

Policy of the National Farmers Union

Enacted by delegates to the 117th anniversary convention

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National Farmers Union Mission and Vision Statements

Our Mission is to...

Advocate for family farmers, ranchers, fishers, and their communities through education, cooperation, and legislation.

Our Vision is of...

A world in which farm families and their communities are respected, valued, and enjoy economic prosperity and social justice.

We Value...

Integrity –

Maintaining the highest standards of honesty, accountability, and morality.

Influence –

Driving political, educational, and social change on behalf of family farmers, ranchers, fishers, and their communities.

Leadership –

Inspiring and empowering future leaders of agriculture and rural communities.

Stewardship –

Responsible and respectful use and care for all resources – human, natural, and financial.

Inclusivity –

Ensuring all people are welcome and valued in Farmers Union, and all members are represented fairly in policy, education, and society.

Transparency –

Being clear, honest, and forthright in our words, processes, and actions.

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1 **PREAMBLE**

2 We, the members of National Farmers Union, in the following policy statement,
3 strive to articulate the fundamental principles of a food, fiber, and energy policy
4 essential to our nation and today's world. This issue transcends every social, economic,
5 environmental, and geographic boundary of our planet.

6 The goal of NFU is to protect and enhance the economic well-being and quality of
7 life for family farmers, ranchers, fishers, and our local communities. Our experiences as
8 family farmers, ranchers, fishers, and those concerned with the survival of productive
9 family-oriented agriculture provide us with a unique and qualified perspective to make
10 meaningful contributions to this issue.

11 The Farmers Union symbol, a triangle constructed with education at its base and
12 completed with cooperation and legislation on its sides, represents a structure that
13 takes on more importance than ever before. Education is not only for our youth, but also
14 for adults, families, and our seniors. It affords us the opportunity to share and learn
15 from both young and old.

16 The educational process must extend beyond our farms and reach out to all
17 consumers, as well as across borders and oceans. Sharing information is important, but
18 sharing our values, concerns, and spirit is of greater significance.

19 The goals of Farmers Union have grown out of our understanding of God, nature,
20 and the love of our country, with respect for the past and vision for the future. Our goals
21 are nourished through the truth and rightness of the ideals expressed in the Declaration
22 of Independence, the Constitution of the United States and its Bill of Rights. We affirm
23 our faith in a benevolent God, whose grace has bestowed upon us immensely fertile
24 resources, and whose justice demands stewardship.

25 Woven throughout this document is a sense of moral and ethical values that family
26 farmers embrace as we assume the responsibilities that are part of every acre of land,
27 drop of water, animal, plant or any of the multitude of resources entrusted to our care.
28 We are also very cognizant of the need to extend beyond our fence rows and townships
29 to ensure these gifts are shared and not exploited or wasted.

30 We recognize the invaluable contributions of stewardship and expertise offered by
31 indigenous people and multigenerational farmers as well as all farmers who embrace
32 and perpetuate historically rooted and traditional approaches to farming and fishing.

1 The family farm system of agricultural production can provide opportunities for
2 individual enterprise to all families in our society. This system achieves economic and
3 social stability, as well as soil, water, and environmental stewardship of our natural
4 resources and unparalleled production efficiency. We cannot change or improve the
5 past but will proactively advance, with a strong vision for the future, the best interests
6 of today's family-oriented agriculture.

7 We acknowledge that family farmers employ a wide variety of philosophies and
8 practices. Our responsibility is to be inclusive and serve all types of family farms in
9 legislative, educational, and cooperative areas.

10 The loss of family farms and other independently owned businesses is not
11 inevitable. We believe the accelerated march toward a vertically integrated production
12 system must be reversed. This requires action to enforce and enhance antitrust and
13 competition laws, strengthen the regulatory system, and revitalize independently
14 owned businesses and competitive markets.

15 **Parity is the cornerstone of our policy. Our definition of parity expands**
16 **beyond the simple economic definition. We believe that it should encompass a**
17 **sense of balance that not only diminishes hunger, but also fosters peace and**
18 **justice.**

19 We remain wholly dedicated to the strengthening of the family farm system and
20 farmer cooperatives. The essence of the cooperative movement – farmers working
21 together for our mutual benefit – is the spirit that motivates Farmers Union activity. We
22 view attempts to restrict farmer-owned and –controlled cooperatives as an assault on
23 farmers themselves, and we will vigorously defend the Capper-Volstead Act. Family
24 farmers have a valuable tool in working together in farmer-owned and –controlled
25 cooperatives. They are essential to our economic well-being and success.

26 Cooperation also comes from knowledge as well as respect for other people and
27 cultures. Our spirit of cooperation must continue to grow and not have limits. Our
28 challenge is to take this knowledge and spirit and incorporate it into meaningful policy
29 through legislation on local, state and national levels.

30 This document is not a collection of words, but an anthology of the spirit of the
31 hundreds of thousands of family farmers, ranchers, fishers and their advocates that
32 make up our organization. We dedicate this document, along with our energy and

- 1 efforts, to bring about long-term meaningful policy that identifies our common thread
- 2 and utilizes that energy for the common good.

1 **ARTICLE I – AGRICULTURAL PROGRAMS FOR THE FAMILY FARM**

2 A family farm or structured family farm is operated by a family, with the family
3 providing the base of the labor needed for the farming operation, assuming the
4 economic risk, and making the management decisions.

5 The family farm is the keystone of a free, progressive, democratic national society,
6 as well as a strong America, and is the basis of a safe, secure, and stable food system. A
7 vertically integrated and/or multinational grain and food conglomerate is not a family
8 farm.

9 The control and ownership of agriculture is a fundamental issue facing our nation
10 and the world. National farm policy must provide direction with an emphasis on
11 profitable farm commodity prices to ensure that control and responsibility of
12 agriculture is vested within the family farm. The decline in the number of family farms
13 must be reversed.

14 Sustainable agriculture integrates three main goals – environmental health,
15 economic profitability and viability, and social economic equity. We believe the family
16 farm system of agricultural production is the best way to achieve sustainability.
17 Farmers engaged in sustainable agriculture set out to protect the environment, improve
18 their quality of life, and enhance the communities in which they live. Programs that
19 encourage sustainable agriculture through diversified production, improved marketing
20 strategies, and enhanced value-added opportunities can be key to reversing this trend.
21 Another important aspect of reversing the decline of these farms is to encourage new
22 farmers to enter the agriculture industry. Farms and consumers need stability and
23 fairness in a farm program. Farmers, rural communities, and consumers are at the
24 mercy of a marketplace that is increasingly dominated by vertically integrated,
25 multinational grain and food conglomerates.

26 Family farms have the right to a fair and competitive environment in their pursuit to
27 be financially viable. We support farm policy that protects net farm income for family
28 farmers.

29 We commit ourselves to being good stewards of the land and resources by working
30 toward innovative approaches that move beyond the parameters of past farm programs
31 and seek to bridge philosophical differences within the agricultural community and our
32 nation's political structures.

1 At the core of our willingness to embrace new agricultural policy directions is the
2 fundamental need to direct the benefits of federal agricultural policies to the production
3 levels of family farm and ranch operations.

4 Choice and diversity of agricultural practices have always been essential to the
5 success and prosperity of agriculture in the United States. As advances continue to
6 occur in all agricultural practices, NFU calls on all people affected by agriculture to be
7 mindful of their neighbors and show mutual respect toward their farming practices and
8 production choices. Six major goals to improve agricultural legislation for family
9 farmers are:

- 10 1. Profitability: to enhance and protect net family farm income and provide a safety
11 net;
- 12 2. Accountability: to reduce government costs and prevent activities that are
13 counter-productive to the intent of the programs;
- 14 3. Directed benefits: to direct benefits toward family farming operations;
- 15 4. Simplicity: to require less bureaucracy and red tape;
- 16 5. Conservation: to maintain and enhance our natural resources; and
- 17 6. Diversity: to maintain opportunities for family farmers, regardless of crop and
18 management choice.

19 **A. GENERAL PROGRAM PROVISIONS**

20 **1. MEASURES OF ECONOMIC EQUITY**

21 For generations, farming and ranching income has lagged behind the overall
22 prosperity of the nation. The national farm policy based on “parity” was intended to
23 create tools that would balance this inequity of agricultural income compared to the
24 average income in other segments of society. Like other economic measures such as
25 the Consumer Price Index and the Cost of Living Index, an economic yardstick for
26 agriculture is essential. “Parity” prices provide a reasonable standard for measuring
27 the relative economic health of agriculture, and we urge continued support of the
28 calculation of an Agricultural “Parity Index.” NFU continues to be unique in its
29 unwavering support for this measurement of economic equity.

30 We support indexing farm program support levels to reflect changes in the cost
31 of production. We strongly support national farm policy providing a return of the

1 cost of production plus an opportunity for reasonable profit for farmers and
2 ranchers.

3 **2. DIRECTING BENEFIT PROTECTION TO FAMILY FARMS**

4 Characteristically, a family farm is owned and/or operated by a farm family with
5 the family providing the base of the labor needed for the farming operation,
6 assuming the economic risk, making most of the management decisions, and
7 depending substantially on agriculture for a livelihood.

8 Family farms are at economic risk as crop and livestock production and land
9 ownership are being concentrated into the hands of non-family farms.

10 The primary objectives of national agricultural policy should be to enable
11 farmers to significantly increase net farm income, improve the quality of rural life,
12 and increase the number of family farmers, so farmers may continue to provide a
13 reliable supply of food and fiber and serve as stewards of our nation's resources.
14 Rural communities are richer and more viable with more farmers, even if there is
15 the same amount of agricultural production.

16 We believe payment limits should be directed to persons actively engaged in
17 production agriculture and/or personal management, and be realistic, meaningful,
18 transparent, and enforceable.

19 We support directing farm program benefits to the production levels of family
20 farm operators in such a way as to reduce government costs while furthering the
21 sustainability and diversity of our family farms, our rural communities, and our
22 natural resources.

23 Directed benefit provisions should include:

- 24 i. The family farm should be protected from the cuts scheduled under the
25 terms of any budget acts; and
- 26 ii. Prohibition of artificial subdivision of farms to avoid limits should be
27 enforced.

28 We support farm policy which recognizes our geographical differences and
29 provides for flexibility regardless of the type of agriculture operation.

30 **3. PROVIDING A SAFETY NET**

31 NFU urges Congress to give the secretary of agriculture the authority to
32 implement commodity loan programs with loan rates set at a level that at least

1 equals the regional cost of production as measured by the Economic Research
2 Service.

3 To provide a safety net, we must take action to:

- 4 i. Continue to improve and fully fund permanent disaster programs;
- 5 ii. Improve commodity loan rates and terms;
- 6 iii. Give the Secretary of Agriculture the authority to improve commodity
7 loan rates in times of disaster;
- 8 iv. Improve and expand risk management tools (*see Article I.F.2 – Crop and*
9 *Livestock Insurance*);
- 10 v. Adequately fund livestock compensation programs to prevent the sell-off
11 of base breeding herds of the United States in the event of a disaster
12 declaration;
- 13 vi. Expand the coverage of the Livestock Indemnity Program (LIP) to
14 include animals that die from pneumonia as a direct result of an
15 eligible adverse weather event;
- 16 vii. Urge USDA to expand the reporting timeline for LIP;
- 17 viii. Establish a regionalized cost of production floor under dairy prices;
- 18 ix. Establish a farmer-owned Strategic National Food, Feed and Biofuels
19 Feedstock Reserve;
- 20 x. Expand the Bill Emerson Humanitarian Trust;
- 21 xi. Implement an effective inventory management program for all farm
22 commodities;
- 23 xii. Support the Farm Storage Facility Loan Program;
- 24 xiii. Continue and support an effective Conservation Reserve Program (CRP);
25 and
- 26 xiv. Limit the authority of the secretary of agriculture to take discretionary
27 actions that would result in lower farm income; and
- 28 xv. Protect beginning farmers and ranchers.

29 **4. FARM VIABILITY PROGRAMS FOR FAMILY FARMS**

30 Congress should continue to support programs to improve the profitability of
31 farms and increase opportunities for family farmers and ranchers. We support
32 revitalizing local and regional food and energy systems, increasing wealth and asset-

1 building in rural communities and encouraging entrepreneurship, innovation, and
2 diversification in farming and ranching by funding programs that address:

- 3 i. Market development and promotion;
- 4 ii. Product development/differentiation and promotion;
- 5 iii. Diversified farming;
- 6 iv. Consumer education;
- 7 v. Business planning and risk management;
- 8 vi. Alternative ownership models and structures;
- 9 vii. Local and regional infrastructure needs;
- 10 viii. Local and regional food security needs;
- 11 ix. Local and regional food sovereignty needs;
- 12 x. Local and regional energy needs; and
- 13 xi. Attracting new and beginning farmers and ranchers.

14 **5. LOCAL FOOD & FOOD SYSTEMS**

15 NFU supports all initiatives aimed at regionalizing our food system. This may
16 include encouraging the development of regional food hubs, incentivizing those
17 farms who commit to growing non-commodity food crops and easing/simplifying
18 the restrictions on small meatpackers to process meat for retail sale, as well as the
19 farmers who sell direct-to-consumer and institutions that purchase their products
20 for resale, and educating consumers. We support the expansion of agricultural
21 operations in urban and peri-urban areas.

22 The local food movement has many benefits including:

- 23 i. Enhanced markets for the products that many members' farms produce;
- 24 ii. The ability for farmers to capture a larger share of the retail food dollar;
- 25 iii. Opportunities to employ and engage more Americans, in more regions, in
26 the pursuit of agriculture;
- 27 iv. Keeping consumer dollars circulating in each respective region, and to
28 the family farms therein;
- 29 v. Reconnecting consumers to the food they eat and their families;
- 30 vi. Reducing transportation costs;
- 31 vii. Providing fresher, healthier food products, with a reduced need for
32 transportation, long-term storage, processing or treatment;

- viii. Food security: encouraging food production to be spread across the country;
 - ix. Allowing for more profitable and sustainable methods of agriculture to be employed; and
 - x. Interns and apprentices educated on locally-oriented farms results in improved farm viability, larger pool of skilled agricultural labor, and more beginning farmers.
- We support:
- i. USDA's promotion of buying local and regional agricultural products, as a means to provide new and larger markets for smaller specialty crop farmers. Local will be defined by the consumer to be the immediate area, state, or region, but must be U.S.-produced;
 - ii. Promotion of farm-to-school and farm-to-institution programs;
 - iii. Promotion of farmers markets and community-supported agriculture (CSA);
 - iv. Promotion of family-farm based agritourism;
 - v. Regional food hub distribution centers;
 - vi. Funding to construct food safety qualified infrastructure to include washing, commercial-kitchens, packaging, and other value-added facilities;
 - vii. The purchase of surplus fruits and vegetables for federal food aid programs;
 - viii. Removal of barriers and incentives so that farmers markets and farm stands can redeem federal, state and local nutrition benefits;
 - ix. Geographically disadvantaged provisions for U.S. areas not included in main farm programs;
 - x. Local seed producers who produce regionally adapted seed;
 - xi. Improved access to reasonably priced liability insurance for small local-market and direct-marketing producers; and
 - xii. The requirement that organizations receiving funds for farmers' markets provide farmers with the right to direct the policies of the markets.

1 **6. BEGINNING FARMERS AND RANCHERS** (*ALSO SEE ARTICLE IV.A - FARM*
2 *SERVICE AGENCY (FSA) CREDIT PROGRAMS*)

3 We recognize that the average age of a U.S. farmer continues to increase and a
4 majority of the nation's farmland is changing hands due to the aging farmer
5 population. The ability of the next generation of family farmers to continue to
6 produce food and fiber is critical to the economy, health, and security of our nation
7 and local communities. In order to address this critical concern, the necessary
8 programs must be in place and funded in order to meet the unique needs and
9 barriers facing beginning farmers and ranchers, with special emphasis on returning
10 military veterans, and ensure that they can enter and sustain farming or ranching as
11 a viable livelihood.

12 We support:

- 13 i. The Beginning Farmer and Rancher Individual Development Accounts
14 program;
- 15 ii. The loan category within Farm Service Agency that directs operating
16 loans to provide flexible capital through operating microloans for
17 beginning farmers and ranchers;
- 18 iii. Maintaining the loan set-aside within the direct and guaranteed FSA loan
19 program for beginning farmers and ranchers while reducing the farm
20 management experience requirement from 3 years to 2 years;
- 21 iv. Increasing the Farm Ownership Down Payment loan program limit;
- 22 v. Increasing the direct Farm Ownership loan program limit;
- 23 vi. Incentives and/or tax credits to landowners to lease or sell to beginning
24 farmers or ranchers (*also see Article VI.C - Land Transfer*);
- 25 vii. Cost-share differentials and funding set-asides for beginning farmers and
26 ranchers in the Environmental Quality Incentives Program (EQIP),
27 Conservation Stewardship Program (CSP), and other programs;
- 28 viii. Including a priority for projects benefiting beginning farmers and
29 ranchers within Value-Added Grant Program and fostering new
30 entrepreneurial opportunities for beginning farmers and ranchers within
31 the Rural Development grants and loans programs;

- ix. Continuation and funding programs that provide education and training to beginning farmers and ranchers, including for agricultural rehabilitation and vocational training programs for military veterans;
- x. The Risk Management Agency (RMA) ensuring fair access to crop and revenue insurance by beginning farmers and ranchers including an additional crop insurance subsidy;
- xi. NIFA supporting research, education, and extension on issues related to beginning farmers and ranchers, farm transition, and farm entry;
- xii. The reauthorization and full funding of programs previously administered by the National Sustainable Agriculture Information Service to serve as a resource for beginning farmers and ranchers;
- xiii. The establishment of a funding priority for the federal Farm and Ranch Land Protection Program for easements conserving farmland for which there is a generational farm transfer plan, easements which include the use of an Option to Purchase at Agricultural Value or easements which occur in conjunction with the transfer of the conserved land to a beginning farmer;
- xiv. Funding for beginning farmers and ranchers training and education access programs;
- xv. Reauthorization of the Higher Education Act and the inclusion of farming and ranching in the Public Service Loan Forgiveness Program;
- xvi. Legislation that would forgive a portion of the student loans carried by new farmers and ranchers in their first five years of farming;
- xvii. Funding for farmers and ranchers to educate interns and apprentices on their farms;
- xviii. Increased funding and set-asides for beginning farmers and ranchers in disaster programs;
- xix. Funding and training for organizations with beginning farmer training programs to be vetted and credentialed to accept GI Bill education funds; and
- xx. We support advancement of land partnerships, such as farm incubator programs, that provide opportunities for for-profit and non-profit

1 agricultural entities and strive to support educational commercial farms
2 that teach agricultural and business skills.

3 **7. URBAN FARMING**

4 National Farmers Union recognizes urban agriculture as an important part of
5 meeting rising food demands, supplying easier access to highly nutritious vegetables
6 and fruits, reconnecting the food consumer with the farmer, storing carbon out of
7 the earth's atmosphere, and as an important new market opportunity for emerging
8 farmers.

9 We support urban and peri-urban farmers having access to all farm programs.

10 **B. DAIRY, LIVESTOCK, AQUACULTURE AND FISHING**

11 **1. DAIRY POLICY**

12 **i. Domestic Dairy Policy**

13 We urge Congress to develop a comprehensive dairy program to allow dairy
14 producers across the nation to receive a profitable return on their investment.

15 It should:

- 16 a. Encourage and enable producers to use sustainable environmental
17 practices;
- 18 b. Provide a high-quality, stable supply of dairy products to consumers;
- 19 c. Assist new farmers entering into dairying;
- 20 d. Balance milk supply and demand through a long-term supply
21 management program;
- 22 e. Encourage voluntary producer assessments for an industry-managed
23 program that must clearly demonstrate they will stabilize and
24 increase producer prices;
- 25 f. Prohibit mandatory producer assessments unless it can clearly be
26 demonstrated that they substantially increase producer income;
- 27 g. Provide full funding of the School Milk Program and Special Milk
28 Programs;
- 29 h. Include 100 percent real dairy products, including whole milk, in the
30 National School Lunch Program as well as in school vending
31 machines;

- i. Utilize the Commodity Credit Corporation (CCC) to mitigate low prices;
- j. Provide transparency in milk price reporting;
- k. Require mandatory participation of processors in an audited National Agricultural Statistics Service (NASS) survey;
- l. Require mandatory participation of processors in an audited cold-storage report;
- m. Include development of a transparent pricing mechanism to replace the inadequate Chicago Mercantile Exchange (CME) pricing system;
- n. Require USDA and CME to standardize labeling and packaging of surplus dairy products;
- o. Ensure research and promotion activities are directed toward enhancing income to family farmers;
- p. Provide an incentive payment to domestic producers who agree to voluntary limits. Funding should be provided by those producers who increase production from the previous year and produce more than a level targeted to family-sized farms;
- q. Prohibit volume premiums;
- r. Include market loss assistance during times of low prices, with capped payments based on production. The cap levels should be targeted to family farmers;
- s. Prohibit federal legislation allowing dairy forward contracts that give processors and marketers the ability to pay below the minimum market order price;
- t. Include a floor price policy for milk. The floor price should help producers in all regions of the country and provide for supply management. The floor price should be set at a level that allows producers to earn a fair return on their milk from the marketplace, but not so high as to encourage overproduction;
- u. Provide for minimum prices that are based on a formula that reflects what consumers are paying for all dairy products;

- v. Require plants to pay the minimum prices established by USDA for butter, nonfat powder, and cheddar cheese; and
 - w. Prohibit domestic dumping by dairy marketers in the United States;
 - x. Expansion of Livestock Gross Margin Dairy Program
 - y. Prohibit the use of fluid milk as a loss leader at the retail level.
- Any future dairy program should establish fair prices, manage milk inventories and restore profitability to dairy farmers across the United States.

ii. **Market Order Reform**

A federal order system should be maintained and expanded to include all areas within the continental United States. A national milk marketing order and pricing reform should emphasize maximum return to producers. Transportation differentials, quality premiums, and usage result in price disparities throughout the United States. A revised national milk marketing order should include:

- a. A price discovery formula at the producer level allowing for variable market conditions;
- b. A floor price on all classes of milk;
- c. Price incentives that reflect the value of all milk components;
- d. Tests for component pricing that are checked for accuracy by USDA;
- e. A national make allowance that is adjustable to cover processing and fortification. This allowance should be generated from the market, not deducted from the established price through end-product pricing;
- f. A base make allowance that is adjustable to reflect the difference between milk prices and the producer's cost of production;
- g. Elimination of bloc voting on market orders;
- h. The continuation of the current order provisions following the defeat of a proposed change. Orders should only be eliminated through a producer referendum with no bloc voting; and
- i. The establishment of a federal milk marketing order that includes California so that California dairy producer prices are brought in line with prices paid in the federal order, which will benefit all dairy producers nationwide.

