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Question1: Firm payment limitations for farm programs would minimize the capitalization of program benefits into land prices and the resulting unintended barriers to new farmers and financial burdens to existing family farmers. Total payments for commodity support programs should be capped at \$250,000 per farm per year and all loopholes must be closed to prevent corporate farming enterprises from garnering higher payments. Statutory caps on Conservation Security Program (CSP) payments should remain at their current levels, again without loopholes, and the Environmental Quality Incentives Program (EQIP) should be capped at \$150,000 per five-year contract. Higher cost-share percentages for beginning and limited-resource producers for conservation practices under EQIP and CSP contracts should be continued.

In addition, other USDA programs that provide technical as well as financial support to new farmers can be continued and expanded. The Sustainable Agriculture Research and Education (SARE) program and the Value Added Producer Grant (VAPG) programs are particularly valuable for new and aspiring farmers, yet they have never been funded at their full authorized level of \$40 million per year for each. The 2007 Farm Bill could re-authorize these at \$40 million (or more) and make the funding mandatory. The Risk Management Agency has also provided essential technical assistance to new and limited-resource farmers; its work can be continued and expanded, with a priority on assistance to new farmers.

Finally, the 2007 Farm Bill should include incentives for retiring farmers to sell or rent their land to beginning farmers and ranchers. Incentives would include but not be limited to bonus payments linked with implementation or continuation of conservation practices under USDA conservation programs.

Question2: I believe that this question needs to be reframed.

Generally, locally and regionally based food systems provide far better net economic returns to family farms than do global wholesale markets, both in the US and abroad. International trade policies must respect and uphold each nation's right to provide essential food and fiber for its own population as its top agricultural priority. For those farm products or commodities that a nation cannot produce for itself in an economically viable way, we need fair trade policies (not so-called "free trade" policies that benefit multinational corporations over human well being). Current agriculture and trade policies, both at the national (US) and international (WTO, NAFTA, etc) levels have often had the unintended consequences of impoverishing farmers and rural communities both in the US and in the third world.

I am very concerned that designing farm policy "to maximize US competitiveness . . . in global markets" could perpetuate or exacerbate problems of indigenous farmers in developing countries finding themselves undersold and financially ruined by underpriced food imports

from the United States. US farmers have at times faced similar situations with cheap imports from abroad. I am also very concerned that the US has recently become a net importer of food. A thorough rethinking and redesign of agricultural trade policies to promote and support thriving rural economies and sustainable community-based food systems both at home and abroad is essential.

Therefore, Question 2 might be reframed as: How can the 2007 Farm Bill help to promote a fair and rational system of international agricultural trade that contributes to the financial well being of US family farms while respecting the integrity of indigenous, community based food systems abroad?

The 2007 Farm Bill can contribute to fair and rational agricultural trade, first by including a Competition Title that ensures fair market access and fair prices for small to mid side family farms in the US. Implement contract agriculture reforms including: disclosure of producer risks, prohibiting confidentiality and mandatory binding arbitration clauses, and providing for producer recapture of capital investments in the event that the buyer cancels a contract.

US farmers can be further protected in the international marketplace in three important ways. First, full implementation of Country of Origin Labeling will allow consumers to know where their food comes from and limit the ability of multinational corporations to undersell independent domestic producers.

Second, since many overseas markets reject genetically engineered (GMO) food and feed crops, farmers must be protected against economic losses resulting from unintentional GMO contamination of non-GMO crops grown for overseas markets, except when such contamination has clearly resulted from farmer negligence. Pollen from many GMO crop varieties, especially corn and canola, can move long distances to contaminate non-GMO crops. US farm policy should make the GMO patent holder liable in such cases.

