



Resolution of the National Farmers Union Board of Directors

The U.S. Congress has an obligation to provide certainty for our nation's family farmers, ranchers and consumers. Passing a comprehensive, five-year farm bill, protecting the existing Country-of-Origin-Labeling law, and maintaining the current structure of the Renewable Fuel Standard (RFS) are crucial to our nation's food supply, rural communities, the overall health of the economy, and energy security.

The farm bill exists to provide the American public with access to an abundant, secure supply of safe and nutritious food. It is also designed to provide a strong safety net for our nation's farmers and ranchers. Farming inherently incurs significant risks, such as bad weather or when commodity prices are persistently low over an extended period of time. Well-crafted programs provide stability so that family farmers and ranchers can continue to provide the United States with a secure, affordable, and safe supply of food, feed, fiber and fuel. Farm bills also authorize funding for the food insecure, and fund programs that invest in rural America and protect natural resources.

Our interests are at risk yet again because the farm bill expires on Sept. 30, 2013. Both chambers of Congress have each passed a version of the farm bill, but now the House must move swiftly to appoint conferees and begin the formal conference process with the Senate.

Simply extending the current farm bill would continue to kick the can down the road, and would only serve to worsen the situation. While the effects of the expiration of current law may not be fully felt until early 2014, Congress needs to enact a five-year bill as soon as possible and oppose any extensions. If Congress again extends current law, indefensible policies such as direct payments to farmers regardless of commodity prices will continue, costing \$8 to 10 billion over the next two years. Additionally, important programs like the Beginning Farmer and Rancher Development Program, livestock disaster programs, Farmers Market Promotion Program, all renewable energy programs, and the Specialty Crop Research Initiative will be left without funding. Inaction will be very harmful.

The conference committee must also reinstate existing permanent law fallback provisions. The House version of the bill repealed current permanent law and replaced it with the commodity title of the 2013 bill. While some argue that existing permanent law is outdated, it is vital that it is kept in the bill because it serves as a trigger for Congress to update the farm bill every five years or so. If current permanent law is replaced with the 2013 bill, it will be close to impossible to change the law in the future, and conservation, energy, rural development, research and trade provisions would be left without authority to continue.

In a final bill, the conference committee must reconnect the nutrition title, which was stripped out in the House's version. Failure to do so would undermine the decades-old coalition of rural and urban members that have historically supported both a safety net for farmers as well as for the food insecure. Nutrition programs serve rural as well as urban residents. One in six people in both urban and rural areas utilize the Supplemental Nutrition Assistance Program (SNAP).

In addition, NFU supports the inclusion of the following provisions in a comprehensive, five-year farm bill:

- Fixed reference prices for commodity programs;
- Dairy stabilization and margin insurance programs;
- \$900 million in mandatory funding for energy title programs;
- More stringent eligibility limits for farm program payments;
- Linked crop insurance premium subsidy eligibility with conservation compliance; and
- Increased funding for beginning farmer, farmers market and organic research programs, as well as important farm-to-school pilot programs and microloans for young farmers and farmers marketing locally/regionally.

Furthermore, NFU supports the removal of language that would:

- Undermine the U.S. Department of Agriculture's (USDA) ability to enforce the Packers and Stockyards Act (GIPSA); and
- Call for unnecessary studies, restrictions or qualifications on the COOL law.

In an increasingly economically interconnected world, COOL provides important, common sense information to American consumers about their food. Consumers want to know where their food comes from and U.S. livestock producers are proud of the livestock they raise. The World Trade Organization found the COOL law to be in compliance with international trade laws and only took issue with the way in which COOL was implemented in the United States, which has since been corrected. Despite USDA's implementation of regulations in compliance with the ruling, Canada and Mexico have engaged in legal action against USDA. NFU stands behind USDA's implementation and the administration's strong defense of COOL.

Congress must also pursue policies that support our nation's energy security. The RFS is a crucial tool to wean our nation off foreign oil, promote rural economic development and reduce greenhouse gases in the transportation sector. The RFS provides the U.S. Environmental Protection Agency (EPA) with necessary flexibility to adjust to market conditions. The biofuels industry currently supports 365,000 U.S. jobs that will not be outsourced, and saves Americans money at the pump, averaging \$1,200 annually. A stable policy environment is crucial because it provides investors with necessary certainty, so farmers can continue to commercialize the next generation of biofuels. We are only a third of the way through the RFS timeline, so now is not the time to make changes to a successful policy.

The National Farmers Union Board of Directors urges Congress to promptly pass a comprehensive five-year farm bill, protect the COOL law and retain the RFS.

Adopted unanimously Sept. 7, 2013