1 iii. **Milk Protein Concentrate/Ultra-Filtered Milk Products** (*also see Article*
2 *I.D – Labeling of Commodities and Commodity Products*)

3 Imported casein, milk protein concentrate (MPC) and ultra-filtered (UF)
4 milk products, blends, and food preparations have benefited from a
5 significant loophole in U.S. dairy trade policy and have distorted the nation’s
6 dairy market.

7 We support:

- 8 a. Maintaining Food and Drug Administration’s (FDA) current definition
9 of milk to prevent casein and MPC from being used in standardized
10 cheese;
- 11 b. Actions that restrict the importation of casein, MPC, dairy blends, and
12 food preps;
- 13 c. Properly informing consumers about the use of casein, MPC/UF dairy
14 blends and food preps in food production, including labeling;
- 15 d. Immediate passage of legislation to subject casein, MPC, and other
16 dairy blends to a tariff rate quota;
- 17 e. Imposing strong penalties for the dairy plants using casein and/or
18 MPC and dairy blends in standardized cheese production;
- 19 f. Requiring an end-use certification on all imports of MPC, dairy blends
20 and food preps;
- 21 g. Bringing a trade action against nations that are dumping subsidized
22 MPC, dairy blends and food preps;
- 23 h. Disallowing MPC for human consumption until it meets the necessary
24 generally regarded as safe (GRAS) requirements; and
- 25 i. Prohibiting government subsidization of the production of MPC.

26 iv. **Consumer Protection** (*also see Article I.D – Labeling of Commodities and*
27 *Commodity Products*)

28 We support the following initiatives to ensure consumers can make
29 informed purchase decisions:

- 30 a. State and federal legislation to require all schools to use rBST-free
31 milk;

- b. Restricting the use of the Real Seal to domestically produced dairy products and subsequent enforcement of its standards;
- c. Educating and promoting the Real Seal program to consumers;
- d. Increasing the federal standards for fat and solids in fluid milk to meet the national average of the milk content produced on U.S. farms;
- e. Requiring imports to meet the same high standards used for domestically produced dairy products; and
- f. Prohibiting the addition of artificial sweeteners, such as aspartame, to dairy products. If allowed, they must be labeled as such.

v. Raw Dairy

We support:

- a. The production and sale of raw/unpasteurized milk as it provides a market niche for dairies. Because of the possible risks of cross-contamination, we recommend that raw/unpasteurized milk be bottled as the product of a single source and wherever possible at the physical location of that source. Single-source bottling will keep intact the chain of responsibility and greatly aid in tracking possible cases of contamination;
- b. Policies, practices and standards for responsible raw/unpasteurized milk production for dairy producers that choose to produce raw/unpasteurized milk (or raw/unpasteurized dairy products) for human consumption;
- c. Access to raw/unpasteurized milk (and/or raw dairy products) for human consumption for all consumers that choose to consume raw/unpasteurized milk; and

2. LIVESTOCK POLICY

i. Animal Welfare

We support:

- a. Producers' rights to own and raise livestock and have livestock and their products recognized as personal property;

- b. Promotion of animal welfare, as opposed to animal rights initiatives which would limit production agriculture by imposing mandatory restrictions on traditional methods of agricultural animal production;
- c. Responsible care and management of animals to provide for the welfare of herds and flocks;
- d. Educating the public regarding the important use of animals for agricultural and medical research. Any illegal actions taken by animal rights organizations toward producers should be prosecuted to the fullest extent of the law;
- e. The development of egg sexing technologies to eliminate the euthanasia of male chicks hatched in egg laying operations; and
- f. Revising transportation regulations to allow transportation of horses at the discretion of the owner in the most cost-effective manner for their intended purposes.

We oppose:

- a. A ban on the slaughter of horses and the criminalization of individuals processing, shipping, transporting, purchasing, selling, delivering, or receiving any horse, horseflesh, or carcass for the purpose of harvest; and
- b. The euthanasia of chicks because of their sex.

We call for the reinstitution of facilities and funding for USDA inspection to deal with the processing and humane disposal of horses.

ii. **Livestock and Livestock Product Imports** (*also see Article III – International Trade, Cooperation, and the Family Farm*)

The importation of livestock and livestock products is causing serious damage to our domestic industry. Additionally, a lack of sufficient meat import inspection poses an increased potential of contaminated food reaching tables in the United States. We recommend that Congress incorporate the following steps to protect U.S. livestock producers from unfair trading practices:

- a. Investigate the impact of foreign pricing practices on the U.S. market;

- b. Impose countervailing duties to offset subsidies paid to foreign exporters;
- c. Require the amount of imported meat and live animals intended for slaughter be reported weekly;
- d. Re-establish Section 301, allowing the United States to impose trade sanctions against foreign countries that the USTR determines applicable;
- e. Re-establish the Meat Import Act, which was replaced under the Uruguay Round, by replacing existing tariff rate quota system with an import quota system; and
- f. Require end-use certificates to monitor the flow of livestock being imported.

iii. **Consumer Protection** (*also see Article X.J – Food Safety and Article I.D – Labeling of Commodities and Commodity Products*)

We support:

- a. Strengthening USDA and FDA safety standards to prevent bovine spongiform encephalopathy (BSE) contaminated products from being imported (*also see Article I.C.2.iv – Livestock Health*);
- b. Requiring more vigorous inspection of imported meat processing facilities and imported meats to ensure that they meet U.S. standards;
- c. Banning meat and/or meat products from foreign countries that allow use of medications or additives not approved for use in the United States;
- d. Prohibiting the importation of ground and shaved meat into the United States;
- e. Enforcing all existing quarantine requirements and health standards as set forth by USDA/Animal and Plant Health Inspection Service (APHIS) regarding imports of livestock and other commodities;

- 1 f. and USDA ensuring a rigorous and enhanced meat inspection
2 system, in order to maintain consumer confidence in the safety
3 and wholesomeness of meat and poultry products.

4 We oppose:

- 5 a. The shipping of U.S. beef, pork, poultry, or fish to be processed in
6 foreign countries that is then returned to the U.S. for U.S.
7 consumption; and
8 b. Any changes to slaughter inspection that moves inspection tasks
9 away from USDA and state inspectors. This includes any
10 expansion of the HACCP-Based Inspection Models Project or any
11 other project that would privatize inspection roles.

12 **iv. Livestock Health**

13 Livestock health is critical to production agriculture and our nation's ability
14 to provide a safe food supply. Achieving the necessary means to ensure livestock
15 health is a priority for NFU. We support good animal husbandry practices as the
16 primary means of livestock health maintenance, as well as the following
17 initiatives to ensure livestock health:

- 18 a. We encourage all livestock producers to develop professional
19 relationships with their veterinarians to understand all aspects of the
20 Veterinary Feed Directive as implemented;
21 b. We support incentives for large animal veterinarians who agree to
22 serve underserved areas;
23 c. Continue to allow FDA to permit the use of therapeutic antibiotics
24 approved for use in livestock unless valid scientific evidence proves
25 the product is unsafe. NFU believes that antibiotic treatment should
26 be reserved for clinical treatment of illness and for judicious use in
27 preventing illness during periods of stress, and supports producers'
28 right to treat his or her animals with antibiotics to address herd
29 health issues while opposing the constant subtherapeutic use of
30 antibiotics;

- d. In order to protect the continued and effective use of antibiotics for human health care, we oppose the off-label use of antibiotics and/or arsenicals and fluoroquinolones in animal production;
- e. Fully fund disease eradication programs, including testing of wildlife, non-traditional livestock species and imported livestock and livestock byproducts;
- f. Ban livestock, animal protein products, and meat imports that would jeopardize U.S. efforts to eradicate livestock diseases, including BSE and Foot-and-Mouth Disease (FMD);
- g. Encourage congressional support for emergency economic assistance for producers who have suffered economic and market losses as a result of an incident of livestock disease, as covered by the Animal Health Protection Act (PL 108-498);
- h. Establish funding for a voluntary Johne's Disease testing program;
- i. Increase research on transmission modes, vaccine regimens, and protocol for vesicular stomatitis by federal officials and private organizations;
- j. Re-evaluate the quarantine restriction and reclassification of vesicular stomatitis from Class A to a Class B disease;
- k. Prevent Bovine Spongiform Encephalopathy (BSE) and Foot-and-Mouth Disease (FMD) through:
 - 1. Increasing federal and international research to understand and prevent BSE/FMD;
 - 2. Continuing the site-specific ban on processing, blending, and shipping of meat from a plant where BSE has been found, until subsequent test results show that the plant is free of BSE;
 - 3. Rescinding the USDA rules that allow the import of livestock and meat products from countries with active disease outbreaks;
 - 4. Continuing the ban on livestock and meat imports from countries with BSE/FMD outbreaks until the disease is controlled and/or eradicated;

5. Banning all meat and feed imports from countries that have not implemented and enforced a ruminant-to-ruminant feed ban;
 6. Prohibiting the importation of animal protein products from countries that cannot certify BSE- and transmissible spongiform encephalopathies (TSE)-free products;
 7. Prohibiting TSE-positive materials in non-ruminant feeds; and
 8. Cross-referencing all regulations for complete consistency of standards.
- l. Develop a comprehensive strategy and work with electric providers to help producers detect and eliminate stray voltage;
 - m. Enforce Section 21 General Requirement Rule 215-B of the National Electric Safety Code to prohibit using the ground as the sole conductor or return to utilities substations;
 - n. Require user-fees for importers to implement inspections and disease prevention;
 - o. Encourage Congress to continue funding research and prevention methods for all harmful and life-threatening strains of influenza. USDA should develop a strategic plan to help producers detect, monitor, and eradicate infected animals. Vaccination compensation for mandatory culling should be directed toward producers with limited finances to prevent the driving out of small producers;
 - p. Urge Congress to upgrade the Plum Island Animal Disease Center; however, we oppose completion of the National Bio- and Agro-Defense research facility in any location critical to food production in our nation. If completed, rigorous standards of containment must be developed and the government should assume complete liability should containment not be successful. Funding must be full, adequate and continuous to meet the rigorous standards of containment. To prevent any biosecurity risk, funding for this facility should be exempt from any budgetary cuts; and

- 1 q. Legislative efforts to amend the Minor Use and Minor Species Animal
2 Health Act of 2004 to include language that would provide federal
3 incentives, tax and others, for the development and labeling of much
4 needed pharmaceuticals for minor species and minor uses.

5 **v. State Animal Identification**

6 We support the USDA's action to leave animal identification for disease
7 management to the states. We urge state programs to establish voluntary
8 individual animal identification systems that recognize that the collected
9 information is the sole, proprietary property of the producer and those
10 authorized to use it. Any livestock database shall be housed at the state
11 government level – not privately held. The data shall only be shared in the event
12 of a disease outbreak and to the extent necessary for its control.

13 **vi. National Animal Identification**

14 NFU does not currently support a mandatory National Animal Identification
15 System due to a vast array of issues not yet addressed:

- 16 a. Costs of implementing the program remain uncertain. The
17 Department of Homeland Security (DHS) has stated the necessity of a
18 national animal I.D. program to combat terrorism; therefore, we urge
19 Congress to provide the full funding necessary to create and maintain
20 the database and provide compensation to producers for their costs
21 of implementing the program;
- 22 b. Any national animal I.D. program should be administered by USDA;
- 23 c. Mitigate producer liability for contaminated food products. A
24 seamless system should be provided at all retail levels that ensures
25 the information gathered through an I.D. system is complementary
26 with that provided through mandatory country-of-origin labeling;
- 27 d. Use of the proprietary information should include clear limits to
28 ensure protection under the Freedom of Information Act (FOIA).
29 Access to producer information should be available only to relevant
30 federal and state agencies and only in times of animal disease
31 outbreaks or bioterrorism attacks;

- e. Ensured uniformity of identification system with tracking technology and database management; and
- f. Control of the database needs to remain under the control of the federal government. The concerns we have with a privately managed database system include:
 1. It forces producers to bear the financial burden, which they cannot afford;
 2. This public database will create a revenue source for private entities seeking to make a profit;
 3. It does not contain oversight to protect confidential producer information;
 4. It does not mitigate producer liability;
 5. It will create opportunities for packers to condition the purchase of livestock upon participation in a voluntary I.D. program;
 6. It assumes coordination among a complex web of data with no guarantees of success; and
 7. It assumes all sectors of the livestock industry will agree upon the development and maintenance of a single entity to represent each species' interests.

vii. **Aquaculture, Fishing and Alternative Livestock**

1. Land-based aquaculture and alternative livestock

The land-based aquaculture and alternative livestock industries represent opportunities for family farmers to establish new and/or more diversified farming enterprises.

In order to ensure consumer confidence in the health and safety of these products, we support:

- a. The extension of federal, or equivalent state, food inspection services for these products and recommend that a uniform inspection fee system be adopted by the agency of jurisdiction;

- b. Recognizing farm-raised freshwater fish and shellfish production as a domesticated livestock under USDA definition and moving its inspection from FDA to USDA jurisdiction;
- c. Recognizing game farms as livestock operations and subjecting them to all livestock health regulations, as well as making them eligible for any benefits provided traditional livestock operations;
- d. Recognizing vermiculture and insect farming as agricultural practices, and worms and insects as an alternative livestock;
- e. USDA, utilizing state departments of agriculture where feasible, being the agency that regulates all health issues for these farms and ranches, as well as providing production, processing, and market development assistance for these products; and
- f. Assisting small producers to comply with regulations.

2. Marine Aquaculture

The development of industrial-scale offshore finfish aquaculture is detrimental to the family fishers and local economies of historic fishing communities. It should not be allowed to proceed unless and until there is national legislation in place that ensures it can be conducted without harming marine ecosystems and coastal fishing communities.

We oppose:

- a. Promotion of offshore aquaculture operations that displace or endanger traditional fishing practices and onshore infrastructure;
- b. Inefficient use of marine resources as feed within such operations;
- c. Federal subsidies to promote, sustain or further develop such operations; and
- d. Marine fishing operations that are not community-based and do not contribute to the promotion of locally and sustainably caught wild seafood.

3. Sustainable Working Waterfronts and Fisheries

Small boat fishers face many of the same challenges as family farmers: an aging population, consolidation of the fishing fleet, and high cost of

1 production in fuel and license costs make it hard to enter or sustain a
2 fishing business. Overfishing of forage fish habitat has led to a current
3 economic crisis for many small boat fishers and their coastal
4 communities. Drastic declines in commercial and ground fish off of all U.S.
5 coasts will necessitate extreme cuts to fish harvest. The economic impact
6 of these reductions will be devastating for small boat fishers.

7 We support:

- 8 a. Protecting our working waterfronts so that viable family fishing
9 businesses can thrive and grow;
- 10 b. Disaster assistance for small boat fishers;
- 11 c. Full assistance of USDA Risk Management Agency for small boat
12 fishers;
- 13 d. Development and support of cooperative marketing, processing
14 and branding models that provide a fair livelihood for fishing
15 families, healthy local food products, and sustainability of wild
16 harvest fisheries;
- 17 e. Extension of the full range of USDA Know Your Farmer, Know
18 Your Food (KYF) programs to support small boat fishers and
19 provide access to education and training for beginning fishers;
- 20 f. Programs that provide regionally appropriate research and
21 technical assistance to improve profitability of sustainable fishing
22 practices, enhanced marketing and processing of sustainably
23 caught fish;
- 24 g. Programs that enhance the production and processing of local
25 meat and poultry should be extended to include fish;
- 26 h. USDA conservation programs that support the development and
27 adoption of sustainable fishing practices and protect coastal
28 ecosystems;
- 29 i. Nutrition program incentives should be extended to fresh fish;
- 30 j. Catch limits as essential means of rebuilding fish stocks;
- 31 k. Selective harvesting practices that allow healthy stocks to be
32 targeted, while at-risk and depleted stocks are avoided;

- l. Reviewing current practices as well as development of new fishing gear or techniques that avoid depleted stocks;
- m. Forage fish populations being carefully managed to avoid overharvest using science-based annual catch levels and a risk adverse management strategy;
- n. Development of meaningful protections for sensitive sea floor habitat essential for the needs of managed species based on best available science; -
- o. Prohibiting fishing gears and/or practices that are not conducive to protecting these important and vulnerable areas; and
- p. We oppose opening closed areas of the ocean fisheries in response to recent declines in ground fish stocks.

C. LABELING OF COMMODITIES AND COMMODITY PRODUCTS

1. COUNTRY-OF-ORIGIN LABELING

We support reauthorization and full implementation of mandatory country-of-origin labeling (COOL) for agricultural, aquaculture and wild-caught seafood products. Mandatory COOL is a valuable marketing tool for producers, and it allows consumers to know where the meat products they consume are born, raised, slaughtered, and processed. U.S. producers and consumers have the right to distinguish products from those of other countries and U.S. products should not be categorized as a North American product (*also see Article II – Agriculture Competition and Concentration*). We recommend that USDA and Congress reinstate mandatory COOL.

We support the following principles in the continued implementation of mandatory COOL in order to qualify and be labeled as U.S.-produced:

- i. Meat products must come from an animal born, raised, slaughtered, and processed in the United States;
- ii. Fresh produce, honey, and nuts must be exclusively grown and processed in the United States;
- iii. Dairy products to be labeled to indicate country-of-origin;

- iv. Farm-raised fish and shellfish must be hatched, raised, and processed in the United States or wild fish and shellfish harvested and processed solely in the United States or by a U.S.-flagged vessel;
- v. USDA should prohibit any third-party compliance reviews and third parties dictating what types of records producers need to keep and the manner in which the records should be kept;
- vi. USDA should perform any/all producer audits to determine compliance with the law;
- vii. Allow those who solely produce U.S. products to self-verify that fact;
- viii. Allow producers, processors and retailers to maintain records in a manner of their choosing, as long as the information is available and can be transferred to a standardized format in the event of an audit by USDA;
- ix. In the absence of mandatory COOL, the same labeling standards outlined in mandatory COOL should be maintained to benefit producers and consumers in any voluntary program; and
- x. If a national animal identification program is implemented, the information should include country-of-origin distinction for consumers of covered commodities at all retail levels.

2. LABELING OF FOOD PRODUCTS

Thorough and accurate food labels are an important tool that helps consumers make informed decisions and allows producers to differentiate their products. We support conspicuous, mandatory, uniform, and federal labeling for food products throughout the processing chain to include all ingredients, additives, and processes such as:

- i. Artificial growth hormones;
- ii. Products derived from cloned animals;
- iii. The identity of the parent company;
- iv. Carbon monoxide injected in meat and seafood or packaging for appearance or shelf-life purposes;
- v. Point of origin and producer-determined standards for geographic indicators, including percentage coming from that origin;
- vi. Date of kill, for meat and seafood;

- vii. Whether the meat was frozen;
- viii. The date/dates the meat was subsequently refrozen;
- ix. Irradiated products, and we call for further research on its long-term effects on human health;
- x. Maintaining and protecting the integrity of organic labeling;
- xi. Labeling standards for the sale of organic products, while not limiting opportunities to market other natural or sustainably produced food products;
- xii. A designation for soil-less systems so as to maintain the integrity of the USDA Organic label;
- xiii. Requiring labeling of milk from cows injected with recombinant bovine somatotropin (rBST), a hormone to stimulate milk production. In the absence of federal labeling requirements, we encourage farmer-certified rBST-free labeled products;
- xiv. Labeling the use of casein, MPC/UF dairy blends, and food preps in food production;
- xv. Requiring the labeling of artificial sweeteners; a
- xvi. Requiring any laboratory or artificially produced products to be labeled as such;
- xvii. Adding to the Food Standards and Labeling Policy Book the following definitions and labeling requirements for meat and beef:
 - a. "Meat" is a product derived from the tissue or flesh of animals that have been harvested in the traditional manner; and
 - b. "Beef" is a product derived from the tissue of cattle born, raised, and harvested in the traditional manner.

We oppose:

- i. Labeling poultry chilled below 26 degrees Fahrenheit as fresh;
- ii. USDA regulation that allows the addition of up to eight percent water-weight to poultry products without mandating that these products are so labeled;
- iii. Labeling alternative protein sources as meat;
- iv. Cellular technology being called agriculture;

- v. The use of the words milk, cheese, butter, yogurt, or other words used to describe dairy products in labels on imitation or substitute dairy products;
- vi. The use of the word milk to designate any product not derived from mammals; and
- vii. Labeling meat products produced from animals raised outside the United States as “Product of U.S.A.” or equivalent.

3. NUTRITION LABELING

We support providing consumers with information on nutrients in food products to help avoid misleading health claims.

D. COMMODITIES

1. WHEAT, COARSE GRAINS, OILSEEDS, RICE, AND COTTON

A farm program should recognize the market realities of the fundamentally unique business of farming. Such a program should include these basic provisions:

- i. Price support and income support mechanism for wheat, coarse grains, oilseeds, rice, and cotton that establishes a floor under market prices and enables producers to obtain their income from the marketplace;
- ii. Price and income supports should primarily be provided by CCC non-recourse, commodity loans;
- iii. Flexible loan maturity periods should be able to be extended at the discretion of the producer for up to 18 months, with the producer able to forfeit after 9 months;
- iv. Price support and CCC loan rates should be set at levels to ensure producers have the opportunity to receive a fair return on their investment. The loan rate should not be for less than the USDA national average cost of production. CCC loan rates should be adjusted annually to reflect inflation and productivity;
- v. Price supports and CCC loan rates should be annually balanced in an upward manner, in order to prevent market and planting distortions; and
- vi. NFU strongly urges the establishment of a voluntary, farmer-owned market-driven inventory system that reduces volatility in agricultural

commodity markets. In order for such a system to succeed, we
recommend the following:

1. USDA will offer per bushel storage rates for commodities when prices fall below a designated loan rate, which is set near the midpoint between the variable and full cost of production for each commodity. Enrollment in the storage program will cease when prices recover;
2. Farmers may enter any portion of their crop into storage, which must remain enrolled in the program until the market price for the commodity reaches the release price, or approximately 160 percent of the loan rate;
3. Farmers must maintain the crop in proper condition while in storage;
4. Economically sound inventory caps should be set on each commodity. Should the inventory cap be reached for a commodity, a voluntary set-aside program may be made available by USDA;
5. When the release price is reached, the farmer may sell the commodity into the market or hold the commodity, but storage rates will cease;
6. Allowing the secretary of agriculture the authority to manage price-depressing surpluses by providing producers incentives to plant dedicated energy crops on acres which are now, or may be produced, in surplus;
7. Commodity support based on actual production history (APH), where available. For cases without APH, the program yield cannot be lower than county Farm Service Agency yields. Additionally, we urge the establishment of APH floors to protect producers in the event of successive crop failure brought on by natural disasters;
8. Planting flexibility;

- 1 9. Low-interest grain storage facility loans should be made available
2 to producers;
3 10. Each farm operator and crop share landlord should be eligible for
4 maximum loan volume targeted to family farms;
5 11. Farmers should have the right to periodically update acreage
6 bases and proven yields on all crops for each farm; and
7 12. Farmers should have the option to store forfeited grain and
8 receive storage payments until final sale is consummated.
9 13. The designation of cottonseed as an “other oilseed” for the
10 purpose of the Agricultural Risk Coverage (ARC) program and the
11 Price Loss Coverage (PLC) program.