Third, US farm policy can encourage and support the adoption of sustainable livestock production practices, including abstinence from routine administration of subtherapeutic antibiotics, rBGH and other hormones to cattle and other livestock. Natural, pasture-based production methods also greatly reduce the risk of BSE (mad cow) and other serious diseases. Many overseas markets require or prefer antibiotic- and hormone-free livestock, and demand zero risk for BSE. Question 3: As mentioned in response to Question 1, I strongly recommend firm payment limitations, both for commodity support programs (\$250,000 per farm per year, no exceptions) and for conservation programs (keep CSP contract caps as they are, reduce EQIP to \$150,000 per farm per five year contract). Expanding the CSP to nationwide open enrollment can be funded through effective commodity payment limitations, and will allow government support to reach a much wider cross section of the nation's farmers.

Also, any research, educational, technical assistance and marketing assistance programs that encourage and support new farmers, small to medium size family farms, organic and sustainable farms, and limited resource farms, can go far toward effective and fair distribution of federal assistance. Programs such as SARE, ATTRA, VAPG and Farmers' Market Promotion Program (FMPP) help many small farms thrive across the US, and yield a much higher return on the tax dollar than large commodity support payments to the nation's largest farms. Increasing

the funding of these programs - e.g. \$40 million per year for SARE plus SARE PDP programs, \$40 million per year for VAPG, and an increase to perhaps \$5 million each for ATTRA and FMPP, would be a relatively modest investment and would give tremendous returns in terms of thriving family farms and rural communities.

Question4: An expansion of the Conservation Security Program into a nationwide, open enrollment program available to all producers who are serious about improving the ecological footprint of their farms, would enhance farm policy effectiveness in achieving conservation and environmental goals. Future efforts to limit the scope of the CSP through budget cutting must be prevented if at all possible.

In addition, federal conservation programs can be consolidated and streamlined (saving millions of tax dollars), first by requiring a whole farm conservation plan for entry into any Federal conservation program. With sufficient technical assistance, any producer can develop a conservation plan for her/his farm, and that plan can be used to determine which conservation program(s) are appropriate for that farm. Secondly, all the set-aside programs (CRP, WHIP, WRP, etc) might be consolidated and administered through the Natural Resources Conservation Service.

The best way to conserve farm resources and ameliorate farm environmental impacts is to implement sustainable systems of production. Implementation of sustainable systems should become a basic principle underlying all USDA conservation programs. Specific measures include increased funding for SARE, ATTRA and the Organic Transitions component of the CSREES competitive grants, and substantial enhancement payments under the CSP for practices such as management intensive grazing, resource conserving crop rotations, and organic minimum-tillage management systems that do not depend on toxic herbicides or GMO crop varieties.

Question5: Many of my recommendations under the preceding questions, especially under trade/competitiveness and fair distribution of assistance, apply here as well.

A number of ongoing federal programs, such as VAPG, FMPP and the Rural Business Enterprise Grants (RBEG) contribute directly to improving rural infrastructure and rural economic development. Their funding should be sustained or expanded according to need. In addition, funding for the National Research Initiative / Initiative for Future Agriculture and Food Systems should be restored and should be focused on small to medium sized farms and beginning farmers.

Finally, the system for providing technical assistance to small-medium farms, limited resource farms, and beginning farmers and ranchers, should be strengthened and expanded. In the CSP and other conservation programs, funding caps for the Technical Service Providers (TSPs) should be high enough to ensure sufficient technical support for all participating farmers. Adopt sound provisions and regulations for independent third party consultants to work as TSPs with NRCS, including a conflict of interest clause, and a requirement that TSPs have at least some knowledge of sustainable agricultural systems.

Question6: Again, recommendations under previous questions, especially Question 5 about rural infrastructure, address this issue as well.

One area of market opportunity that merits special attention is USDA certified organic. With demand for organic food soaring at 20 percent per annum, a modest investment of federal assistance to organic producers is essential to help ensure that supply keeps up with demand

and that more and more farmers will successfully access this booming market. Increase funding for organic research, outreach and education (through SARE and CSREES organic transition grants, as well as ATTRA). Continue cost share programs for organic certification on a nationwide basis.