rate, timing, and placement of soil nutrients, including those derived from animal agriculture systems.
• Support USDA assessing all climate-impact and assessment tools, public and private, to identify strengths of various approaches to monitoring, measuring, reporting, and verifying impacts of climate-smart practices.

TITLE IX – ENERGY
• Continued support for expanded federal fleet requirements and use of biofuels and procurement programs for biobased products.
• Maintain USDA loan and grant programs, including special provisions for farmer cooperatives, to encourage production, innovation, utilization, distribution, and market stability of renewable energy, including from crops and livestock.
• Encourage increased research relating to production, utilization and distribution of renewable energy, including from biomass, animal waste and byproducts, etc.
• Support voluntary policies promoting the development of technologies to further utilize manure as a feedstock to produce gas, fuel, or electricity, especially if these projects are cost-effective and provide an economic and environmental benefit to farmers and/or farmer-owned cooperatives.
• Support federal programs to enhance public awareness, education, and promotional efforts to encourage utilization of renewable fuels.
• Allow farmer co-ops to be automatically eligible for the Rural Energy for America Program (REAP) regardless of size, and increase funding to meet demand.

TITLE X – HORTICULTURE
• Seek funding and increased coordination between federal, state, and local government agencies and industry stakeholders, including farmers and their cooperatives, in the prevention and treatment of plant pests and diseases that could harm domestic production and/or international trade.
• Provide necessary funding to facilitate registrations of modern pest management technology to fight the ever increasing number of invasive pests.
• Reauthorize and preserve the integrity of USDA’s Value-Added Producer Grants contained under the Local Agriculture Market Program. Ensure farmer cooperatives continue to receive preference in recognition of their abilities to aggregate producers and deliver the greatest benefit broadly.
• Support promotion and innovation in the specialty crop industry through the Specialty Crop Block Grant Program which supports research, agricultural extension activities, and programs for the specialty crop industry.

TITLE XII – MISCELLANEOUS
• Support policies that enhance the ability of cooperative members to raise animals for food and fiber using practices and technologies that are based on proven science, are economically sound, provide for the proper care and well-being of the animals, and ensure the safety of animal agriculture products to provide the American consumer with a high-quality source of animal protein.
TITLEx XII — MISCELLANEOUS (CONTINUED)

• Support additional funding for the National Animal Vaccine and Veterinary Countermeasures Bank (NAVVCB) to bolster surveillance, prevention and treatment of new and emerging animal diseases and pathogens.

• Support policies to enhance business opportunities for livestock and poultry producers as well as their farmer-owned livestock marketing associations by providing the freedom and flexibility to engage in new market innovations.

• Oppose federal policies that negatively impact producer-owned livestock marketing associations by limiting the marketing options of the cooperative and its members.