12 **2. OTHER PROGRAM COMMODITIES (WOOL, MOHAIR, HONEY, PULSE CROPS,**
13 **ETC.)**

14 We support:

- 15 i. The establishment of an economic safety net program for other eligible
16 commodities based on price income supports provided through CCC non-
17 recourse, commodity loans in a manner comparable to more traditional
18 farm program crops. Other eligible commodities include, but are not
19 limited to: a) wool; b) mohair; c) honey; d) pulse crops; and e) forage
20 crops, if hayed or grazed;
21 ii. Funding the Wool and Mohair Program from tariffs on sheep and wool
22 imports;
23 iii. The Pulse Health Initiative, a focused effort to increase and leverage
24 scientific research on the advantages of pulse crops; and
25 iv. Including hay, forage crops and managed pasture as program crops for
26 the purposes of commodity program payments.

27 **3. TOBACCO**

28 We urge action by Congress and the administration to:

- 29 i. Provide for a plan and funding for economic development assistance to
30 tobacco-dependent communities;
31 ii. Establish country-of-origin labeling for tobacco;

- 1 iii. Ensure that all imported tobacco meets the same standards of domestic
- 2 leaf and is monitored and tracked in a similar fashion as domestic leaf.
- 3 iv. To act to include provisions to continue the inspection of foreign tobacco
- 4 for U.S.-banned chemicals and pesticides.

5 **4. PEANUTS**

6 Historically, U.S. farm policy has recognized that for peanuts, the cost of

7 requirements of the sector, such as specialty harvesting equipment and storage

8 facilities would attract a limited number of equipment dealers, processors, and

9 marketers. Therefore, family-sized farms would require particular attention to the

10 orderly and honest marketing of such a crop.

11 We support:

- 12 i. Grower marketing associations and federal marketing and warehouse
- 13 assistance to aid in the maintenance of fair and transparent market
- 14 competition;
- 15 ii. Increased research funding to develop alternative uses for peanuts;
- 16 iii. Prohibiting the importation of peanuts or any peanut products from
- 17 countries that produce no peanuts; and
- 18 iv. Prohibiting the importation of peanuts or peanut products from
- 19 countries that have plant disease problems, use unjust labor practices, or
- 20 have less stringent pesticide regulations than the United States.

21 **5. SUGAR**

22 We support the continuation of the no-cost U.S. sugar program and encourage

23 Congress to work with U.S. sugar producers to adopt a strong sugar program in

24 future farm bills.

25 We support continuation of the suspension agreements governing sugar trade

26 with Mexico.

27 We oppose ethanol produced from imported sugar receiving any taxpayer

28 subsidies.

29 **6. TREE FARMS AND FORESTRY**

30 The economic well-being, as well as the independent existence of family tree

31 farmers, is threatened by regulatory uncertainty, over-regulation of wetlands, and

32 restraining buffer zones. We support the family tree farmers.

1 NFU encourages private landowners to adopt cooperative sustainable forest
2 management practices, including but not limited to completion and implementation
3 of forest stewardship management plans as recognized by USDA or state forest
4 services.

5 We support the USDA Tree Assistance Program (TAP).

6 **7. SPECIALTY CROPS**

7 Specialty crops include but are not limited to fruits, vegetables, tree nuts, dried
8 fruits, nursery crops, pulse crops, floriculture and horticulture including turf grass,
9 sod, *Camellia sinensis* teas, coffee, hemp and herbal crops. Congress should provide
10 mandatory funding for a safety net program, including risk management tools, to
11 allow producers to earn the cost of production.

12 We support:

- 13 i. Mandatory and expanded funding for the Specialty Crop Block Grant
14 Program. Specialty crop block grants that are provided to states should
15 be provided to producers and not supplant state budgets;
- 16 ii. Collaboration with consumer, culinary and other food groups to promote
17 U.S. specialty crops;
- 18 iii. Protection for specialty crop producers from imports during the primary
19 harvest season for perishable crops (window of harvest);
- 20 iv. Incentives for all federal nutrition program beneficiaries to use their
21 benefits at farmers markets, CSAs and other direct marketing outlets.
22 Reauthorization and expansion of the SNAP-based Food Insecurity
23 Nutrition Incentive Grant Program and the Child Nutrition Act with
24 continued prioritization for the direct-to-consumer marketing and the
25 local and regional sourcing of fruits and vegetables;
- 26 v. Increasing the allowable THC content of industrial hemp to 3 percent;
- 27 vi. Adopting policies and regulations that ensure the market for cannabis is
28 accessible to family farms and do not create unfair advantages to large
29 companies and monopolies. We oppose “pay to play” systems;
- 30 vii. A state’s right to make their own choice on medical and recreational
31 marijuana by calling on Congress and U.S. DEA to reclassify marijuana as
32 a schedule 2 or lower drug;

- viii. USDA designation of tree syrups as a specialty crop;
- ix. Both seed exchanges and seed libraries for the open exchange of heirloom and open-pollinated seed; and
- x. Flexibility to allow occasional fruit and vegetable production without losing base acres for covered commodities.

8. HONEY/POLLINATION

Pollinators are vital to agriculture and in particular to the production of fruits, vegetables and crops. Research indicates that multiple factors contribute to the decline in pollinators including pesticides, habitat loss, pathogens, parasites, and climate change.

Therefore, we support:

- i. Agricultural research and education to encourage innovative approaches to protecting honeybee health and improve genetic stocks of honeybees;
- ii. Development and expanded research to enhance native pollinators;
- iii. Encouraging EPA to enforce its pesticide use labels to ensure proper application of pesticides;
- iv. Encouraging collaboration between the pesticide manufacturing and pollinator industries to educate applicators and producers about the potentially harmful effects of pesticides on pollinator populations;
- v. Continued monitoring of pest populations and pest control methods;
- vi. Continued monitoring of pollinator imports, accidental importation of pests and invasive species;
- vii. Ensuring that pollinator-beneficial habitat and best management practices are eligible for cost-sharing assistance and incentives in USDA conservation programs intended to assist producers;
- viii. Public research of effects of pesticides, such as neonicotinoids, on bee colonies, especially related to Colony Collapse Disorder;
- ix. The FDA defining honey as a food product based on the Codex Alimentarius standards so that U.S. beekeepers have the ability to utilize trade and legal mechanisms when imported honey is adulterated. Until the FDA defines honey as a food product, we support efforts at the state

level to authorize state departments of agriculture to define honey using the Codex Alimentarius standards as a guideline;

- x. Honeybees and hives for inclusion in livestock compensation programs; and
- xi. Effective and aggressive enforcement of chemical restrictions and management practices that harm pollinators.

We oppose any attempt to classify sweet, white, or yellow clover as an invasive species or to prohibit the sale or planting of sweet clover seed because of its important role in honey production.

9. VALUE-ADDED AND MINIMALLY PROCESSED FOODS

We support artisan producers for creating value-added revenue streams from agricultural products.

We support policies and programs that encourage the further development of these types of farm-based enterprises.

10. VALUE-ADDED USES OF FARM PRODUCTS

We support value-added uses of farm commodities that encourage the development of bio-degradable consumer packaging as the standard choice for storage containers, packaging and bags.

E. AGRI-TOURISM

We support:

- 1. The inclusion of agri-tourism, including on-farm bed and breakfasts and short-term rentals, as part of the definition of agriculture;
- 2. Encouraging USDA to recognize the value of agri-tourism and on-farm education programs as a critical value-added product; and
- 3. USDA developing and implementing a program to educate producers about liabilities associated with agri-tourism operations.

F. RISK MANAGEMENT

We encourage:

- 1. The expansion of risk management tools to cover all commodities;
- 2. The FSA to always consider prevented plant acres in revenue calculations not limited to farm safety net programs, risk management programs and disaster programs; and

- 1 3. The Inventory Management Soil Enhancement Tool (IMSET) as a mechanism
2 for farmers to voluntarily use annually to enhance individual farmer's
3 pricing inventory while enhancing their land's marginal soil.

4 **1. LIVESTOCK PRODUCER ASSISTANCE**

5 We support:

- 6 i. Full and permanent funding for the livestock compensation programs;
7 and
8 ii. Safeguards to assure that program benefits are targeted to family
9 farmers and ranchers.

10 **2. CROP AND LIVESTOCK INSURANCE**

11 Crop insurance and revenue coverage should not be considered a replacement
12 for fair market prices and an adequate price support program.

13 We support:

- 14 i. The continuation and improvement of the federal crop insurance
15 program;
16 ii. Maintaining or increasing the average premium subsidy for crop
17 insurance;
18 iii. A permanent disaster program, in addition to crop insurance that
19 addresses both catastrophic and shallow losses;
20 iv. Enhancing the affordability of coverage above 75 percent of actual
21 production history (APH);
22 v. A limitation on the cumulative value of all federal premium subsidies for
23 the purchase of "buy-up" crop insurance coverage. In the event budget
24 cuts result in decreased "buy-up" premium subsidies, those cuts should
25 be accomplished by caps on per-individual subsidies. Crop insurance
26 subsidies should be attributed to individuals based on their share of
27 ownership of insurable production and entities they own;
28 vi. Development of federal crop insurance policies that provide a dollar-per-
29 acre, multi-peril coverage option similar to policies that exist for single-
30 peril hail coverage;
31 vii. Development of federal crop insurance policies based on the regional
32 average cost of production for the insured commodity;

- 1 viii. Development of new products that allow producers to protect their
- 2 income in times of low prices and/or quality losses;
- 3 ix. Expanded production loss and revenue protection programs to cover
- 4 more crops and livestock in an equitable and comparable manner in all
- 5 states;
- 6 x. Development of products that allow producers to better protect against
- 7 livestock and livestock feed losses;
- 8 xi. Directing RMA to further develop the Whole Farm Revenue Protection
- 9 Program;
- 10 xii. Legislative action to provide the RMA authority to allow nationwide crop
- 11 and revenue insurance pilot programs;
- 12 xiii. Increase the producer representation on the Federal Crop Insurance
- 13 Corporation (FCIC) board of directors and establish a local appeals
- 14 process including conflict resolution;
- 15 xiv. Providing family farm producers the opportunity to utilize all available
- 16 disaster programs without penalty; farmers relying on surface water for
- 17 irrigation should not be penalized by being forced to sign up crop as dry-
- 18 land instead of irrigated land due to an “act of God” resulting in lack of
- 19 water because of drought;
- 20 xv. Reasonable funding for crop insurance agent and company
- 21 reimbursement;
- 22 xvi. No reduction of APH for federal crop insurance purposes when
- 23 production is reduced by natural disasters;
- 24 xvii. Offering an adequate, individual catastrophic coverage program to
- 25 provide a safety net against crop disasters with a graduated premium
- 26 based on acres rather than crops;
- 27 xviii. Signup requirements that contain enough flexibility including changes to
- 28 established planting dates to allow producers to respond to weather
- 29 changes;
- 30 xix. Being eligible to plant a “ghost” crop when a producer collects a payment
- 31 for a prevented planting;

- 1 xx. The use of cover crops for stewardship purposes on prevented planted
- 2 acres when feasible;
- 3 xxi. Prevented planting provisions in insurance policies that can provide
- 4 valuable coverage when extreme weather conditions prevent expected
- 5 plantings. To maintain the integrity of the program and avoid abuse,
- 6 producers should make planting decisions based on agronomically sound
- 7 and well-documented crop management practices. We encourage the
- 8 RMA to develop guidelines that are objective rather than subjective;
- 9 xxii. Maintaining eligibility to receive prevented planting indemnity payments
- 10 regardless of the producer's planting history;
- 11 xxiii. The inclusion of local quality and basis adjustments in revenue assurance
- 12 (RA) products;
- 13 xxiv. The risk management program to recognize and accommodate the
- 14 unique production and actuarial experience of producers of certified
- 15 organic commodities;
- 16 xxv. Not reducing established crop insurance during that crop year;
- 17 xxvi. The development of an optional, supplemental crop insurance product to
- 18 expand production loss coverage by helping offset either catastrophic or
- 19 modest production losses in the event of weather-related or other
- 20 insurable disaster losses;
- 21 xxvii. Requiring the RMA and the FSA to coordinate all definition, reporting
- 22 requirements and information technologies;
- 23 xxviii. The creation of regional advisory committees composed of producers,
- 24 insurance agents and insurance company officials to work with RMA
- 25 regional staff and offices to establish appropriate policies, procedures
- 26 and educational activities for the individual RMA regions;
- 27 xxix. The development and expansion of products that allow producers of
- 28 non-program commodities, small diversified farming operations of
- 29 specialty and minor crops to have equitable insurance coverage based on
- 30 the market for which it is produced. USDA should make whatever
- 31 regulatory or operational changes are necessary to remove barriers and

- 1 ensure fair access to crop and revenue insurance for beginning farmers
2 and ranchers;
- 3 xxx. The concept of a risk management account that would be a private, self-
4 insured policy for farmers that is similar to the current health savings
5 account. This is not a replacement for crop insurance; rather, it is an
6 alternative tool for farmers;
- 7 xxxi. Preventative planting losses including all weather contingencies,
8 including drought;
- 9 xxxii. A crop insurance premium due date of December 1 with no interest
10 charges to the premium if the claim is unsettled;
- 11 xxxiii. Conservation compliance to be eligible for federal crop insurance
12 subsidies, but recognize the need for the following specialized carve-out
13 provisions:
- 14 a. Expedited land classification determinations by NRCS;
15 b. Expedited classification appeals;
16 c. Ability to waive penalties for “in good faith” or other minor
17 errors;
18 d. Ability to mitigate before penalties are assessed;
19 e. Assessment of penalties on individuals tracts only, not whole
20 farms;
21 f. Severability of penalties between landowners and tenants;
22 g. Penalties applying only going forward for “in good faith” errors;
23 h. Relaxed requirements for regions that have not received the
24 benefit of natural drainage in cooperation with NRCS;
- 25 xxxiv. The continued development of risk management tools for organic-
26 certified crops; and
- 27 xxxv. Additional crop insurance subsidies for farmers using proven and
28 effective conservation practices.
- 29 We oppose:
- 30 i. RMA allowing outside influence on crop insurance premium levels with
31 regard to specific crop inputs, practices or technologies;

- 1 ii. The sale of crop insurance by ag lending institutions and other ag
- 2 industries that are able to coerce the producer, i.e. lenders discounting
- 3 interest or requiring purchase of the lender's own crop insurance
- 4 product as condition of receiving a loan;
- 5 iii. The voiding of an entire crop insurance policy due to an error in a single
- 6 line of the policy; and
- 7 iv. The sale of crop insurance by federal agencies.

8 **3. NATIONAL FOOD LIABILITY INSURANCE PROGRAM**

9 We support a national food liability insurance program to assure at a national
10 level that unprocessed or less processed whole foods, fresh fruits, cheese and dairy
11 products, meats and fresh vegetables continue to remain accessible in the
12 marketplace. Current U.S. food liability culture places the farmer in an unfair
13 position and this must be addressed if we intend to have farm-fresh or less
14 processed foods available to consumers.

15 **4. RISK MANAGEMENT EDUCATION**

16 We encourage the USDA to continue funding risk management education grants.

17 **G. FARM PROGRAM ADMINISTRATION**

18 We urge full implementation and funding of all provisions of the 2018 Farm Bill,
19 consistent with the intent of Congress.

20 **1. FARMER-ELECTED COMMITTEES**

21 We support:

- 22 i. The integrity and independence of farmer-elected committees in carrying
- 23 out farm programs;
- 24 ii. Sufficient funding so the committee members can be trained and can
- 25 function effectively;
- 26 iii. Appointees to state FSA committees, which administer farm programs,
- 27 being family farmers;
- 28 iv. Farmer-elected, county- or area-farmer committees;
- 29 v. Uniformity of interpretation of USDA programs to the maximum degree
- 30 possible, while still meeting local needs;
- 31 vi. Offering appeals at the local, state, and national levels;

- 1 vii. Continuing an independent appeals process and the producer's right to
- 2 mediation;
- 3 viii. Programs to educate producers and others about mediation processes;
- 4 and
- 5 ix. Greater authority given to FSA county committees in determining the
- 6 disaster designations and the appropriate program applications.

7 We oppose selection of the county or area farmer committees by political
8 appointment.

9 **2. NATURAL RESOURCES CONSERVATION SERVICE**

10 The Natural Resources Conservation Service (NRCS) should be the service
11 agency to provide technical assistance working with local boards and local
12 conditions whenever possible. We support the following changes to NRCS:

- 13 i. Giving the soil conservation district boards the authority to hear farmer
- 14 appeals on conservation land-use issues, including good, fair variances;
- 15 ii. Providing full funding for conservation technical assistance to implement
- 16 conservation programs;
- 17 iii. Appointees to the NRCS state technical committees, which provide advice
- 18 and counsel to state conservationists, being actively engaged in a family
- 19 farm operation;
- 20 iv. NRCS state technical committees having voting power over the cost-
- 21 share rates and ranking procedures; and
- 22 v. Funds designated to NRCS programs being used to hire local fishers and
- 23 farmers to implement conservation projects.

24 We oppose:

- 25 i. The privatization of the services of the NRCS and object to forcing
- 26 farmers to pay for the technical assistance, which should be provided by
- 27 NRCS staff; and
- 28 ii. Any effort to eliminate NRCS or shift conservation services to some other
- 29 agency or branch of the USDA.

30 **3. IMPROVED MARKETING MECHANISMS**

1 NFU reaffirms its support for enabling legislation to establish a National
2 Agricultural Relations Board or separate board for single commodities or groups of
3 closely related commodities. Once established, this board should:

- 4 i. Bring farmers and farm cooperatives together with handlers and
5 processors, for the purpose of bargaining over prices received by
6 agricultural producers. Farmers need and are entitled to a firm legal
7 procedure which will enable them to manage the production and
8 marketing of their products; and
- 9 ii. Help preserve the long-standing rights of family farmers to participate in
10 bargaining associations and cooperatives without being subject to
11 antitrust action.

12 **H. SPECIAL AGRICULTURAL POLICIES AND SERVICES**

13 **1. FARM LABOR**

14 We encourage Congress to continue funding existing programs and establish
15 new grant initiatives that aim to improve the supply, stability, and training of the
16 agricultural labor force.

17 The National Labor Relations Act should be extended to workers on corporate
18 and other farms that employ enough hired help to be subject to the federal
19 minimum wage provisions applicable to agricultural workers.

20 We support enforcement of the following labor standards:

- 21 i. Worker protection standards regarding wage rates, health, safety and
22 housing conditions for migrant, seasonal, minority and other farm
23 laborers and for education of their children;
- 24 ii. Allow the rights of workers to bargain collectively for fair wages; and
- 25 iii. Provide a livable minimum wage.

26 **2. SAFETY OF FARMERS AND FARM WORKERS**

27 Agriculture has been determined to be a hazardous occupation in the United
28 States. Farm machinery is not subject to federal safety regulations or recalls but is
29 instead manufactured according to voluntary standards set by the American Society
30 of Agricultural and Biological Engineers.

31 We recommend:

- i. Farmers take advantage of training opportunities, including pesticide applicator programs, as often as possible;
- ii. Farm equipment manufacturers be subject to rules requiring product safety, and that manufacturers be liable for damages suffered due to injuries caused by faulty equipment;
- iii. Developing incentives for the purchase of rollover protection for farm equipment;
- iv. Standardized hazard and caution lights and distinct turn signals on all farm equipment that uses public roadways, and increased education of the public on the need to respect them;
- v. Discouraging the use of Slow Moving Vehicle emblems for purposes other than their intended use;
- vi. Farmers and their employees have access to information regarding hazardous materials used on the farm;
- vii. Farmers maintain adequate records on their transportation, use, storage, and disposal of fertilizers and pesticides;
- viii. Stakeholders having a voice in assuring that safety rules established for the protection of those employed by farmers are reasonable and workable, financially viable, penalties are not excessive, and that reasonable periods of time are allowed for compliance;
- ix. Congress provide for continued exemption of small farms and businesses that have 10 or fewer employees from the inspection provisions of the law;
- x. Family farmers exercise reasonable care to promote the safety of themselves and their families; and
- xi. Developing International Labor Organization (ILO) standards that adequately protect the health and safety of children.

3. STORABLE COMMODITIES PRODUCER PROTECTION

i. Federal Warehouse Act

We support the right of individual states to regulate the grain merchandising activities of warehouses licensed by the federal government. NFU will oppose

1 federal preemption of state regulatory authority over grain merchandising
2 unless:

- 3 a. Federal regulation includes appropriate and effective oversight of
4 federally licensed warehouses and merchandising activities;
- 5 b. Modifications to federal warehouse and merchandising activities that
6 may have an impact on producers are proposed and adopted through
7 public rulemaking procedures rather than the annual licensing
8 process;
- 9 c. Producers are provided a protection program funded by the
10 warehouse and merchandising industry against losses from
11 warehouse and merchandising company insolvencies and
12 bankruptcies at no less than:
 - 13 1. 100 percent in the case of warehouse receipted stored grain
14 and grain sold for payment within 30 days of delivery; and
 - 15 2. \$3 million per producer for each commodity stored, delivered,
16 or contracted within 31-365 days of delivery
- 17 d. Limitations on the level of licensing flexibility provided to grain
18 warehouses and merchandisers are enacted to ensure it does not
19 result in a reduction in existing financial protections for producers;
20 and
- 21 e. States' abilities to fund operations and inventory transactions,
22 liquidity, and maintain "weights-and-measures" regulations are
23 protected.

24 We further urge that each state provide supplemental guarantees beyond
25 any federal maximum. Congress should take whatever action is necessary to
26 ensure that stored commodities remain the property of those persons who
27 delivered them for storage. Warehouses should be required to issue negotiable
28 warehouse receipts upon request, at a cost not to exceed the dump charge.

29 **ii. Ag Merchandiser or Supplier Bankruptcies and Receiverships**

30 Farmers should be given first position priority in ag merchandiser or
31 supplier bankruptcies and receiverships, including commodities prices under
32 deferred price and delayed payment contracts.

1 **iii. Commodity Basis**

2 Basis should reflect the cost of transportation and storage from the point of
3 local delivery to the point of terminal delivery and it is not to be used as a risk
4 mitigation tool for the grain merchandiser. We call for oversight by the
5 appropriate federal agency and/or the Commodity Futures Trading Commission
6 to investigate abuses of the basis levels.

7 **4. AGRICULTURAL CENSUS**

8 Census data are useful in designing farm programs and defending and
9 promoting the interests of family farm operations. The census of agriculture
10 provides data that show the trends in the agricultural economy of each county and
11 state and for the nation. NFU encourages the following relative to the census of
12 agriculture:

- 13 i. Continue to be conducted every five years;
- 14 ii. Opposition to efforts to increase the minimum financial criteria for
15 classifying agricultural operations;
- 16 iii. Continued collection of needed data relating to corporate involvement in
17 agriculture and coordination with information collected on foreign
18 involvement in the purchase of farmland and agricultural enterprises to
19 more clearly reflect the pattern of ownership and management of U.S.
20 agriculture; and
- 21 iv. Opposition to USDA using information obtained in the census in a
22 manner that is detrimental to family farmers and ranchers.

23 **5. NATIONAL AGRICULTURAL STATISTICS SERVICE (NASS)**

24 We support adequate funding levels for NASS and recognize the importance of
25 surveys. As USDA uses NASS information for multiple programs, NASS should work
26 with the farmers to record the needed information instead of using another data
27 source.

28 We encourage producers to recognize the importance of filling out (NASS) data,
29 which is used by USDA to determine price and yield information for multiple USDA
30 programs and grant opportunities within our states and county governments that
31 call for such metrics.

32 **6. USDA'S INFORMATION MANDATE**

1 USDA should provide accurate income statistics for farmers and ranchers.
2 Separation of income levels for producers, landlords and integrators would permit
3 more accurate net farm incomes in USDA's farm projections.

4 We oppose charging user fees for formerly free USDA reports and information or
5 supplying them only on a paid basis by computer.

6 **7. COMMODITY RESEARCH AND PROMOTION PROGRAMS**

7 We support a voluntary checkoff, with producer participation determined at the
8 point of sale. Our support for producer-financed commodity research and
9 promotion programs is determined by the extent to which producers who are
10 actively involved in production agriculture control the programs.

11 NFU will support programs financed from the proceeds of sales by producers of
12 agricultural commodities, only if the following criteria are met:

- 13 i. Research and promotion programs are for the sole financial benefit of
14 domestic family farmers;
- 15 ii. Disbursement of funds collected is controlled solely by boards of non-
16 processing domestic producers elected by the domestic producers
17 assessed, and the operations of the program are solely controlled by
18 those domestic producer boards;
- 19 iii. Members of national producer-funded boards shall be nominated and
20 elected by producers, with the election process supervised by FSA;
- 21 iv. It shall be mandatory that all eligible producers be provided with a ballot
22 for all elections and referendums;
- 23 v. Each producer of an agricultural product to be covered under any multi-
24 commodity checkoff shall have one vote in any referendum to determine
25 whether that checkoff program should be created and the board so
26 created should adequately represent independent family farm
27 producers;
- 28 vi. Approval is by 60 percent of producers voting in a referendum prior to
29 implementation of the order, with spouses allowed to vote individually,
30 and no bloc voting allowed;
- 31 vii. The outcome of producer referendums should be determined solely on
32 the basis of one vote per person;

- 1 viii. Changes in levies and administrative and operational procedures should
2 be submitted to producers affected and subject to approval by a simple
3 majority vote;
- 4 ix. Periodic review referendums should be financed and conducted by the
5 federal government every fifth year, with no producer funds used to
6 influence the voters. A simple majority of producers voting in a
7 referendum shall be able to recall a commodity checkoff program. USDA
8 shall make available the total number of producers;
- 9 x. When an assessment is collected from U.S. producers of a commodity, an
10 equal, non-refundable fee should continue to be assessed on foreign
11 imports of that commodity, in either raw or manufactured form. Any
12 special provisions extended to U.S. regions, remote states or territories
13 should not be extended to imported products;
- 14 xi. The assessment should also be collected from those integrators who are
15 currently exempted by virtue of being in a vertically integrated
16 operation;
- 17 xii. Periodic independent, outside evaluations and audits of all financial
18 records should be conducted to ensure that the benefits of the program
19 outweigh the costs to producers, with copies of the audits available to all
20 who pay the assessments;
- 21 xiii. Procedures should be provided to enable producers to immediately
22 obtain the refunds of the research and promotion funds they were
23 assessed;
- 24 xiv. Research funds generated through producer assessments should not be
25 used as a substitute for publicly generated research funding;
- 26 xv. Farmers and ranchers have the right to designate the use of the checkoff
27 dollars he or she contributes for research, promotion, expanded
28 cooperative development, or nutrition programs and food banks;
- 29 xvi. Prohibiting the use of dairy producers' checkoff money to conduct
30 research into the use of casein and/or MPC's in the making of cheese and
31 other dairy products, or to promote anything other than U.S.-produced
32 natural dairy products;

- xvii. Mandatory producer assessments should not go to organizations that engage in lobbying. No funds should be donated or contracts provided to organizations that carry out political or lobbying activities or to their shared staff, even if records are kept which separate their activity. No checkoff programs/events shall be held in concert or conjunction with any policy organization's programs/events. An audit should be conducted and severe criminal penalties should be assessed for using funds for personal, political, or lobbying activities;
- xviii. The payment of a mandatory commodity checkoff must not constitute membership in a producer organization; and
- xix. Producer-funded research should remain the property of the producers. Patents granted as a result of the research should also belong to the producers. Royalties collected should be returned to the producers' research fund.

8. GRAIN STANDARDS

Our nation's grain standards must reward producers who strive to distinguish the desired quality related to the end users of the commodity.

We support:

- i. Producers receiving a premium for higher quality grain;
- ii. Regulation or legislation that provides a consistent grading and moisture discount scale that is monitored and enforced at the local elevator or mill; and
- iii. A periodic review of our nation's grain standards so our producers can more effectively compete in world markets based on the quality of their production.

Revised standards should:

- i. Reward positive actions taken by producers, such as genetic improvement and sound grain-handling practices;
- ii. Establish grade and non-grade factors that can be commonly understood and mutually determined by producers and end-users;
- iii. Adopt dry-matter grading by the grain trade as a better way of compensating the producer for the grain delivered to the elevator;

- iv. Ensure testing standards that reflect actual grain quality; and
- v. Establish standardized tests that are accurate and reproducible.

9. GRAIN INSPECTION

We reaffirm our position for the high standards in grain inspection and support the weighing system as authorized under the original Federal Grain Inspection Act.

To protect and improve our reputation as exporters of U.S. commodities, we support legislation that would:

- i. Prohibit and penalize exporters adding foreign material or moisture to any commodity for overseas shipment;
- ii. Require export customers to pay for shipments on a clean-grain basis, just as farmers are paid on a clean-grain basis;
- iii. Provide grain inspection personnel to spot check U.S. grain at foreign ports to determine whether it is of the same kind, class, quantity and condition that was certified upon shipment;
- iv. Prohibit the imposition of user fees for the inspection and grading of agricultural commodities. Federal inspection and grading of such commodities is in the public interest and should not be charged to the producer;
- v. Continue to investigate grain companies as to the total pricing system and any quality discounts such as those for protein schedules, test schedules, DON (vomitoxin) levels, falling numbers and scab; and
- vi. Prohibit privatization of grain export inspections.

10. NATIONAL ORGANIC STANDARDS *(ALSO SEE ARTICLE I.D. – LABELING OF COMMODITIES AND COMMODITY PRODUCTS)*

NFU recognizes the growing importance of organic family farming. Organic farming is a management-intensive method of production designed to achieve a balance in the agricultural and livestock system similar to that found in natural systems.

We support:

- i. The enforcement and monitoring of the national organic standards promulgated by USDA and the prosecution of individuals or entities who knowingly sell or import nonorganic products as certified organic;

- 1 ii. Strict uniform enforcement of the USDA National Organic Program (NOP)
- 2 “120 day pasture rule” for all certified organic dairy producers;
- 3 iii. Greater enforcement of the USDA NOP pasture rule by requiring
- 4 certifiers to inspect all organic dairy farms twice during their 120-day
- 5 designated pasture season with one visit being on an “unannounced
- 6 basis” to assure that all milk cows are on pasture and 30% DMI is being
- 7 achieved;
- 8 iv. All certifiers and their inspectors would be required to complete
- 9 additional online training on USDA NOP pasture standards,
- 10 documentation, and expectations. This training would reinforce USDA
- 11 DMI% ration and pasture rule compliance;
- 12 v. Each “dairy herd” feeding group DMI% must be calculated separate from
- 13 each other, with no combining of milk cows with dry cows, or any other
- 14 groups;
- 15 vi. When testing technologies become validated, and available, NFU
- 16 supports the use of testing of milk samples to verify sufficient compliance
- 17 with pasture rule;
- 18 vii. Ensuring accreditation and certification costs do not discriminate against
- 19 small producers, including support and funding for the National Organic
- 20 Certification Cost-Share Program;
- 21 viii. Requiring USDA to maintain the role of the National Organic Standards
- 22 Board (NOSB) as the official source of developing policies and
- 23 procedures to interpret and implement the federal organic standards.
- 24 Adequate staffing must be provided to enable the NOSB to fulfill its
- 25 obligation to organic producers;
- 26 ix. Implementing and enforcing the organic livestock and poultry
- 27 production standards, that are uniform and account for feeding and
- 28 animal health care and welfare practices for continuous or transitional
- 29 organic management;
- 30 x. Prohibiting genetically modified organisms, irradiation, and the use of
- 31 sewage sludge that contains heavy metals;

- 1 xi. Protecting organic producers from chemical and/or genetic pollution and
- 2 provide reasonable redress for any damage caused by this drift;
- 3 xii. USDA negotiating trade arrangements to eliminate the need for NOP-
- 4 certified U.S. farmers to certify through multiple international agencies;
- 5 xiii. The continued development of risk management tools for organic-
- 6 certified crops (*also see Article I.F.2 – Crop and Livestock Insurance and*
- 7 *Article X.B.1 – Public Research*);
- 8 xiv. Requiring increased monitoring and testing of organic products
- 9 originating outside the United States to ensure those products comply
- 10 with USDA organic standards;
- 11 xv. An emergency pest treatment, by removing out of certification the area
- 12 to be treated while not losing certification in the process;
- 13 xvi. Requiring that all replacement animals on certified organic farms be
- 14 organic in origin, without exception. Replacement animals organic in
- 15 origin to be defined as animals that have been raised as organic at least
- 16 from the last third of gestation; and
- 17 xvii. Strictly prohibiting transitioning certified animals in and out of organic
- 18 production.

19 We oppose the use of food products and additives derived from genetically
20 modified or altered organisms in certified organic products.

21 **11. PLANT BREEDING**

22 We support the modification of the Plant Variety Protection Act of 1994 in the
23 area of royalty fees, taking into consideration a reasonable period of time for
24 specific commodities and based on scientific methods.

25 We support immunity from legal action for grain handlers from consequences of
26 the Plant Variety Protection Act when handling grain without a fee.

27 We support precision breeding innovations that do not move genetic material
28 from one species to another.

29 **12. PLANT GENETIC RESOURCES**

30 We support:

- 31 i. Enhancing and diversifying the genome and plant genetic resources
- 32 pools;

- ii. Recognizing farmers' contributions to the development and conservation of plant genetic resources by protecting farmers' rights, including the right to save seed;
- iii. Keeping public research and research results in the public domain and protected from acquisition by corporations or other private entities attempting to develop their own products derived from public research genetic pools;
- iv. Legislation exempting farmers and ranchers from payment of royalties on offspring of patented plants and plant genetic resources; and
- v. The rights of farmers and breeders to save seeds from all plant varieties and cultivars developed with public funds.

13. Animal Genetic Resources

We support:

- i. The right of farmers to breed animals on their own farm without restriction;
- ii. Legislation exempting farmers and ranchers from payment of royalties on offspring of patented animals and animal genetic resources; and
- iii. The rights of farmers, ranchers and breeders to share and improve animal breeds and genetic resources developed with public funds.

1 **ARTICLE II – FAMILY FARMERS AND TECHNOLOGY**

2 With the continued development of technology, we as an organization are invested
3 in agriculture and excited about these opportunities. Technology will offer farmers,
4 ranchers and fishers many advantages but there are possible risks that need to be
5 considered.

6 **A. GENETICALLY MODIFIED ORGANISMS AND BIOTECHNOLOGY**

7 The rights of both genetically modified organism (GMO) producers and non-GMO
8 producers should be respected as appropriate regulatory agencies continue to research
9 and evaluate GMO concerns. All producers should have the right to accurately advertise,
10 label and promote products.

11 We respect all nations' sovereignty and food policies and thus urge open dialogue,
12 cooperation and understanding in trade negotiations relating to biotechnology.

13 We support:

- 14 1. The release of new GMO traits after issues of cross-pollination, liability,
15 commodity and seed stock segregation and market acceptance are
16 objectively addressed and fairly resolved for the protection of all producers
17 and consumers. While biotech traits are under patent, the patent holder
18 should be prepared to indemnify its trait users against financial burdens
19 caused by claims;
- 20 2. Research conducted in an environmentally secure facility being exempt from
21 the above requirements. Research conducted in open fields production
22 should be subject to mandatory public disclosure of: persons or entities
23 initiating the research, location of test sites, specific species and traits
24 involved and the characteristics of the intended resultant genetically
25 modified plant to be created;
- 26 3. Legislation to prohibit the patenting of heritage seed and animal and
27 biological genetics;
- 28 4. Legislation to prohibit the release of terminator seed technology;
- 29 5. The right of farmers to plant seed derived from proprietary organisms on
30 their own land;
- 31 6. New products involving GMOs being certified as safe by the FDA in testing
32 done independently of the patent holder, before being allowed on the

1 market. Such testing is to be done at the expense of the specific patent
2 holders seeking to market such products;

- 3 7. Legislation requiring that patent holders or owners of GMO technology be
4 held strictly liable for damages cause by genetic trespass including safety,
5 health, economic, and environmental effects. Farmers are not to be held
6 liable for food safety, human health or environmental problems, including
7 cross-pollination, related to the use of GMOs as long as generally accepted
8 crop production practices are followed;
- 9 8. Congressional action to regulate the biotech industry's technology
10 agreements. Farmers should not have to sign away their fundamental rights,
11 including but not limited to a jury of their peers in court, in exchange for the
12 privilege of growing biotech crops. Grievances should be settled in the home
13 state of the farmer, not the state of the biotech corporation;
- 14 9. Any damages caused to farmers through lower prices, lost markets, or
15 contamination shall be fully reimbursed to farmers, including legal fees, by
16 the company producing the genetically modified product;
- 17 10. All data used in the analysis of the health and environmental effects of GMOs
18 being public record, and that criminal penalties be established for the willful
19 withholding or altering of such data;
- 20 11. Prohibiting government regulatory agencies from licensing genetically
21 modified products that are not acceptable for both human consumption and
22 animal feed;
- 23 12. USDA and FDA improving oversight and regulation of pharma crops. NFU
24 does not endorse or support pharma farming based on economic,
25 environmental, food safety, and liability risks to producers and consumers;
- 26 13. Requiring governmental regulatory agencies and input suppliers to ensure
27 farmers are informed of all potential market risks and segregation
28 requirements associated with planting any licensed genetically modified
29 crop;
- 30 14. Requiring USDA to further investigate and research the effects of GMO feeds
31 on livestock;

15. Government regulatory agencies considering domestic and foreign consumer acceptance of the product when licensing;
16. Requiring all GMO seed to be clearly labeled with the following information:
 - a. Markets (foreign or domestic) where the product is not accepted; and
 - b. All planting restrictions;
17. Development of a verification system and a storage, transportation and marketing plan to aid farmers with non-GMO grains;
18. Identity-preserved systems and insist they receive protection from cross-contamination;
19. The development and implementation of patent rules, legislation (i.e. the Hatch-Waxman Act for pharmaceuticals) or regulations, which promote and maintain free market competition in regard to generic production;
20. Prohibiting the sale of seed for pesticide resistant crops if the pesticides have not received regulatory approval; and
21. Efforts to increase USDA funding devoted to public plant and animal breeding using classical/conventional breeding techniques, to provide farmers with seeds and breeds that are locally and regionally adapted to their soils and farming systems, and to address changing climates and consumer demand.

B. AGRICULTURAL TECHNOLOGY

We support:

1. The Nebraska Tractor Test Laboratory, the only U.S.-approved Organization for Economic Cooperation Development laboratory and the unbiased, third-party testing information that it provides at little or no cost to U.S. farmers so they can make informed buying decisions.
2. The first-sale doctrine, whereby an individual who knowingly purchases a copyrighted work from the copyright holder receives the right to sell, display, or otherwise dispose of that particular copy and protections not otherwise available for licensees.

- 1 3. Fair Repair and Right to Repair legislation that would allow farmers and
2 independent mechanics access to diagnostic software, information, and
3 other tools in order to repair modern equipment.

4 **C. INFORMATION COLLECTION AND PROTECTION**

5 Detailed field data should only be collected with the producer's consent in a manner
6 so as to:

- 7 1. Ensure data collected remain the property of the producer;
8 2. Protect privacy;
9 3. Avoid consolidation of market power;
10 4. Maintain competition; and
11 5. Prevent manipulating markets.

12 **D. UNMANNED AERIAL VEHICLES (DRONES)**

13 We support:

- 14 1. The use of unmanned aerial vehicles (drones) for agricultural purposes, only
15 after landowner or land operator approval; and
16 2. Opening up the National Airspace System to allow drones for agricultural
17 purposes

18 We oppose the use of drones for covert surveillance of agricultural operations.

1 **ARTICLE III – AGRICULTURE COMPETITION AND CONCENTRATION**

2 Inadequate market competition is one of the most pressing issues facing producers
3 across the country. As evidenced by the sharp decline in the number of family farms in
4 the past decade and the increasing trend toward horizontal and vertical concentration
5 in the agriculture and food sector, independent producers cannot succeed in the
6 absence of protection from unfair, anti-competitive practices. Competitive provisions
7 should be established that ensure fairness, transparency, protection and bargaining
8 rights for producers, and restore and enhance competition for agricultural markets.

9 Packers have always had the ability in most states to own animals for their
10 company's personal use when the spot/open market for live animals from independent
11 producers was higher than they wanted to pay. By slaughtering their own animals for
12 days and even up to weeks, the supply of livestock from independent producers would
13 escalate, causing the price on the spot/open market to drop. To further decrease the
14 competition in the packing industry, the top four packers in 2015 controlled
15 approximately 85 percent of cattle, 66 percent of hogs, 51 percent of broilers, and 57
16 percent of turkeys. Economists state any concentrated market power over 40 to 60
17 percent would demonstrate a lack of competition in commerce within the respected
18 industry.

19 Farmers are often incorrectly blamed for rising food and fiber prices. Retail prices
20 are more often determined by forces outside the control of farmers, ranchers, and
21 fishers. We support efforts to increase the farmer's share of the consumer's dollar.

22 **A. COMPETITION AND ANTITRUST**

23 Consolidation and anti-competitive action throughout every industry sets
24 precedent that opens the door for continuing consolidation in agriculture. We
25 support stricter anti-trust enforcement and merger standards across all industries.
26 Specifically, we support the following initiatives to achieve true competition for
27 family farmers in the marketplace:

- 28 1. Implementation of a temporary moratorium on large agricultural mergers to
29 provide Congress with time to review and strengthen current laws as
30 appropriate;

2. Requiring USDA to collect and publish concentration information;
3. Clarification of the Packers and Stockyards Act to allow individual producers to seek recourse for abuse of market power without having to prove competitive injury to the entire marketplace;
4. Requiring the Justice Department (DOJ), Federal Trade Commission (FTC), and the Surface Transportation Board (STB) where applicable to require firms to submit information on joint ventures and alliances between firms above a certain size. In many cases, firms that are participating in joint venture arrangements behave just like firms that have merged and should be subject to the same level of antitrust scrutiny as mergers. The disclosure requirement should be set at a threshold sufficient to include firms that account for a significant percentage of market share at a regional level;
5. Requiring the DOJ, FTC, or STB to publicly disclose why a merger subject to antitrust review is approved;
6. Expanding the role of USDA to initiate and/or participate in the review of proposed mergers in the agricultural sector;
7. Requiring economic and environmental impact statements detailing the impact of a proposed merger on farmers, ranchers, and consumers prior to approval;
8. Establishing an Office of Special Counsel on Competition within USDA to streamline and increase the effectiveness of USDA investigation and enforcement of competition laws;
9. Establishing a level of concentration that triggers a presumption of a violation of antitrust law to make it easier for the DOJ, FTC, or STB to prevent high levels of concentration;
10. The right of producers to hold retailers, distributors and manufacturers responsible for price gouging;
11. Prohibiting slotting fees that provide windfall profits to retailers and create a barrier for new firms and products;
12. A target price program on a limited volume of production as automatic compensation for livestock producers when a lack of antitrust enforcement or unfair imports damage their markets;

13. Congress repealing statutory provisions that exempt railroads from the antitrust injunctive actions, as well as the judicially developed Keogh doctrine that limits antitrust damage remedies;
14. Supporting state anti-corporate and contract producer protection legislation;
15. Providing strong protection to employees that report non-competitive practices; and
16. The reinstatement of the Grain Inspection, Packers, and Stockyards Administration (GIPSA) as an independent agency.

B. LIVESTOCK MARKET REFORM

We support the following initiatives to reduce livestock market concentration and enhance competition:

1. Restriction of all forms of direct and indirect ownership or control of agricultural products by agribusinesses, including the prohibition of ownership, control and feeding of livestock by packing companies;
2. Encouraging development of farmer-owned cooperatives for marketing and processing;
3. Placing restrictions on the percentage of captive supply and that firm-bid pricing be established in forward contracts as directed in the Captive Supply Reform Act;
4. Making permanent the mandatory price reporting law;
5. Efforts to increase transparency of mandatory price reporting information, including but not limited to:
 - i. Eliminating or lowering the kill capacity reporting exemption;
 - ii. Regular reporting after the fact, even when a proprietary exemption precludes price and volume reporting on a daily basis; and
 - iii. Enhancing the reported date to be user friendly.
6. Protecting the livestock producers from unfair competition and monopolistic practices by strengthening the definition of the Packers and Stockyards Act. All livestock producers should have equal access to markets that do not discriminate against family-farm livestock producers; and
7. Enacting legislation that clearly defines and prohibits volume-based price discrimination in livestock markets

1 **C. POULTRY MARKET REFORM**

2 We support enacting legislation to give USDA's Grain Inspection, Packers, and
3 Stockyards Administration (GIPSA) full enforcement over poultry. We also recommend
4 for the protection of poultry growers:

- 5 1. Extension of the protection of the Packers and Stockyards Act to producers
6 who grow and care for breeder hens, pullets and commercial eggs, not just
7 broilers;
- 8 2. Modifications to regulations under the Packers and Stockyards Act that
9 govern integrator fair-trade practices and strengthen the enforcement
10 mechanisms therein, including, but not limited to, regulations to:
 - 11 i. Prohibit companies from retaliating against producers for speaking
12 out about problems in the industry or about their contracts, or for
13 attempting to organize other producers to negotiate as a group for
14 better contract terms;
 - 15 ii. Prohibit companies from requiring producers to make unnecessary
16 upgrades to their facilities unless the company pays for the costs of
17 those upgrades;
 - 18 iii. Reform the system used to pay producer, i.e. the ranking system, to
19 assure that producers are not penalized for inputs controlled by the
20 company, and that there is full transparency in the factors used to
21 calculate the producers' payment;
 - 22 iv. Prohibit companies from cancelling a producer's contract or reducing
23 the number of livestock units placed on their farm based solely on the
24 failure of the producer to make equipment changes, so long as
25 existing equipment is in good working order; and
 - 26 v. Require the production contracts be long enough in term to allow
27 producers to recoup their investments.
- 28 3. Enactment of state legislation which better defines contract production for
29 growing arrangements; and
- 30 4. Requiring integrators to provide an accurate cash-flow analysis to new
31 poultry contract operations.

32 **D. PRODUCTION CONTRACTING**

1 Current law falls short of ensuring fairness and protection for producers under
2 contract. We support the following initiatives/legislation to enhance contract producer
3 protection:

- 4 1. Strengthening the Agricultural Fair Practices Act to provide improved
5 protection for contract producers;
- 6 2. Implementation of all GIPSA provisions including disclosure of contract
7 clauses for farmers who contract, the right to discuss the contract with their
8 lawyer, financial advisor or family member;
- 9 3. Requiring contracts and contract rights to be written in plain language and
10 disclose risks to producers;
- 11 4. Providing contract producers three days to review and cancel production
12 contracts;
- 13 5. Providing producers with a first-priority lien for payments due under
14 contracts;
- 15 6. Protecting producers from contract termination or price reduction because
16 of:
 - 17 i. Retaliation purposes,
 - 18 ii. Inadequate or faulty inputs/services provided by contractor, and
 - 19 iii. Denying opportunity to remediate problems related to production
20 specifications;
- 21 7. Making it an unfair practice for processors to retaliate or discriminate
22 against producers who exercise rights under the proposed legislation;
- 23 8. Authorizing producer bargaining to encourage contract producers to form
24 collective bargaining units to negotiate with integrators;
- 25 9. Prohibiting the use of mandatory arbitration clauses in livestock and poultry
26 contracts to assure that farmers have adequate access to justice in the event
27 of fraud, misrepresentation, breach of contract or other contract disputes
28 with a processor or integrator. Arbitration should be a voluntary mechanism
29 for dispute resolution agreed to by both parties after a dispute arises;
- 30 10. Prohibiting contracts involving ag producers from containing language that
31 prohibits a trial by jury; and

- 1 11. Publicizing and widely distributing educational materials regarding the
- 2 rights of contract producers.

1 **ARTICLE IV – INTERNATIONAL TRADE, COOPERATION, AND THE FAMILY FARM**

2 Future trade agreements must be designed to ensure fair market returns for
3 producers and production of safe, quality food for consumers. Thus, future trade
4 agreements must not be limited to regulating domestic support levels, export subsidies,
5 and market access. Rather, every future trade agreement must address differences in
6 labor standards, environmental standards, health standards, and the trade-distorting
7 effect of currency manipulation and cartelization of agriculture markets.

8 The measure of the success of a trade agreement has to be its benefit to U.S.
9 agriculture and specifically of its producers' net income. Vague promises of "market
10 access" to foreign markets do not offset opening our borders for even larger amounts of
11 foreign-produced goods to enter our markets. Market access does not equal market
12 share. NFU supports the federal government conducting a formal and thorough analysis
13 of current agricultural trade agreements to determine their success at meeting their
14 promised goals before any new trade agreements are negotiated or proposed.

15 Companies who repeatedly send banned products to countries with specified
16 requirements and standards for imports should be held liable for market losses by
17 producers resulting from the shipment.

18 Our trade negotiators need to recognize that food security is non-negotiable for
19 many trading partners, and that they will never agree to give us full market access.

20 **A. AGRICULTURAL TRADE NEGOTIATIONS**

21 Fair trade, not free trade, holds the potential to increase family farm profitability
22 and U.S. food security, but trade by itself is only one tool. In creating a fair agricultural
23 trade environment, we support the inclusion of the following goals, objectives, and
24 provisions in U.S. trade policy and in international trade negotiations and agreements
25 that:

- 26 1. Require all countries to meet health, environmental, food sovereignty,
27 working conditions, and labor rights standards equal to those of producers
28 in the United States;
- 29 2. Allow U.S. producers the right to distinguish their products from those of
30 other countries. U.S. products should not be categorized just as North
31 American products;

3. Call for a formal and thorough analysis of current agricultural trade agreements to determine their success at meeting their stated goals before any new bilateral or regional trade agreements are negotiated or approved;
4. Address domestic food safety, security, and inadequate economic returns to producers resulting from market failure, lack of market competition, and an imbalance in supply and demand;
5. Ensure global food security and safety, including the elimination of unilateral sanctions on agricultural and pharmaceutical products;
6. Enhance producer returns, economic development, and individual standards of living;
7. Foster the economic and resource sustainability and efficiency of food production and distribution systems;
8. Achieve an equitable distribution and balance of the costs/benefits of agricultural trade among all participants, including producers and consumers;
9. Acknowledge and accommodate the multi-functionality of agriculture, including non-economic considerations of value to producers and consumers;
10. Diminish poverty and hunger;
11. Do not undermine U.S. laws, jurisdiction or sovereignty of a country and its political subdivisions;
12. Are negotiated and enacted through a transparent democratic process;
13. Provide consumers with an adequate, high-quality, safe and affordable supply;
14. Coordinate efforts to reduce dumping, balance supply and demand, share responsibility to provide nutrition assistance and maintain an optimal level of buffer stocks for food security;
15. Allow the United States to impose trade remedies against nations using currency manipulation to gain an unfair trade advantage;
16. Have a speedy and fair method of resolving disputes among trading partners;

- 1 17. Advocate for the reform of the WTO adjudication process so that cases are
- 2 decided by an independent and unbiased judiciary;
- 3 18. Allow flexibility for individual nations to provide economic safety net
- 4 programs and address unforeseen production, market, and trade
- 5 circumstances;
- 6 19. Encourage a balance of increased and transparent market competition, limits
- 7 on the concentration of market power and coordinated public competition
- 8 policy to ensure the efficient and appropriate allocation of resources within
- 9 all agricultural sectors;
- 10 20. Maximize the opportunity for individual and cooperative participation in all
- 11 segments of agriculture;
- 12 21. Create an effective, efficient, timely and transparent implementation,
- 13 compliance, and dispute resolution process;
- 14 22. Prevent further conversion of rainforests to production agriculture;
- 15 23. Publish meaningful, current, and standardized reports on imports of dairy
- 16 products, quantities and types, and a USDA report on the impact of the WTO
- 17 on dairy producers;
- 18 24. Establish tariffs on foreign imports of all dairy ingredients that displace
- 19 domestically produced milk usage including animal feed ingredients;
- 20 25. Use GSM-102 export credit guarantees;
- 21 26. Further utilize the Market Access Program (MAP) and Foreign Market
- 22 Development (FMD) program;
- 23 27. Compensation payments to farmers in an amount that actually covers
- 24 farmers' market losses and their lost income resulting from embargoes and
- 25 tariffs on farm commodities;
- 26 28. Eliminate export subsidies in a uniform, worldwide manner;
- 27 29. Increase transparency and market disciplines of state trading enterprises;
- 28 30. Increase equity and balance in agricultural tariff and tariff rate quota
- 29 regimes;
- 30 31. Develop an improved and more inclusive methodology for measuring the
- 31 level and impact of domestic support programs, including green box

1 supports and effective subsidies conveyed through monetary policy and
2 labor and environmental regulation;

3 32. Allow countries to address the circumvention of tariffs and tariff rate quotas
4 by trading partners;

5 33. Provide consumer information (labeling) on agricultural products as a
6 means to address food safety concerns and enhance market access;

7 34. Allow for national flexibility in the design and implementation of domestic
8 support programs within reasonable negotiated limits such as the Trade
9 Adjustment Assistance program;

10 35. Cooperatively develop, implement and enforce competition policies;

11 36. Utilize end-use certificates to monitor the flow of all agricultural imports;
12 and

13 37. Allow countries to restrict the import of agricultural commodities that are
14 contaminated or infected with disease or other toxic or noxious organisms
15 that threaten domestic production and/or food safety.

16 We oppose:

17 1. Elimination of tariffs, tariff rate quotas and domestic trade remedies utilized
18 to counter the effects of dumping and other unfair trade practices, including
19 the use of monetary, labor, and environmental regulations that create
20 competitive trade advantages;

21 2. Elimination of “credit” for supply management programs (blue box);

22 3. Requirements that domestic support programs be de-coupled;

23 4. Importation of agricultural products from countries that do not grow or
24 produce such products;

25 5. The use of embargoes and tariffs on farm commodities to further
26 international trade or international relations objectives that are not directly
27 related to the success of family farmers in the United States; and

28 6. The Investor State Dispute Settlement (ISDS).

29 **B. TRADE PROMOTION AUTHORITY (FAST-TRACK)**

30 We support the immediate repeal of Trade Promotion Authority (TPA).

31 We oppose:

32 1. Fast-track negotiating authority for the president; and

2. The fast-track system of ratification of trade agreements in which the entire trade package must be approved without amendment or rejected in total by Congress.

Congress should have full opportunity to review and amend provisions of a trade agreement, consistent with the authority and power endowed by the U.S. Constitution. Because agriculture is only one area considered in the trade agreement negotiation, fast-track could easily sweep agricultural concerns aside.

C. FAIR AND TRANSPARENT TRADE PRACTICES

U.S. products entering into international trade are subject to various potential exclusionary mechanisms, impediments, and manipulations. These barriers to fair trade include tariffs, unnecessary phyto-sanitary requirements, arbitrarily adjusted exchange rates, prejudicially applied border and value-added taxes, as well as selectively applied local taxes and regulations specifically designed to prevent fair and equitable treatment of our products. These unfair trade practices are a significant economic burden on domestic producers. Therefore, we support:

1. Anti-dumping petitions on behalf of all U.S. producers;
2. Creation and implementation of a “green tariff” to be imposed on all imported goods and services produced or created under less restricting environmental constraints than those originating from U.S. sources;
3. Conducting adequate supply chain audits in order to identify sources of, and seek solutions to, uncompetitive practices that influence price to the final consumer;
4. Re-establishment of the Byrd Amendment; and
5. The U.S. Trade Representative investigating countries for revocation of Generalized System of Preferences (GSP) benefits from countries that may no longer qualify for programming and supporting the U.S. Congress looking into the way that other countries subsidize agriculture and its detrimental effects on U.S. farmers.

D. HEALTH AND INSPECTION STANDARDS FOR FOOD AND FIBER IMPORTS

We believe that food imports pose a much greater food safety threat to American consumers than domestic food. Only a minimal amount of food imports are physically

1 inspected, and of those which are inspected, many are rejected for reasons ranging from
2 mislabeling of residues to pesticides banned for use in this country.

3 We support:

- 4 1. Increased funding and number of inspectors for the Agriculture Quarantine
5 Inspections Program and transfer inspectors back to USDA from Department
6 of Homeland Security (DHS);
- 7 2. Prohibiting the export of chemicals not registered for food and fiber uses in
8 the United States for food and fiber uses in other countries;
- 9 3. Strict monitoring of imports to prevent importation of residues of chemicals
10 banned in the United States for food and fiber;
- 11 4. Requiring all imported food, feed, fiber, milk protein concentrate (MPC) and
12 animal products and by-products to meet the same food safety and
13 inspection standards as those required for domestic products. Imports that
14 do not meet these standards shall be appropriately labeled;
- 15 5. Processing facilities for such imported products should be inspected at least
16 annually. Food products from that facility should be labeled as such, even if
17 the product originated in the U.S.;
- 18 6. Requiring inspection be continuous and thorough, not just an occasional,
19 minor sampling. Products that fail inspection should be condemned and not
20 allowed a second opportunity to enter our country;
- 21 7. Expenses for all inspections coming from fees on the imported products paid
22 by the exporter at the point of origin; and
- 23 8. Implementing increased USDA, FDA, and customs inspection and regulation
24 of casein, milk derivatives and milk adhesives imported for food use.

25 **E. CHINA TRADE**

26 We support annual reviews of the impact of the Permanent Normal Trade Relations
27 (PNTR) for China to document its effect on U.S. farmers. Such reviews should also
28 address whether China:

- 29 1. Ratifies and enforces all pending United Nations covenants on human rights;
- 30 2. Develops a history of actually complying with international trade
31 agreements;

- 1 3. Enacts and enforces rules that protect individual rights, establishes
- 2 appropriate environmental standards and fosters fair trade; and
- 3 4. Enacts and enforces food and product safety standards equal to those
- 4 required of producers in the United States.

5 We oppose trade provisions that pit the agricultural sector against the industrial or
6 manufacturing sectors (*also see Article III.A – Agricultural Trade Negotiations*).

7 **F. INTERNATIONAL FOOD ASSISTANCE**

8 Everyone should have the right to have access to safe and nutritional food. We
9 support the following provisions to enhance international food assistance:

- 10 1. Funding for food aid programs be used to purchase U.S.-produced food when
- 11 in-country local food is unavailable;
- 12 2. Food and developmental aid for those here and abroad who are poor, and
- 13 certainly for those endangered by famine, to assure their survival and well-
- 14 being;
- 15 3. Providing available means and agencies to supply the necessary food;
- 16 4. Emphasizing distribution of food once it reaches recipients' country;
- 17 5. Providing donations of high-quality commodities instead of using poverty-
- 18 stricken nations as a dumping ground for poor-quality grains;
- 19 6. Adequate funding of the McGovern-Dole International Food for Education
- 20 and Child Nutrition program;
- 21 7. Continued work with CARE and other hunger and agricultural organizations
- 22 to support economic development opportunities for people in less-
- 23 developed countries.
- 24 8. Forfeited grain from Non-recourse Marketing Assistance Loans be reverted
- 25 back to the USDA to be used for overseas relief packages to third world
- 26 countries;
- 27 9. Development of a world food/grain reserve that is structured as to not
- 28 depress prices or discourage food production in developing countries; and
- 29 10. Continued support of P.L. 480 as long as food aid is not used for political
- 30 objectives.

31 We oppose the monetization of U.S. food aid to purchase food commodities for
32 developing countries when adequate supplies of U.S.-produced foods are available.

1 **G. WORLD FARMERS ORGANIZATION (WFO)**

2 As a founding member of the World Farmers Organization (WFO), we believe that
3 WFO plays a vital role in providing the world's farmers with a forum in which to
4 exchange ideas and information, not only about farming techniques, but policies that
5 affect farmers' economic well-being and daily lives.

6 We urge WFO to be an active advocate for the world's farmers.

7 **H. FOOD AND AGRICULTURE ORGANIZATION**

8 We support the Food and Agricultural Organization of the United Nations.

9 **I. POLICIES TOWARD DEVELOPING NATIONS AND INDIGENOUS PEOPLES**

10 We support:

- 11 1. The use of the United States' economic strength, in cooperation with our
12 private sector and other nations, to promote the economic, social, and
13 human development of less-developed nations;
- 14 2. Ending the embargo and establishing fair trade relations with Cuba;
- 15 3. Respecting the food sovereignty of developing countries by not undercutting
16 the price of local staples; and
- 17 4. The adequate compensation of indigenous peoples for the consumption of
18 their resources.

19 We oppose:

- 20 1. The dumping of agricultural products in developing countries which puts
21 local farmers out of business and destabilizes local economies;
- 22 2. The forced removal of indigenous peoples from their traditional homelands;
23 and
- 24 3. The exploitation of developing countries through forcing them to abandon
25 their own domestic food security policies, indigenous seed stocks, foods, and
26 cultural practices.

27 **J. FARMERS AND FARM YOUTH EDUCATIONAL EXCHANGE PROGRAMS**

28 Since a better understanding of agriculture and trade can help promote a more
29 peaceful and prosperous world, we believe that educational exchange programs
30 including farmers, farm leaders, and farm youth should be encouraged.

31 **K. OWNERSHIP OF FARMLAND BY INSTITUTIONAL INVESTORS IN ALL COUNTRIES**

1 National Farmers Union opposes the investment in and ownership of forest
2 lands, range, and arable lands in all countries by institutional investors
3 (corporations, commercial and investment banks, pension funds, life insurance
4 companies, endowments, high net-worth individuals, sovereign wealth funds, and
5 similar types of entities). These lands should primarily be owned, managed, and
6 farmed by domestic family farmers in each country.

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We recognize that agricultural debt will continue to be a problem until there is a

1. The efforts of the Consumer Financial Protection Bureau to monitor and act on availability of loans and transparency of loan servicing activities;
2. Policies that ensure equal access to credit, regardless of gender, race, or age;
3. A farm credit policy that is adequately financed and that includes the use of third-party lending agencies to help re-establish America's family farms and provide special assistance to beginning and socially disadvantaged farmers;
4. The Federal Agricultural Mortgage Corporation (Farmer Mac) to continue as a viable source of long-term, fixed-rate credit for family farmers. Farmer Mac should be monitored to ensure that it follows the intent of Congress and helps family farmers, rather than transferring the ownership of land to corporate investors. Farmer Mac should not be used to weaken state borrower protection laws or penalize borrowers who make prepayments. Congress should amend the statute to streamline the operating structure and eliminate provisions that reduce Farmer Mac's efficiency in providing loan products with competitive interest rates to family farmers and ranchers;
5. The Federal Financing Bank, to expedite insured and guaranteed loan programs and oppose any attempts to reduce the volume of the bank, which would push borrowers into private sector credit;
6. Updating Small Business Administration farm and ranch eligibility criteria to make it commensurate with what is available to other business sectors;
7. Cooperative credit unions, initiatives to allow farmer investments into credit unions and allowing farmers to obtain agricultural credit from credit unions;
8. Farmers Union organizations aggressively forming and furthering credit unions and promoting legislation on their behalf;
9. "Aggie Bond" programs allowed under federal law being enacted by state and local governments. These programs should not be used for loans for contract production unless the contract is approved as a USDA model contract;

10. Mandatory funding and expansion of the Certified Agriculture Mediation Program (CAMP), and extension of the program authorizing matching grants to states with qualified mediation programs;
11. Maintaining Chapter 12 as part of permanent bankruptcy law, reforming the filing process and encouraging educational efforts to farmers about their rights under Chapter 12;
12. Tax amnesty for taxes imposed on family-sized farms and ranch operators who face tax liabilities after restructuring or forced sales; protecting the interests and rights of borrowers, lenders, and taxpayers through the proper and consistent implementation of existing legislation; prohibiting a debtor to reorganize into a larger-than-family-farm-size unit; and encouraging all options be made available for FSA borrowers with shared appreciation agreements, due to artificially inflated land values;
13. Special attention given to the credit needs of surviving spouses of farmers who want to continue farming; and
14. Requiring banks, credit unions, and other financial institutions to publish and identify, independently of interest rate, any additional discounts, whether additional points or credit rate decrease or increase based on other business with the institution, including crop insurance.

A. FARM SERVICE AGENCY (FSA) CREDIT PROGRAMS

We support:

1. Guaranteed loans and direct lending;
2. Emphasizing adequate funding for direct-lending programs for farm ownership and operating expenses to beginning and socially-disadvantaged family farmers (*also see Article I.B.5. – Beginning Farmers and Ranchers*);
3. Increasing the maximum loan amounts to reflect land values and provide opportunities for additional family farmers;
4. A consistent, sufficient funding mechanism ensuring loan funding allocations are available to all approved FSA loans in a timely fashion;
5. Increasing emergency funding so that it is available on a timely basis;

6. Encouraging the secretary of agriculture to seek the necessary authority to increase the maximum level of federal emergency farm operating loans that may be made available to producers who have suffered multiple years of weather-related disasters;
7. Educating borrowers on sound farm management principles in an effort to reduce foreclosure rates. Borrower training should be provided by existing programs, including Farm Business Management and Cooperative Extension;
8. Permitting the guarantee of loans for stock purchases in the farmer-owned, value-added cooperative, as long as the cooperative can demonstrate its feasibility;
9. Allowing producers who have used debt restructuring to be eligible for all federal loans, including FSA and emergency loans;
10. Processing applications for credit and appeals in a timely manner to meet production demands;
11. Not garnishing federal farm program payments to pay delinquent farm credit payments except in cases of delinquency in excess of 3 years without loan restructuring;
12. Streamlining and digitizing loan programs and the appeals process;
13. Implementing debt restructuring, including debt forgiveness, as equitably as possible and allowing additional restructuring to be considered;
14. Continuing to enable the USDA National Appeals Division (NAD) to be an independent and fair forum for agricultural producers;
15. Increasing consistency and education on the county and state appeals process and FSA servicing responsibilities to the borrower;
16. Prohibiting the use of private collection agencies and offsets of income tax refunds to recover outstanding debt from borrowers who voluntarily liquidate their assets;
17. Elimination of term limits for non-delinquent borrowers;
18. Prohibiting the imposition of long-term or permanent wildlife or conservation easements on land acquired by FSA foreclosures; and
19. Establishing a revolving loan pool for all Farm Service Agency (FSA) loans to ensure loan repayment is credited to the FSA budget.

1 **B. FARM CREDIT SYSTEM**

2 The Farm Credit System (FCS) should follow its original purpose - keeping the
3 family farmer on the land - by actively providing credit to all family farms within their
4 district, regardless of size, and maintaining farmer-elected control of FCS boards.

5 We support:

- 6 1. Prohibiting differential interest rates for FCS member-borrowers because
7 they are contrary to cooperative principles;
- 8 2. An investigation of the discriminatory effects of differential interest rates;
- 9 3. Local control and participation of all FCS associations and banks while
10 remaining on the forefront of good governance practices to keep the system
11 viable for producers in the future;
- 12 4. All FCS directors, officers, and bondholders to take the lead in advocating
13 improved farm income as the basic means of repaying farm debt and
14 securing the FCS;
- 15 5. FCS enforcement of regulations governing the borrowers' rights sections of
16 the Agricultural Credit Act of 1987, including the use of cease-and-desist
17 powers when necessary;
- 18 6. Congress giving past and present FCS borrowers the right to pursue
19 litigation against FCS institutions they have done business with;
- 20 7. FCS continuing to be the primary source for financial services for farmer
21 cooperatives and their associated businesses. We call upon member
22 cooperatives to ensure that these institutions remain farmer-controlled;
- 23 8. Preventing FCS institutions from being sold to outside entities, thereby
24 exiting the system. The ability to exit the system negates the benefits of
25 farmer control and makes it difficult to replace the services mandated by the
26 Agricultural Credit Act;
- 27 9. Expanding FCS lending authority only to the extent it directly benefits family
28 farmers, ranchers, and rural communities. Expanded lending authority must
29 support domestic investments and operations;
- 30 10. FCS maximizing the patronage and dividend distribution to its borrower-
31 members so they have access to the FCS capital they helped to create;

- 1 11. Full access to rural credit for farmers, ranchers, fishers, and the communities
2 in which they live. We are particularly concerned about the lack of available
3 credit in rural areas with high unemployment, including, but not limited to
4 Native American Reservations;
5 12. Competition in lending to allow credit options for our members;
6 13. Jurisdiction of the FCS remaining under the authority of the U.S. House and
7 Senate Agriculture Committees; and
8 14. Farmers and ranchers given first choice to purchase any foreclosed or
9 financially distressed farmland under FCS jurisdiction.

10 **C. COOPERATIVE FINANCING**

11 Cooperatives are special business entities, which are unique in nature and have
12 unique needs. Cooperative financing institutions need to provide financial services and
13 investment financing necessary to assist established cooperatives in re-tooling to meet
14 changing times in the markets, and to participate in new opportunities to service rural
15 communities and their family farmer and rancher owners.

16 These cooperative financing institutions need to establish a program to assist
17 farmers and ranchers and their rural communities by providing risk capital to start new
18 cooperative ventures. The program should also provide financial grants to new
19 cooperatives for in-depth training of their respective board of directors.

20 The National Cooperative Bank is an important financial resource for rural and
21 urban consumer cooperatives and we encourage the bank to place greater emphasis on
22 rural lending.

1 **ARTICLE VI – FARM COOPERATIVES AND THE FAMILY FARM**

2 Farmer-owned cooperatives reduce costs of production, maintain a reliable source
3 of inputs, effectively market and process farm products, improve member livelihoods,
4 and help restore rural communities. NFU encourages its members and organizations to
5 provide leadership in the patronage, direction, operation, and development of
6 cooperative enterprises, and in the education of members and the public as to
7 cooperative philosophy and principles and working in collaboration with other
8 cooperative sectors including consumer, food, worker, insurance, and financial co-ops
9 and credit unions.

10 **A. COOPERATIVE LAW**

11 Federal law provides a fundamental economic right to individual farmers, to join
12 together in cooperatives associations for the purposes of pricing, processing, marketing,
13 transporting, and selling their products, and bargaining with processors and handlers
14 for prices and other terms of sale, without being subject to prosecution under antitrust
15 laws. This is a right for farmers as individuals and not the cooperatives that they
16 establish.

17 The basic cooperative authorities are set forth in the Clayton Act of 1914, the
18 Capper-Volstead Act of 1922 (allowing agricultural producer associations), the
19 Cooperative Marketing Agreement Act of 1926, the Agricultural Marketing Act of 1929,
20 the Agricultural Marketing Act of 1937, and other statutes, including those that deal
21 with the status of cooperatives under the federal tax system. These laws are vital.

22 Government policies and programs should help to better develop, protect, advance,
23 and promote farmer cooperatives' role in assembling, processing, selling, marketing,
24 and distributing farm commodities and services. We oppose any attempt to revise
25 cooperative laws, administratively or legislatively, that would diminish or jeopardize
26 the democratic nature of cooperatives, their unique governance structure as member-
27 owned and -controlled enterprises, and ability to maintain financial and ethical
28 integrity.

29 We oppose new state laws that allow supposed "cooperatives" to structure ventures
30 with non-members in ways that give the outside investor voting control of the
31 combined entity, including the Uniform Limited Cooperative Association Act statutes
32 that undermine the democratic nature of the cooperative enterprises and the interests

1 of producer, worker, and consumer members. Such legislation contradicts the basic
2 purpose of a cooperative established by 100 years of legal practice and precedent as a
3 user-owned, user-controlled entity that distributed benefit on the basis of use rather
4 than capital invested

5 **B. ROCHDALE PRINCIPLES**

6 We reaffirm our belief in the basic Rochdale Principles of cooperation as last
7 updated in 1996 that were designed to ensure democratic control of the business by its
8 members and that the members receive the primary benefits of their cooperative
9 enterprise, including:

10 1. Voluntary and Open Membership

- 11 a. Open membership to all who share the common bond and objective of the
12 co-op;

13 2. Democratic Member Control

- 14 a. One vote per member, regardless of the volume of business done by the
15 member, with no proxy voting;
- 16 b. Elimination of bloc voting;
- 17 c. Directors elected by active members; and
- 18 d. Open records access by members;

19 3. Member Economic Participation

- 20 a. Savings/earnings of the cooperative distributed back to the member-
21 users in proportion to the members' patronage volume;
- 22 b. Limited interest/dividends on invested capital; and
- 23 c. Sales at competitive prices, and trading normally conducted on a cash
24 basis;

25 4. Autonomy and Independence;

26 5. Education, Training, and Information;

- 27 a. A continuous cooperative education program to teach cooperative
28 philosophy, principles and operation, funded by five percent of a
29 cooperative's net margin;

30 6. Cooperation among Cooperatives;

31 7. Concern for Community;

- a. Cooperatives working for the sustainable development of their communities through policies accepted by their members;

C. ADDITIONAL PRINCIPLES

To further the cooperative movement, we support:

1. Cooperatives returning to the original intention of Capper-Volstead, which allows cooperatives to collectively process, prepare for the market, handle, and market in interstate commerce;
2. The rights of cooperative members to organize and operate regional and interregional cooperatives (marketing agencies in common) or to merge with other cooperative associations and not be restricted by law or government regulation;
3. Exhausting all options of maintaining local control, including merger or joint ventures with a nearby cooperative, before a local co-op is absorbed by a regional cooperative;
4. Encouraging local members or nearby cooperative associations to repurchase a local facility that has been absorbed by a regional cooperative;
5. Encouraging regional boards to work with local cooperatives to help them operate for the benefit of members;
6. Requiring business entities to provide members with “due diligence” information that is timely and adequate before voting on a merger between two or more cooperatives;
7. Cooperative members giving serious consideration to the long-term consequences of selling a cooperative to private entities for short-term gains;
8. Individual Farmers Union members taking responsibility to be full participants and patrons in the cooperative movement and to build closer relationships between their farm organization and their cooperatives;
9. Encouraging cooperatives benefitting from nontraditional income in events, such as litigation, to expeditiously distribute the proceeds to all relevant parties;

10. Traditional farmer-owned cooperatives lending their experience and cooperation in building new value-added cooperatives that will enhance their local communities and increase the profitability of their farmer-owners;
11. Cooperatives working to return the cost of production and reasonable profit. In addition, they should support federal farm policy that enables producers to receive profitable farm prices;
12. Cooperatives being of sufficient size and strength to be effective in representing their farmer-members without competing with family farmers;
13. Increased funding for Rural Business Cooperative Services (RBCS) to focus its primary efforts on working directly with farmers in the organization and development of cooperatives, including providing on-the-ground services to producers such as feasibility studies and organizational assistance to farmers, as well as start-up and development grants;
14. Funding for the Rural Cooperative Development Grant (RCDG) Program; RCDG grants of up to three years should be given to centers that have previously received funding and have demonstrated success in starting businesses. Remaining funding should be made available for new centers to apply for annual grants;
15. Revisions in rules and regulations to allow loans to producers who choose to purchase stock in established agricultural processing cooperatives and new cooperatives formed for the purpose of adding value to agricultural commodities;
16. Deferral of capital gains taxes when a refining or processing facility is sold to a farmer-owned cooperative if the benefit is passed onto family farm cooperative members;
17. Strengthening the ability of rural citizens to establish new member-owned enterprises that enhance farm income and quality of life in rural America, by continuing our work with the network of cooperative development centers;
18. Focusing on a national school/training program that both identifies opportunities and trains cooperators in the formation and operation of

1 value-added cooperatives. NFU could serve as the coordinator of such a
2 project;

3 19. Membership in state Farmers Union organizations being required of all
4 Farmers Union cooperative board and company members; and

5 20. Either spouse should be able to represent the family farm in voting at
6 cooperative meetings. We encourage both spouses to become voting
7 members of cooperatives.

8 We oppose:

- 9 1. Cooperatives (except cooperative farms) engaging in domestic and foreign
10 agricultural production activities, including land ownership in direct
11 competition with agricultural producers;
- 12 2. Mergers or joint ventures between regional cooperatives and multinational
13 corporations unless such a merger or joint venture would benefit local
14 cooperative members;
- 15 3. The practice of allowing individuals, other than “at risk” producers, to serve
16 as a director in a producer cooperative. Status of such “other individuals”
17 should be limited to non-voting and advisory roles;
- 18 4. Government efforts to dictate the time and manner for returning cooperative
19 patronage earnings;
- 20 5. The use of net savings of a cooperative to be used to invest in production
21 agricultural operations by the cooperative; and
- 22 6. Cooperatives allowing a single member or entity to fill more than one board
23 seat.

25 **D. TEAMWORK OF FARMERS UNION AND COOPERATIVES**

26 The link between NFU, Farmers Union cooperatives and all other cooperatives
27 strengthens all entities. The farm-income improvement measures and strategies
28 advocated by Farmers Union deserve the interest and support of farm cooperatives
29 genuinely concerned about the well-being of their member families.

30 **E. CHS**

1 We urge CHS not to lose sight of the fundamental cooperative principles upon which
2 it was founded.

3 We oppose CHS owning farmland in the United States and other countries and
4 producing crops that will be in direct competition with farmers in the United States.

5 We also oppose:

- 6 1. Giving the CHS board of directors the flexibility to approve non-member
7 patronage arrangements; and
- 8 2. Modifying the CHS membership definition to allow non-producers the rights
9 granted to members currently.

1 **ARTICLE VII – WATER AND LAND POLICY, CONSERVATION AND THE FAMILY FARM**

2 **A. OBJECTIVES OF A COMPREHENSIVE LAND POLICY**

3 Family farmers and ranchers have historically been our best soil and water
4 conservationists when given the economic incentives and flexibility necessary to do so.
5 Our policy encourages a well-balanced, sensible environmental policy that protects the
6 public and the environment without unduly burdening family farmers through
7 excessive regulation or economic hardship.

8 We call on all federal and state regulatory agencies to act in accordance with the
9 above principles and use the least intrusive, economically practical and scientifically-
10 based methods to accomplish sound environmental quality goals, with consideration
11 given to all of these factors and not any one exclusively. We support a national land
12 policy that:

- 13 1. Recognizes multiple use values of public lands while striving for sustainable
14 use in all areas;
- 15 2. Emphasizes agriculture as the most productive use of existing high-quality
16 farmland;
- 17 3. Recognizes the right of private landowners to be compensated for
18 government land-use restrictions that amount to takings of property;
- 19 4. Recognizes the value of independently owned and operated family farms to
20 stewardship of natural resources;
- 21 5. Develops education and outreach materials for the public to achieve land use
22 goals for the benefit of future generations;
- 23 6. Encourages entry into the business of farming or ownership of agricultural
24 lands by farm families, as opposed to non-farm interests or larger-than-
25 family-sized corporations;
- 26 7. Allows states to prohibit corporate interests from circumventing corporate
27 farm laws by contracting with individual producers;
- 28 8. Strengthens and enforces state laws to protect family-owned and –operated
29 farms;
- 30 9. Prohibits concentration of farmland ownership by off-farm corporations,
31 associations, and interests. These laws must be closely monitored and

strengthened so they may continue to preserve production agriculture for family farmers;

10. Discourages the concentration of land ownership and off-farm ownership via state programs of graduated land taxes and similar disincentives or limitations;

11. Recognizes the importance of wetlands (*also see Article VII.S.6 – Wetlands*); and

12. Respects existing farming operations and practices, especially under the pressures of urban encroachment.

B. PROHIBITION OF FOREIGN OWNERSHIP OF FARMLAND, COMMERCIAL FISHING PRIVILEGES AND DISCLOSURE

Foreign interests, including those acting through U.S.-registered entities (except families or individuals seeking U.S. citizenship), should be prohibited from acquiring U.S. agricultural lands, holding federal grazing allotments or commercial fishing privileges. We respect the right of other nations to put similar limitations on agricultural lands in their nations.

Foreign individuals, corporations or governments should be required to disclose to appropriate agencies their ownership of any U.S. business, financial, energy or real estate assets, in a manner comparable to procedure in the Agricultural Foreign Investment Disclosure Act of 1978.

We support the establishment of a private right of action for farmers to sue foreign individuals, corporations, or governments who fail to disclose their ownership of any U.S. business, financial, energy or real estate assets.

Citizens of the United States have a right to know the extent of such ownership or control so that remedial steps may be taken.

C. LAND TRANSFER

We support:

1. Establishing a joint federal-state cooperative effort to assist beginning and socially disadvantaged or veteran farmers to acquire an economically viable family farm enterprise;
2. Establishing income tax incentives for landowners and retiring farmers who sell or lease farmland to beginning or socially disadvantaged farmers and

1 veterans, which provides for the orderly transfer of land, prior to the seller's
2 death, as part of an established estate plan;

- 3 3. Encouraging religious, educational, charitable and similar nonprofit
4 institutions that obtain farmland to ensure that such lands are operated or
5 sold in a manner which preserves and promotes family farm units and does
6 not disrupt land values with reasonable time limits being placed on holdings
7 in order to return the land to local tax rolls as quickly as possible;
- 8 4. Maintaining existing effective conservation practices when land is
9 transferred; and
- 10 5. Holding the party responsible for contamination of private land liable, after
11 environmental audits reveal conclusive scientific evidence of contamination,
12 whether they are the current or former owners. Current or new individual
13 family agricultural operators should not be held liable for contamination that
14 did not occur during their ownership.

15 **D. PUBLIC LANDS**

16 We recommend that Congress maintain its commitment to the responsible multiple
17 use of public lands. The federal land stewardship agencies should improve their land
18 management techniques on all public lands.

19 Livestock production in the 17 western public lands states is highly dependent upon
20 public land grazing and local government services. The health of wildlife habitat is
21 dependent on well-managed livestock grazing. Government actions that drastically
22 change the way livestock grazing is conducted on public lands could greatly damage the
23 economy in rural America.

24 We support:

- 25 1. The current Public Rangeland Improvement Act (PRIA) formula as a fair and
26 equitable method for determining appropriate grazing fees. Grazing fees
27 represent the dividends of stewardship of the federal land, not the value of
28 the forage on the rangeland;
- 29 2. The management of grazing on federal lands to be based on scientific data
30 and monitoring of individual allotments and encourage increased funding for
31 this research;

3. Utilization of the local Resource Advisory Council (RAC) to set standards and guidelines for grazing tailored to the local area;
4. Reinstatement of local grazing committees;
5. Public-land managers assisting public-land permittees to develop their own goals and grazing plans that would be utilized in managing their public-land grazing allotments;
6. Linking the holding of grazing permits with actual ownership of grazing animals by resident family farmers and ranchers and their entities;
7. A certified mediation service for all disputes regarding grazing with the U.S. Forest Service and Bureau of Land Management;
8. Public-land grazing legislation to require that in disputes between public-land managers and permittees, the permittees be advised of their rights under Section 8 of the PRIA, which authorizes land-grant university staff to provide assistance and advocacy services to permittees;
9. Efforts to establish grass banks on public lands;
10. Efforts to establish and preserve plantings of heirloom seeds and native plants on public lands for the purpose of ensuring biodiversity and the protection of native flora;
11. Allowing ranchers to travel by motorized vehicles, control predatory animal populations, continue range improvements and develop water resources;
12. Requiring the federal and state governments to pay the full amount of the “in lieu of property tax” (PILT) payments on property that it owns or acquires. If full payment is not made, there should be a moratorium on any further land acquisition by the agency that fails to meet its responsibility;
13. Requiring the Bureau of Land Management to follow through with the required annual surveys and management plans to control wild horse and burro populations in order to minimize damage to private and public lands. We also support the USDA-inspected horse and burro adoption program while opposing the release of non-adopted or domestic horses or burros on public lands;
14. Reimbursing family farmers and ranchers by the appropriate government agency, at a fair market value, for expenses incurred in the acquisition,

- 1 development and improvement of public grazing lands in the event permits
2 are revoked;
- 3 15. Public access to federal and state lands being only on designated routes;
- 4 16. Encouraging public-land managers to support and facilitate the formation of
5 locally owned cooperatives and businesses to harvest and process forest
6 products;
- 7 17. All federal agencies charged with wildlife management taking steps to
8 eradicate diseases from all wildlife under their control on federal lands;
- 9 18. Involving permittees in the process of revising, updating, creating and
10 otherwise modifying plans that govern use of public lands in advance of
11 public hearings, including draft plans;
- 12 19. The use of public lands for the development of energy production and
13 transmission with priority given to renewable energy except where existing
14 livestock grazing permits are negatively impacted;
- 15 20. Decisions made by the administration that support input from livestock
16 producers on best management practices and range conditions while
17 achieving a strong balance between resources on public lands that include
18 grazing;
- 19 21. The transfer of vacant, unused or abandoned grazing allotments to qualified
20 family ranchers rather than permanently retiring or abandoning the
21 allotment; and
- 22 22. Policies that enable payments to flow to public land permittees for
23 ecosystem services.

24 We oppose:

- 25 1. Grazing regulations and legislation that require permittees to remove their
26 livestock while they appeal a decision of a public-land manager;
- 27 2. Permitting non-grazers to acquire so-called “conservation allotments” that
28 result in the bidding up of the price of an allotment, thus denying access of
29 grazing permits to low- and moderate-income families;
- 30 3. Any swaps of public lands with private developers that would adversely
31 impact the agricultural community. Hearings regarding such swaps must be
32 held within 50 miles of the proposed land to be swapped. Cultural and

economic impact studies must be done to assess the impact of such proposed swaps;

4. Taking private water rights and private structures on public lands;
5. Reintroduction of species detrimental to livestock production and agriculture;
6. The expansion of military reservations;
7. Legislation that would allow the buyout of grazing permits on federal lands;
8. Grazing of cattle not born and raised in the United States on public lands; and
9. The transfer of federal public lands to state control.

E. NATIONAL GRAZING LANDS COALITION

The National Grazing Lands Coalition (NatGLC), formerly known as the Grazing Lands Conservation Initiative (GLCI), seeks to provide high-quality technical assistance on privately owned grazing lands on a voluntary basis, and to increase awareness of the importance of grazing land resources through a coalition of individuals and organizations functioning at the local, state, regional and national levels.

We support:

1. Working cooperatively with the NatGLC to promote benefits of sustainable grazing practices and their continued line-item funding; and
2. Restoring NRCS annual appropriations for conservation technical assistance at the field office level to adequately meet the needs of America's farmers, ranchers, and landowners.

F. FOREST HEALTH

We support:

1. Maintaining Categorical Exclusion capability in federal forest management plans to address forest health issues, so the U.S. Forest Service can accelerate the harvest of small timber stands in western U.S. forests;
2. Federal and state forests being accessible to the renewable energy industry to allow the use of devastated wood product in environmentally beneficial value-added products;
3. Implementation and full funding of efforts to minimize the effects of the insect epidemics on the national and state forests throughout the United States. Federal, state, and private programs must be approved immediately

1 to protect open space, wildlife habitat, watersheds, clean air and other
2 natural resources as well as infrastructure such as roads and utility lines for
3 public safety; and

4 4. Funding for programs that provide meaningful education for the public
5 concerning overall forest health; and

6 5. Livestock grazing as a management tool in maintaining forest and range
7 health.

8 **G. WATER QUANTITY AND QUALITY**

9 **1. WATER QUANTITY DISTRIBUTION**

10 Laws impacting water distribution should not favor industrial, wildlife, and
11 recreational uses over those of agricultural producers.

12 We support:

- 13 i. States recognizing domestic, irrigation, and livestock water usage in
14 neighboring states when issuing irrigation permits on shared tributaries;
- 15 ii. The use of interstate water compacts between federal, state, and tribal
16 governments for regulating water sharing between neighboring states;
- 17 iii. The use of water storage through impoundment structures, conservation
18 measures, and implementation of soil health principles as primary means
19 for water development;
- 20 iv. Adoption of legislation to protect agricultural water rights through state
21 water rights in order to prevent future power and energy plants from
22 consuming water to the detriment of agriculture;
- 23 v. Requiring new energy plants to return water to a level of quality capable
24 of use by agriculture;
- 25 vi. Subjecting new large enterprises that will use a significant quantity of
26 water to a permitting process to assess the environmental and
27 community impacts of the proposed use;
- 28 vii. Enforcement of the limitations on the size of farm operations eligible for
29 federally subsidized irrigation water;
- 30 viii. Deferred implementation of the U.S. Bureau of Reclamation regulation on
31 the use of federally developed water supplies and facilities and the
32 practice known as “water spreading.” The economic impact of any policy

changes on family farmers and rural communities should be completed before implementation:

- a. Water leasing instead of buy and dry policies; and
- b. The United Nations adding a 31st article to the 1948 Universal Declaration of Human Rights, establishing access to clean and potable water as a fundamental human right;
- ix. Appropriate water development or just compensation to meet the water appropriations of Native American water rights in order to protect current agricultural water users;
- x. The economic benefit to agriculture be considered before permitting any new federally-funded water projects; and
- xi. A voluntary, temporary, and compensated water demand management program to sustain agricultural communities and agricultural economies.

We oppose:

- i. The movement of any water for the purpose of a coal slurry pipeline or similar venture, unless a method can be developed to return water of equal quantity and quality to the original area from which it was taken. Prior to the exportation of any water, an environmental and economic impact statement should be completed to determine its effect on agriculture;
- ii. Any efforts by the federal government through the usage of a national water policy to usurp the rights and prerogatives of the individual states;
- iii. An outright ban on “water spreading,” as currently defined which would have devastating impacts on agricultural producers in the Columbia Basin and other Bureau of Reclamation irrigation projects throughout the West;
- iv. Producers bearing the cost of taking inventory of irrigated lands and any mandated renegotiation of bureau contracts through their irrigation district. Agricultural producers should be credited, and not penalized, for increased efficiencies and for their aquifer recharge efforts;
- v. The condemnation of agricultural water rights; and

- 1 vi. The change of use or removal of water from the basin of origin or non-
2 tributary groundwater without a complete impact statement concerning
3 the effect on agriculture, environment and economic stability.

4 **2. WATER QUALITY PROTECTION**

5 The protection of our groundwater resources is critical not only to continuing
6 farm operations, but as a source of drinking water for the vast majority of rural
7 residents.

8 We support:

- 9 i. The creation of a national database on the extent of water quality
10 problems, including nationwide voluntary well-testing programs that
11 include cost sharing of landowners;
12 ii. Legislation or regulations limiting groundwater contamination by
13 incentivizing regenerative land management practices in keeping with
14 soil health principles, while enacting effective groundwater cleanup of
15 already contaminated water sources;
16 iii. Continued implementation of the Safe Drinking Water Act;
17 iv. The uniform administration of Environmental Protection Agency (EPA)
18 policies throughout the nation. Adding to the list of contaminants that
19 municipalities and rural water districts are required to test for, as
20 mandated by EPA, must be backed by science. We encourage EPA to stop
21 its practice of targeting specific regions with stricter standards than
22 applied in non-targeted regions;
23 v. Requiring inspectors be public employees, rather than employees of the
24 companies who are being regulated;
25 vi. Information and education concerning the present condition of our
26 underground water supply and what we can and should do to prevent
27 any further contamination;
28 vii. Efforts in research that clarify the issue of point source pollution and
29 non-point source pollution;
30 viii. Programs to protect and improve the quality of surface waters, such as
31 the Western Lake Erie Basin and Chesapeake Bay Program, and urge that

- 1 all who use the resource, such as boaters and fishers, be included in the
2 effort;
- 3 ix. Producers participating in state watershed assessment programs;
- 4 x. Confined Animal Feeding Operations (CAFOs) being required to post the
5 appropriate bonds to cover the cost of cleaning up any contamination of
6 land and water resources. When posting these bonds, CAFOs should also
7 be required to develop and submit waste storage closure plans;
- 8 xi. National minimum guidelines, or standards, that give primacy for
9 implementation and flexibility in regional planning to the states;
- 10 xii. Encouraging states and localities to establish standards beyond the
11 federal minimums;
- 12 xiii. Cost-share provisions targeted to small and medium-sized farmers.
13 Responsibility for submitting a waste management plan and complying
14 with the waste management provisions should be shared by the owner of
15 the livestock and the operator of the facility;
- 16 xiv. The application of best management practices (BMP) established by
17 agencies of the USDA for disposal of poultry waste and animal manure,
18 and recommend such manure be classified as soil supplements and plant
19 food, and not toxic or hazardous waste. If BMP is subject to regulation,
20 we urge the appropriate state department to be assigned as the
21 regulator;
- 22 xv. Research to determine the environmental impact of animal-feed content
23 on animal waste ;
- 24 xvi. Family farmers being appointed to serve as advisers to any federal
25 agency when a national waste standard is developed; and
- 26 xvii. Targeting water subsidies to family-sized farms.
- 27 We oppose:
- 28 i. The method of deep-well injection of hazardous waste;
- 29 ii. Legislation that restricts livestock grazing in pastures where running
30 streams or ponds are located and mandatory fencing of rivers, streams
31 and ponds;
- 32 iii. In situ leach mining;

- iv. Any infrastructure or resource development that jeopardizes the health, safety and quality of freshwater aquifer resources; and
- v. Any EPA policy directive that would mandate the testing and/or certification of water or farmland unless a federal fund is established to pay necessary costs of meeting certification requirements.

3. CLEAN WATER ACT

Clean Water Act rulemaking requires Total Maximum Daily Load (TMDL) be established for 303(d) listed watersheds, i.e., streams that are impacted by pollution. Compliance with mandatory state and federal watershed TMDL regulations can create a hardship on family agricultural producers for compliance with state and federal water quality standards.

We support:

- i. Voluntary compliance and incentive-based, cost-sharing programs currently working to minimize production agriculture's impact on our nation's water quality;
- ii. Protecting the quality of our water and assuring its suitability for beneficial uses;
- iii. Regulations for the process to identify waters protected under the Clean Water Act (CWA) being made clearer, simpler, and faster;
- iv. Exemptions for normal agricultural activities being reaffirmed;
- v. Agricultural producers and representatives of local government entities from all agricultural areas of the U.S. being included in discussions to address the issues concerning the proposed changes to jurisdiction of the CWA;
- vi. Extensive monitoring of water quality to accurately assess progress toward clear goals;
- vii. Proper appropriation of funding to fully implement clean water efforts;
- viii. Ongoing evaluation and recalibration of nutrient reduction and conservation efforts; and
- ix. Employment of agronomic practices, conservation efforts and funds, with a focus on those that have the largest positive impact toward reaching clean water goals.

1 We oppose:

- 2 i. Broadening the definition of what waters are considered jurisdictional
- 3 under the CWA;
- 4 ii. The deletion of the word “navigable” waters from the federal Clean
- 5 Water Act which would expand the taking of private property rights and
- 6 provide additional intrusiveness;
- 7 iii. Current rulemaking by EPA that would establish regulatory-based
- 8 TMDLs for family agricultural producers; and
- 9 iv. The broadening of the federal government’s jurisdiction over a group of
- 10 waters such as the entire prairie pothole region simply because the
- 11 bodies of water are near each other.

12 **4. DROUGHT MONITORING**

13 We support continued federal support of the National Drought Mitigation
14 Center.

15 **H. AIR QUALITY**

16 Production agriculture should be exempt from the regulating of particulate matter.
17 Agriculture should be a stakeholder in research and education about the role of
18 agricultural production in particulate matter emissions. Agricultural producers should
19 follow best management practices when practical to help reduce particulate matter and
20 improve air quality.

21 **I. ANIMAL FEEDING OPERATIONS (AFOs)**

22 NFU recognizes that family farm agriculture and good, sound environmental
23 practices need to work together. Our policy encourages a well-balanced, sensible
24 environmental policy that protects the public and the environment without unduly
25 burdening family farmers through excessive regulation or economic hardship.

26 When properly managed, livestock waste is a valuable resource that provides
27 essential nutrients to cropland and lessens the need for commercial fertilizer. We
28 oppose the defining of animal manure, waste or nutrients as being considered
29 hazardous and regulated under the federal “Superfund” law, the Comprehensive
30 Environmental Response Compensation and Liability Act of 1980 (CERCLA) and the
31 Emergency Planning and Community Right-to-Know Act (EPCRA).

1 Animal feeding operations should be regulated beginning at the local level. Cost
2 sharing for regulatory compliance should be made available and targeted to family-
3 sized producers.

4 We support standards that are on a graduated system of at least three tiers: small,
5 medium and large. They should be implemented with a sliding scale of standards that
6 address each size of operation.

7 **J. CONFINED ANIMAL FEEDING OPERATIONS (CAFOs)**

8 We support requiring permits for large-scale feeding operations, i.e., those confined
9 feeding operations that require National Pollutant Discharge Elimination System
10 (NPDES) permits as defined under the February 2003 EPA rule change. Under the rule
11 change, all large CAFOs require permits and all other CAFOs that discharge pollutants
12 into surface water require a permit. The issue of scale is critical in determining the level
13 of risk associated with waste management. Therefore, we support the following
14 standards:

- 15 1. Holding animal owners and/or contractors responsible for spills and manure
16 disposal in contract feeding operations;
- 17 2. Using best available technology to reduce the environmental impact of waste
18 and setting higher standards for waste storage, including open-air lagoons;
- 19 3. Requiring a CAFO to have a reasonable setback distance from an existing
20 residence, business, church, school, public use area or riparian area;
- 21 4. Permit applications must prepare and submit a nutrient management plan
22 containing detailed information regarding proposed methods of distribution.
23 Application of animal waste should be monitored by the states' departments
24 of health and should adhere to the agronomically sound, best management
25 practices adopted by the state in which the facility exists. No waste should be
26 applied to ice, to highly erodible slopes, or where the ground is frozen;
- 27 5. Including sound, science-based guidelines for using phosphorus and
28 nitrogen as limiting factors on the gallons of liquid livestock waste and tons
29 of solid waste to be applied per acre as a part of the nutrient management
30 plan;

6. Permit applications for a large-scale facility must serve notice in a timely fashion for public comment describing the type of facility to be constructed, including information on the type of waste to be generated;
 7. Permit holders must disclose the number of animal units within a facility upon request by the appropriate regulatory agency;
 8. A livestock owner whose permit has been revoked in one jurisdiction not being allowed a permit in another jurisdiction;
 9. Facilities that close being required to use proper cleanup, including re-vegetation, within three years of closure;
 10. Existing operations being required to comply with permit requirements at the time of permit approval;
 11. Permits requiring financial assurance including proof of liability insurance, equity or adequate bonding;
 12. Appropriate penalties for those who fail to comply with permitting requirements;
 13. Implementing a temporary moratorium on the establishment of CAFOs based on issues of health until local control is re-established; and
 14. CAFOs processing animal waste nutrients into renewable energy resources.
- We oppose efforts to restrict the property rights of family farmers and rural residents by limiting their ability to regain compensation in court against a neighboring CAFO nuisance caused by negligence or poor management.

K. PESTICIDE REGULATION

We support pesticide regulations that include:

1. Protection for producers of non-targeted crops that incur damage due to drift from pesticides onto their property;
2. Liability insurance requirements for commercial licensed pesticide applicators;
3. An exemption from liability through EPA for groundwater cleanup for farmers who applied pesticides according to label directions;
4. Provisions emphasizing protection of uncontaminated groundwater and providing means to keep residue levels from increasing;

5. Access to health and safety information for farmers, farm laborers and emergency medical personnel;
6. Greater cooperation between EPA and USDA to help ensure that pesticide regulations and disposal do not unnecessarily interfere with normal farming practices and land transfers;
7. Legislation designed to eliminate U.S. production of pesticides not registered for use in the United States, or for which a pesticide residue tolerance has not been set;
8. Restrictions on the import of food products produced with such pesticides, with more frequent inspections at borders to protect consumers from unsafe pesticide use;
9. The agriculture secretary developing regulations implementing authorized programs for less chemically intensive farming practices. Full funding for these farm programs and for pest-control research initiatives should be included;
10. Cooperation among farmers, chemical companies and governmental agencies to reduce pollution hazards by using integrated pest management, biological controls or other effective alternatives to pesticides when available;
11. The creation and implementation of safety standards protecting people from exposure to pesticides;
12. Continued prudent use of approved chemicals for crops, including expedited registrations for minor use pesticides and requiring EPA to use peer-reviewed, third-party science, such as land-grant universities, in their registration review process;
13. Chemical manufacturers increasing the use of reusable, pre-measured, water-soluble, and bulk containers;
14. Federal and state assistance for recycling containers and in establishing central locations for disposal of chemical containers;
15. Standardization of farm chemical prices and regulations between the United States and other countries;
16. Fair pricing of chemicals and pesticides not tied to commodity prices;

17. Full funding for the IR-4 minor crop pesticide registration program;
18. The Federal Insecticide, Fungicide, Rodenticide Act (FIFRA) as the primary regulatory act for applications of pesticides by farmers and ranchers. Any additional permitting required by EPA under court mandate should mirror existing recordkeeping, education and training requirements and any increases in training requirements should carry provisions for the expenses associated with such training;
19. Extensive research on new technologies and their applications regarding their impact on non-targeted organisms;
20. Prohibition on the export of pesticides not registered for food and fiber uses in the U.S. for food and fiber uses in other countries; and
21. Application of the precautionary principle, guided by publicly available, peer-reviewed science in regulating pesticides and herbicides.

L. FERTILIZER REGULATIONS

The future of agricultural producers worldwide depends to a great extent on developing and implementing the best use of fertilizers.

We support:

1. No hazardous waste being included in fertilizers;
2. Manufacturers labeling all ingredients in fertilizers and providing notification to buyers;
3. Anhydrous ammonia continuing to be classified as non-hazardous for the purposes of transporting nurse tanks on public roadways;
4. Privately owned anhydrous ammonia facilities and equipment to meet the same safety requirements and standards as that of licensed dealers. We encourage private owners to attend anhydrous ammonia safety training classes;
5. The federal government stepping up enforcement of the illegal production of methamphetamines and fully funding measures to prevent the theft of agricultural materials and cleanup of confiscated methamphetamine labs;
6. Sludge generated from human waste should be spread or composted in a timely fashion with a nutrient and pathogen management plan. Farmers

1 must be provided with a complete nutrient and contaminant analysis of the
2 sludge; and

- 3 7. Sufficient consideration being given before OSHA implements changes to the
4 enforcement of Process Safety Management of Highly Hazardous Chemicals
5 Standards for Retail Facilities.

6 **M. INVASIVE SPECIES CONTROL**

7 Much of the current infestation problem is attributed to insect or other invasive
8 species population growth on public lands. Animal and Plant Health Inspection Service
9 (APHIS) needs increased funding so it can properly inspect all imported and interstate
10 movements of agricultural products, monitor insect hatch and damage, and coordinate
11 measures in states affected by infestations. Federal grants or cost sharing on both
12 public and private lands should be made available for dealing with widespread
13 infestation of insects.

14 Increased monitoring and inspection of domestic and foreign imported products to
15 prevent introduction of invasive species. Vigorous control and eradication measures are
16 needed to ensure that invasive species be eliminated.

17 Where needed and requested, the Agricultural Research Service (ARS) must engage
18 systems-based insect ecology research on the interaction between soil health
19 implementation and pest infestation occurrence and should provide adequate standing
20 funding for practical, applied research and Integrated Pest Management (IPM)
21 programs to help farmers implement rapid, highly organized and cooperative IPM
22 responses to infestations. It is especially important that the additional cost of such
23 programs be wholly or partially underwritten for small-scale farms to enable them to
24 participate effectively in them.

25 Coordinated efforts and adequate funding are urgently needed for improved control
26 of noxious weeds on public lands and all road rights of way. We are concerned that
27 farmers are expected to control weeds on their land while nearby public land goes
28 without weed control. Whenever this responsibility is not being met, there should be a
29 moratorium on any further land acquisition by the appropriate agency.

30 **N. PRESCRIBED BURNING**

31 Prescribed burning is a viable farming practice.

32 We support:

1. The right to safe burning when necessary; and
2. Ongoing research to discover economically viable alternatives to burning.

O. LANDOWNER RIGHTS

We support:

1. Private property rights, including ownership of land and all its attributes above, on, and below the surface, unless otherwise marketed;
2. Land lessees' rights;
3. Just compensation to farmers and ranchers who suffer losses as a result of any state or federal agency ruling;
4. Local control;
5. The expiration (null and void) of any pipeline or utility right-of-way grant five years after abandonment or period of non-use for the original purpose or use of the grant;
6. Trespassers being held liable for any damages done to private property, including along public accesses; and
7. The use of transferable development rights, conservation easements, and other tools that will keep agricultural lands in production.

We oppose:

1. The "big open" concept, and the resulting confiscation of private property;
2. Any agency or individual entering into a mineral lease or granting a permit for the extraction of minerals without the consent of the land surface owner, including just compensation to the agricultural operation;
3. Landowners being held liable for injuries obtained by a trespasser; and
4. The ability of landowners to sever air rights or any other property rights above the surface.

P. EMINENT DOMAIN (*ALSO SEE ARTICLE VIII.F – IRS TAX CODE 1031 EXCHANGES*)

Abuses of eminent domain occurring across the country raise serious concern to the rights of private property owners. While government entities are permitted to seize private property for public use via eminent domain, it is contrary to American values to seize property from one private owner and give to another for purposes of increasing tax revenue.

1 The rights of private property owners need to be protected against parties with
2 condemnation rights and due process should be applied to all proceedings involving
3 eminent domain. Every effort should be made to preserve farmer ownership.

4 In all public and private projects where eminent domain proceedings may
5 eventually be used, we support:

- 6 1. Individual notifications and public hearings being held prior to project
7 implementation;
- 8 2. Public hearings held in the county in which the project is slated;
- 9 3. Negotiations between the property owner and utility to include yearly
10 royalty fees to be paid to the owner for each occurrence of current or future
11 use;
- 12 4. Severance damages including payment for the diminution of remaining land
13 values, increased expenses and inconvenience suffered by affected
14 landowners and operators;
- 15 5. All initial court expenses, including attorney and appraiser fees, being borne
16 by the constructing agency in condemnation proceedings;
- 17 6. Values being determined by appraisers agreed upon by all parties;
- 18 7. Easements for utilities being for the life of the utility only. If the new
19 equipment is installed on an existing easement, the landowner should be
20 compensated at fair market value of the land, and for surface damage, at the
21 time of installation. The landowner should receive an ongoing cash payment
22 from the project. If the entity is for profit it should not fall under the eminent
23 domain law;
- 24 8. Owners being compensated with appropriate annual payments or a lump
25 sum of no less than three times the appraised value;
- 26 9. Federal and/or state legislation that would strengthen private property
27 rights against the use of eminent domain to transfer property to any private
28 person, non-governmental entity or other public-private business entity;
- 29 10. Offering seized property back to the original property owner if property is
30 not used in a timely manner or if property is not used for its original public
31 use intent; and

- 1 11. The right of a landowner to receive a tax shelter, and/or 1031 like-kind
2 exchange against capital gains from the sale of properties taken by eminent
3 domain.

4 We oppose:

- 5 1. The use of eminent domain by state and local governments for the purpose
6 of “economic development” when it involves taking private property from
7 one owner and giving it to another private entity;
8 2. The use of eminent domain without the developer putting into place
9 environmental safeguards, maintaining conservation and drainage practices,
10 and assuming liability for damages;
11 3. The acquisition of productive farmland through use of the eminent domain
12 process to extend wildlife habitat; and
13 4. Granting eminent domain authority to any foreign entity.

14 **Q. ZONING**

15 We support:

- 16 1. The preservation of farm units in any rezoning efforts. Any state and federal
17 legislation should recognize that agricultural land must be preserved for the
18 future. Family farmers should be represented in all relevant zoning
19 deliberations;
20 2. Farmland near areas already converted to urban or other uses, which may be
21 appreciating in speculative value, being taxed as agricultural land as long as
22 the land continues to be farmed by a family farmer;
23 3. Requiring economic and environmental studies to determine the effects on
24 future water supplies of changing land-use designations from agriculture to
25 some other use;
26 4. Federal and state funds for flood control projects to protect communities and
27 agricultural land. We favor zoning laws prohibiting development of areas
28 that flood frequently;
29 5. Legislation to strengthen the rights of local government units to protect the
30 health, safety and welfare interests of their residents, including improved
31 governance provisions for regulating concentrated feeding operations and
32 future land use requirements; and

6. Zoning regulations describing borders, setbacks and bonding for reclamation.

R. CLIMATE CHANGE AND CARBON SEQUESTRATION

NFU is concerned about the effects of climate change and believes further research and analysis is necessary to determine its actual and potential impacts. We acknowledge and accept the scientific evidence that clearly indicates that human activities are a contributing factor to climate change. We believe that human activity also has the potential to help mitigate climate change.

We support:

1. Farmers and ranchers being consulted as the United States moves forward to reduce its emission of greenhouse gases;
2. Soil health practices that aim to increase organic matter and humus development;
3. Carbon sequestration being an innovative way to enhance income for producers and protect our environment. Therefore, the trading of carbon credits with the inclusion of carbon sequestration as an agricultural conservation practice for fair and equitable carbon offset payments should be encouraged;
4. Carbon sequestration research and carbon payments not being biased toward a single practice, such as no-till, and instead integrating soil health principles into all agricultural practices, including grazing lands, energy feedstock production, organic cropping, wood lots, the Conservation Reserve Program and other proven conservation methods;
5. A carbon trading exchange as a way to compensate farmers and ranchers for sequestering carbon;
6. A national mandatory carbon emission tax or fee and dividend system to reduce non-farm greenhouse gas emissions that:
 - i. Grants USDA control, verification and administration of the agriculture offset program, rather than EPA;
 - ii. Does not place an artificial cap on domestic offset allowance;
 - iii. Bases carbon sequestration rates upon science;
 - iv. Recognizes early actors; and

- 1 v. Allows producers to stack credits.
- 2 7. Agriculture being uncapped in any climate change legislation;
- 3 8. The inclusion of provisions that are advantageous to agriculture while
- 4 minimizing potential negative effects to agriculture and rural communities
- 5 such as increased input costs, elevated electricity costs and decreased global
- 6 competitiveness;
- 7 9. All nations participating to reduce carbon emissions, as climate change is a
- 8 global responsibility;
- 9 10. Research and development of carbon capture and storage (CCS) facilities,
- 10 with the understanding that landowners will not share in the risks and
- 11 liabilities associated with CCS;
- 12 11. Research and promotion of resilient farming practices, such as the NRCS Soil
- 13 Health Initiative, that mitigate and adapt to the potential effects of climate
- 14 change;
- 15 12. Efforts to preserve rainforest land and convert cleared rainforest land back
- 16 into diversified agroforestry;
- 17 13. Increasing USDA research funding for public plant breeding programs to
- 18 provide farmers with seeds that are regionally adapted to changing climates;
- 19 and
- 20 14. The goals articulated through the Paris Climate Accords; and
- 21 15. Creating an incentive program for cost share on practices that help
- 22 producers voluntarily reduce greenhouse gases through reduction in
- 23 emissions or capture of greenhouse gas.

24 We oppose:

- 25 1. Any plan that does not cover carbon emissions from all sectors of the
- 26 economy;
- 27 2. Considering international indirect land use changes when determining U.S.
- 28 carbon and energy policy; and
- 29 3. Exempting small domestic refiners (producing 150,000 barrels per day or
- 30 less) from an emission cap.

31 **S. CONSERVATION**

1 Strong conservation efforts promote healthy soils. Conservation programs should be
2 fully funded to benefit the environment, reward stewardship of land and water
3 resources and marine habitat, discourage speculative development of fragile land
4 resources, strengthen family farming, and enhance rural communities. Conservation
5 assistance should be at a level designed to meet the needs as shown in the federal land
6 conservation inventory, the appraisals under the Resource Conservation and Recovery
7 Act of 1976, and other federal studies.

8 We support:

- 9 1. The development of a one-stop conservation planning system for agriculture
10 through the Natural Resources Conservation Service (NRCS) with
11 conservation program decisions being made by locally elected conservation
12 entities, where appropriate;
- 13 2. A single conservation plan jointly developed by the farm operator and
14 approved by NRCS being established to fulfill the requirements as
15 recommended. This conservation planning system should replace the
16 existing sodbuster, swampbuster, Corps of Engineers flood plain and other
17 regulations which affect agricultural lands. The plan should be supervised
18 and approved by the USDA committee process, with the technical assistance
19 of the NRCS;
- 20 3. The objectives of the conservation plan being used to reduce and control
21 wind and water erosion, prevent non-point source pollution, and enhance
22 the soil and water capacities of the land;
- 23 4. Designation of which highly erodible soils should not be tilled and which
24 may be tilled with approved conservation practices;
- 25 5. Programs that promote soil health and sustainable farming practices;
- 26 6. Accurate mapping and documentation of both existing and drained wetlands,
27 as well as any drains and channels. The plan should outline the conservation
28 of wetlands, as well as the maintenance of drains and channels;
- 29 7. A payment system that moves toward an outcome-based approach where
30 real changes and environmental benefits are tracked and rewarded;
- 31 8. Programs being based on voluntary continuous signup and precluding the
32 use of a bidding system;

- 1 9. When a conservation plan is implemented, a producer should be deemed to
2 be in compliance with all federal agencies. Producers should be allowed to
3 remedy inadvertent or unavoidable failures to carry out conservation plan
4 practices without automatically being penalized. Loss of full federal farm
5 program benefits should be imposed only in cases of purposeful destruction
6 of conservation practices;
- 7 10. Federal financing to meet clean water and air standards of the EPA being
8 available to farmers from funds appropriated by Congress for this purpose,
9 and that such funds be administered through the farmer-elected committees;
- 10 11. Adequate funding to enable the small watershed programs to provide for the
11 maintenance and rehabilitation of existing structures built under federal
12 water control and flood protection programs, as well as to build additional
13 structures to provide flood control, livestock water, irrigation water, and
14 recreational benefits to rural America;
- 15 12. State efforts to create cost-share programs for soil and water conservation
16 practices;
- 17 13. The continuation of NRCS snow surveys and SNOW TELEMETRY (SNOTEL)
18 measuring stations;
- 19 14. Limiting programs that increase the role of private companies and non-
20 governmental organizations in conservation planning, technical assistance
21 or implementation; and
- 22 15. The continuation and expansion of the Environmental Quality Incentives
23 Program (EQIP), which provides federal cost-share and technical assistance
24 to enable farmers to comply with environmental requirements, and urge full
25 appropriation of existing authorized funding and an increase in future
26 funding.
- 27 We support:
- 28 i. Appropriate caps on funding levels to assure funds are being
29 directed to family farmers and ranchers;
- 30 ii. Preference and priority given to family farmers below a 500
31 animal waste unit threshold;

- 1 iii. The agriculture secretary prioritizing the use of EQIP funds for
- 2 family farmers and ranchers, taking into account the geographical
- 3 differences in farming and ranching operations;
- 4 iv. EQIP program eligibility and cost-share levels being consistent
- 5 with commodity program eligibility and payment limits; and
- 6 v. USDA funding public and private research and development of
- 7 composting and that composting be eligible for cost sharing
- 8 under EQIP as an enhancement of pollution control.

9 We oppose conservation program provisions which exclude or penalize producers
10 who are early adopters of stewardship practices and those that penalize producers for
11 non-compliance with program requirements resulting from “Acts of God” such as
12 drought, fire, and floods.

13 **1. LAND RETIREMENT AND EASEMENT PROGRAMS**

14 We urge the full funding of the Conservation Reserve Program (CRP) and the
15 Agricultural Conservation Easement Program (ACEP).

16 We support adjusting enrollment requirements to allow native prairie
17 grasslands as an eligible class for ACEP or similar programs.

18 Greater emphasis should be placed on improved farm management techniques.
19 We believe that assisting farmers in becoming the best possible stewards of natural
20 resources is a better long-term approach to sustainability than simple land
21 retirement.

22 We support a flexible short-term land idling program that compensates farmers
23 for reduction in acreage for crop production.

24 **2. CONSERVATION RESERVE PROGRAM (CRP)**

25 We support:

- 26 i. CRP contracts and contract extensions which maintain CRP lands in
- 27 private ownership of resident family farm and ranch operators;
- 28 ii. Program payments being competitive with local land values and/or
- 29 rental rates so as not to discourage participation;
- 30 iii. A 25-percent-per-county acreage limit for CRP, unless it is determined
- 31 that lifting the cap would address local endangered species concerns and
- 32 not have a negative economic impact on rural communities;

- iv. Adequate funding to ensure close monitoring by the NRCS and the FSA to enforce contract requirements for adequate weed, erosion, insect and fire control;
- v. Enrollees being allowed to manage permanent, vegetative cover to enhance wildlife habitat and ecosystem health;
- vi. Landowners' rights to collect hunting or recreational use fees on CRP land ;
- vii. The program being better focused to serve the needs of family farmers and ranchers and to protect highly erodible land and other environmentally sensitive lands;
- viii. Land enrolled in CRP shall have an end-of-contract plan in place for use of the land following the contract expiration date that takes into account erodibility, soil type and conservation practices;
- ix. Voluntary participation to transfer CRP lands that qualify for ACEP to that program;
- x. Evaluation of all CRP lands currently or previously enrolled in the program for contract re-enrollment. The most environmentally sensitive land should be given first opportunity for contract. Land enrolled in CRP that is critical habitat for endangered species should be given an extension of up to 15 years. CRP lands diverted into long-term timber and forestry conservation projects should be given a high priority for contract re-enrollment;
- xi. Financial and technical assistance being provided to producers in preparing CRP acreage for sustainable agricultural systems that will meet established conservation standards;
- xii. Land managed with appropriate organic standards while enrolled in CRP being eligible for organic certification upon leaving the program;
- xiii. Land that was farmed prior to being enrolled in CRP being eligible for crop insurance upon contract expiration;
- xiv. In times of extended drought conditions or weather disasters, authorization of haying or grazing on CRP acres to livestock producers based on need, with CRP acres being used to replenish feed supplies.

1 Haying and grazing of CRP by a producer in a disaster declared county
2 should not be restricted to land in the disaster-declared county or state.
3 The FSA farmer-elected county committees should be given the authority
4 to set the date of harvest in order to maximize the feed value of hay and
5 forage. These regulations should be in place so the procedures are known
6 in advance. The maximum landowner income from the haying and
7 grazing should not exceed the annual CRP contract amount from that
8 farm;

- 9 xv. No further reductions in total acres enrolled in CRP;
- 10 xvi. The CRP Transition Incentives Program (TIP) that allows CRP payments
11 to continue to landowners that transfer the land to beginning, veteran
12 and/or socially disadvantaged farmers;
- 13 xvii. TIP should require the base acres be reattached to the tract they were
14 removed from;
- 15 xviii. Planting property to shelterbelts or other conservation measures being
16 encouraged through reduced property taxes on those acres. Producers
17 who destroy shelterbelts or wooded areas should establish the same
18 number of acres of new trees for a minimum of 10 years;
- 19 xix. An expedited process to adopt rules and regulations to re-enroll or to
20 extend CRP contracts; and
- 21 xx. Allowing approved CRP conservation cover crops to be used for biomass
22 production in areas where needed until the biomass industry evolves to a
23 more economically viable level. CRP payments would be paid on these
24 acres in years where biomass is harvested.

25 **3. BUFFER STRIPS**

26 We support:

- 27 i. Development of new markets for products of perennial systems, such as
28 biofuels and feedstock crops; and
- 29 ii. Enterprise research to evaluate and develop new plant material
30 selections along with associated production, harvesting and processing
31 technologies to discover and develop new uses for products of perennial
32 systems.

1

2 **4. CONSERVATION STEWARDSHIP PROGRAM (CSP)**

3 We support:

- 4 i. Full funding and implementation of the Conservation Stewardship
- 5 Program;
- 6 ii. Implementation of the CSP in a manner which recognizes conservation
- 7 practices appropriate to different climatic regions and provides for such
- 8 agricultural production practices to be adequately scored by the
- 9 Conservation Management Tool (CMT);
- 10 iii. Allowing new conservation enhancements made to land in an existing
- 11 CSP contract to count as credit on subsequent CSP contracts as a way of
- 12 rewarding early-adapters; and
- 13 iv. Consistent interpretation of the rules and guidance documents among all
- 14 NRCS offices.

15 **5. SODBUSTER AND SWAMPBUSTER PROVISIONS**

16 We support:

- 17 i. Provisions that give the secretary of agriculture greater discretion in
- 18 handling sodbuster and swampbuster violations. FSA should be the
- 19 single regulatory agency;
- 20 ii. The goal of soil conservation practices being to reduce soil losses to
- 21 tolerable levels, or “T-levels;”
- 22 iii. Alternative conservation systems being used only in cases of financial
- 23 hardship, after recommendation of local conservation officials; and
- 24 iv. A federal sodsaver provision, which disallows the payment of farm and
- 25 crop insurance subsidies for crops planted on land without any previous
- 26 cropping history.

27 **6. WETLANDS**

28 We support:

- 29 i. Producers being provided full opportunity to participate in the
- 30 development and review of a single, coordinated approach to wetlands

- 1 protection. Requiring recertification of wetlands at 5-year intervals
2 creates a moving target for producers in compliance efforts;
- 3 ii. Making the NRCS and FSA the lead agencies in wetlands delineation on
4 agricultural land, but oppose the use of special interest groups making
5 wetland determinations;
- 6 iii. Any and all wetlands determinations throughout the United States
7 relying on the presence of all three of the following mandatory wetland
8 criteria simultaneously appearing on the same site year round:
- 9 a. Hydrology,
10 b. A predominance of hydric soil, and
11 c. A prevalence of hydrophytic vegetation;
- 12 iv. The federal government consulting with the state and local governments
13 to develop a unified, mutually agreeable management program to protect
14 our nation's wetlands;
- 15 v. Wetlands management programs balancing wetland values and the
16 needs of the various states and their political subdivisions and individual
17 property rights;
- 18 vi. Any leaseholder, renter or owner being compensated equitably for the
19 taking of lands through the classification of wetlands;
- 20 vii. The final interagency manual being revised with greater consideration
21 for the food and fiber producers of the United States;
- 22 viii. Wetlands of less than one acre not falling under any jurisdiction of state
23 or federal agencies;
- 24 ix. When dealing with farmland, primary consideration being given to the
25 economic and environmental impact on agriculture;
- 26 x. In cases where adjacent landowners are not affected, landowners being
27 able to move water within the contiguous boundaries of their own
28 property without regulation, interference, or easements;
- 29 xi. Water outside the boundary of a wetland being considered sheetwater
30 and not subject to jurisdiction by the state or federal agencies;
- 31 xii. NRCS and FSA cooperating with state and local agencies on wetland
32 mitigation;

- 1 xiii. The right to remove excess water from wetlands under federal
2 easements, and make physical adjustments pursuant to such removal, in
3 amounts that correspond to excess moisture removal from productive
4 farmland into the same wetland under easement; and
5 xiv. Restoration of wetlands that have been damaged by excessive
6 precipitation.

7 **T. SUSTAINABLE AGRICULTURE**

8 We support programs that promote soil health and sustainable farming practices as
9 defined by the USDA definition of sustainable agriculture.

10 **U. REGENERATIVE AGRICULTURE**

11 Regenerative agriculture is a system of farming and ranching principles and
12 practices that increase biodiversity, enriches the soil, purifies watersheds, and all
13 while increasing in-farm fertility, which may help producers save money by
14 reducing input expenses. Regenerative practices include no tillage to minimal
15 tillage, diverse cover crops, multiple crop rotations, agroforestry and silvopasture,
16 all of which should be augmented by holistic grazing guidelines.

17 We support:

- 18 1. Incentives for regenerative farming and ranching practices that
19 sequester more carbon, improve soil health and productivity, slow
20 erosion and build up topsoil, and increase water filtration;
21 2. Development of new markets for farmers and ranchers who are currently
22 practicing regenerative farming and ranching or who are transitioning to
23 regenerative practices; and
24 3. Applied research on soil health in regenerative food production systems.

25 **V. PREDATOR AND RODENT CONTROL**

26 We support:

- 27 1. Restoring the original intent of the 1931 Animal Damage Control Act (ADC),
28 which mandates the federal government protect the livestock industry from
29 predatory loss. To the extent that an adequate ADC program is not available
30 to farmers, we recommend that a federally financed indemnity program be
31 instituted to pay for crop and livestock losses;

- 1 2. Judicious use of control practices being continued on federal and state lands
- 2 to control coyotes, feral hogs and other damaging species. Control practices
- 3 on private lands must be done with landowners' permission;
- 4 3. Farmers and ranchers being allowed to defend against predatory animals,
- 5 including those on the endangered species list, on their land by using the
- 6 most effective, safe, economical and humane means; and
- 7 4. U.S. Fish and Wildlife Service assuming full responsibility for any livestock
- 8 losses resulting from the reintroduction of non-domesticated animals.

9 We oppose the reintroduction of predatory animals.

10 **W. ENDANGERED SPECIES**

11 We support:

- 12 1. All impacted industries and individuals being compensated for actual annual
- 13 losses as a result of critical habitat designation;
- 14 2. Federal policy establishing meaningful incentives for landowners in the
- 15 business of farming and ranching who provide habitat for endangered
- 16 species;
- 17 3. Requiring federal agencies to continue cooperative public/private efforts
- 18 designed to increase the population of candidate species since such efforts
- 19 have proven successful;
- 20 4. Candidate conservation agreements as a tool to lessen impacts to agriculture
- 21 producers from candidate species that are warranted-but-precluded or
- 22 listed; and
- 23 5. Amending the law by specifying that no species may be listed as endangered
- 24 or threatened and no critical habitat may be so designated unless the
- 25 following conditions exist:
 - 26 i. Site-specific studies have been done that find the species actually
 - 27 occupies or has occupied within the last 15 years, habitat that is
 - 28 declared critical;
 - 29 ii. Cultural and economic impact studies have been done which
 - 30 determine what impact the declaring habitat or listing of species will
 - 31 have on rural economies and rural cultures;

- 1 iii. Treaty law has been observed by the development of mutual
- 2 agreements between federal agencies and tribes and other
- 3 indigenous peoples protected by treaties;
- 4 iv. Hearings are held within a 50-mile radius of the proposed critical
- 5 habitat, with all public land permittees provided written notice; and
- 6 v. Managing any species that are threatened or listed under the
- 7 Endangered Species Act (ESA) to prevent detrimental effects on
- 8 working agricultural crops, lands and livestock.

9 We oppose efforts to list the Greater Sage Grouse and Lesser Prairie Chicken as
10 endangered or threatened.

11 **X. ARMY CORPS OF ENGINEERS**

12 We urge that the authority of the Army Corps of Engineers be limited to its historic
13 role of maintaining navigable waterways, dams, and facilities on public lands. We urge
14 the corps to designate flood control and rebuilding levees destroyed by floods a priority.

15 **Y. NUCLEAR, RADIOACTIVE AND TOXIC WASTE**

16 We support:

- 17 1. Enactment and vigorous enforcement of legislation, both federal and state, to
- 18 prohibit dumping of nuclear, radioactive, toxic and other hazardous wastes
- 19 without detoxification; and
- 20 2. Development of hazardous waste encapsulation and disposal with robust
- 21 public input related to citing and construction methods with stricter
- 22 enforcement of laws on transporting, handling, and disposal.

23 **Z. SURFACE MINING**

24 With proper enforcement of the law, energy and other resources can be provided
25 without permanently damaging one of the nation's most important resources, namely
26 agricultural land.

27 We support:

- 28 1. Strong enforcement of the Surface Mining Control and Reclamation Act
- 29 including hard rock;
- 30 2. Ensuring that land stripped to recover underground resources is returned to
- 31 its original or better condition;

- 1 3. Public involvement in the monitoring and enforcement of the surface mining
- 2 law;
- 3 4. Mandatory public disclosure of chemicals used in the mining process; and
- 4 5. Adequate bonding for post-mining reclamation.
- 5
- 6

ARTICLE VIII – ENERGY AND THE FAMILY FARM

A. ENERGY OBJECTIVES

We support a balanced energy policy that seeks energy independence by 2025 for the United States and, at the same time, protects our nation's environment and recognizes the special energy needs of America's agricultural sector and its potential contributions.

We urge Congress and the Administration to address additional elements of a national energy policy including:

1. Making the development of renewable sources of energy our number one priority in reducing our dependence on fossil fuels;
2. Ambitious mandates for renewable energy production;
3. Equitable distribution and efficient development of energy while assuring appropriate production of food and fiber;
4. Incentives for environmentally safe domestic exploration, drilling and development to assure a reasonable degree of self-sufficiency and to mitigate all negative economic consequences incurred by farmers, fishers, and fishing businesses by such exploration and subsequent drilling resulting from said exploration;
5. A balance of energy needs with a sustainable environment;
6. Concern for the survival of independent oil producers through the elimination of the oil depletion allowance on all but domestic production;
7. Opposition to federal deregulation of the electric utilities industry;
8. Supporting the establishment of a stand-alone Energy Efficiency Resource Standard that will achieve, by the end of 2020, electricity savings of 15 percent and natural gas savings of 10 percent (using 2010 levels as the baseline), including savings from new building codes and equipment efficiency standards;
9. The right of farmers and property owners to feed back into the commercial energy grid at equitable rates. Farmers should be encouraged to utilize both agricultural crops and agricultural byproducts in the production of energy;
10. Country-of-origin labeling for fuels, requiring the secretary of energy to implement country-of-origin disclosure requirements with respect to fuels;

11. The impacts on our rural economy of eliminating existing power plants before they achieve their maximum intended lifecycle while transitioning to a clean power economy;
12. Acceleration of development of fusion energy technology;
13. Ability of states using mass-based and rate-based emissions reduction standards to trade carbon emissions; and
14. A national renewable energy standard that would include the United States producing 25 percent of its own energy from renewable sources by 2025.

B. DISTRIBUTION

1. PETROLEUM SUPPLY

In order to ensure an uninterrupted flow of petroleum products for priority uses, we call for:

- i. The U.S. government to ensure a necessary level of refining capacity to process the crude oil that would be available in a petroleum-supply emergency;
- ii. Crude oil at competitive prices to be made available during an emergency to refineries so the resulting petroleum products will be provided to the agricultural sector;
- iii. Strategic Petroleum Reserve supplies being allocated to cooperative and other independent domestic refineries at equitable prices at the early stages of any supply disruption;
- iv. The reserve being used only in shortfall of stock, not price, to avoid price manipulation;
- v. The creation of reserves in other fuel sources, including ethanol; and
- vi. The support of the Corporate Average Fuel Efficiency (CAFE) standards.

We oppose:

- i. Efforts to force conservation through excise taxes, and support a continuation of the farm-use exemption from such taxes;
- ii. Excise taxes on gasoline for deficit reduction purposes; and
- iii. Efforts to curtail or eliminate the Strategic Petroleum Reserve.

2. ELECTRICITY AND DEREGULATION

We support:

- i. Local regulation of power to ensure all U.S. residents have access to affordable, high-quality electric service;
 - a. We urge the EPA to place more emphasis on preliminary planning assessment with the states and tribes expanding the Visibility Protection Program through the addition of the regional haze concept and to propose a rule that addresses a more reasonable and realistic approach to the issues of regional haze.
 - b. We encourage the EPA to use actual air quality monitoring data and improved computer modeling to determine if a state is in compliance with EPA to air quality requirements for Class 1 areas such as national parks and other designated natural treasures.
- ii. Federal policy that would provide nonprofit power groups with the necessary credit and financial support to set up needed generating and transmitting facilities;
- iii. Electric utilities providing rate structures that offer an incentive to consumers to use off-peak power;
- iv. The development of wind, solar, and other alternative sources of energy in community-based and individually owned systems where viable;
- v. The development of a national electrical grid designed with the capacity to carry renewable energy from the production source to the areas where it is needed;
- vi. Federal and state electric distribution studies on rural electric cooperative (REC) and municipal utility lines and substations to identify necessary improvements and available capacity for renewable energy production;
- vii. A national Renewable Portfolio Standard (RPS) of at least 25 percent by 2025 that includes a strong local ownership component;
- viii. When siting lines “cross country,” citizen input should be a first priority in the siting process;
- ix. Alternatives to siting lines “cross country,” such as aggressive energy efficiency, demand-side management, distributed generation incentive programs, and scheduled low-voltage improvements;

- x. When new transmission lines and substations are placed, a yearly rental payment to the landowner should be established;
- xi. Fair compensation for farmers and landowners whose adjacent property and operations are devalued by the siting of new transmission lines;
- xii. The use of the best available clean air technology when using fossil fuels to even out the production of electricity from renewable sources. The use of fossil fuels, nuclear energy and energy storage in conjunction with renewable energy sources is necessary given today's level of technology to produce reliable and affordable electricity; and
- xiii. Consideration and mitigation of the negative impacts on our economy of eliminating coal-fired power plants before they achieve their maximum intended lifecycle.

We oppose:

- i. Infringement upon the existing service areas of RECs by investor-owned companies;
- ii. Federally mandated restructuring of the electric utilities industry;
- iii. Development of local transmission lines, which do not ensure financing for low-voltage upgrades, which will be needed for many community energy projects to reach these larger grids;
- iv. NEPA studies on public lands for energy transmission corridors without local notification of landowners and local governments at the scoping process;
- v. Granting eminent domain authority to or on behalf of foreign corporations, state or federal governments for merchant transmission or non-public utility projects, and any new nuclear plants in the United States until safety issues are reviewed and confirmed; and
- vi. Siting transmission lines cross-country when a viable alternative exists.

3. ECONOMIC ASSISTANCE

We support:

- i. Utilization and adequate funding of the USDA Rural Utilities Service (RUS) to provide direct low-interest loans to rural electric cooperatives

- 1 and their members to carry out renewable energy projects and energy
2 conservation measures;
- 3 ii. Expanding RUS's role to provide funding for financing renewable energy
4 transmission and substations to community-based projects;
- 5 iii. Assistance to landowner associations or groups to conduct renewable
6 energy resource assessments and environmental impacts studies;
- 7 iv. Full disclosure of all classifications of subsidies received by private
8 utilities; and
- 9 v. Authorizing RUS to restructure existing debt for coal infrastructure
10 projects owed by Rural Electric Cooperatives to finance deployment of
11 wind and solar generation.

12 **4. PUBLIC OWNERSHIP OF POWER MARKETING ADMINISTRATION AND POWER**
13 **GENERATORS**

14 Public ownership has been an essential element in providing reasonably priced
15 hydroelectric power to rural areas in the United States. Access to federally produced
16 and subsidized power must be guaranteed to new and existing public or cooperative
17 electric utilities. We oppose the sale of Power Marketing Administrations (PMA), the
18 Tennessee Valley Authority (TVA), state or tribally owned dams or other publicly
19 owned power generators.

20 **5. HYDROELECTRIC POWER**

21 NFU recognizes that hydroelectric power is an important renewable energy
22 source.

23 We support:

- 24 i. Continued development of hydroelectric power sites, where they are
25 cost-effective and ecologically and environmentally compatible, and
26 upgrading of current sites for better efficiency;
- 27 ii. Amending the Federal Power Act to provide preference to rural electric
28 cooperatives in the licensing and re-licensing of water power projects;
- 29 iii. Inclusion of micro, small, and existing hydro in national renewable
30 energy legislation; and
- 31 iv. Funds received from sale of public water that displaces hydro generation
32 being returned to the generating authority.

1 **6. PIPELINES**

2 We support:

- 3 i. An understandable process that clarifies when and how eminent domain
4 can be used, who has what liability where there are damages from
5 pipeline failure, siting standards and routing criteria, environmental
6 considerations, and decommissioning expectations and costs. The
7 process should provide for transparency in the planning and routing
8 process including public input, fair compensation to landowners and a
9 process to deal with landowner and public complaints and conflicts;
10 ii. Pipeline developers being barred from using non-disclosure agreements;
11 iii. Privately owned pipeline companies building and operating a pipeline
12 maintaining insurance/bonds to cover liability for pipeline failure costs ;
13 iv. Regulations mandating that soil disturbed during pipeline construction
14 be returned to its previous condition and farmland returned to its
15 previous level of production; and
16 v. Adequate compensation for landowners for loss in value of a farm
17 crossed by a pipeline, for any future loss to land value associated with
18 the pipeline or its construction.

19 We oppose:

- 20 i. The classification of a private, foreign-owned pipeline as a public utility;
21 ii. The classification of a foreign-owned pipeline as a common carrier unless
22 it can be demonstrated that the majority of the transported material is
23 from domestic sources and that majority of the transported material is
24 for domestic consumption;
25 iii. Pipeline construction across farmland without permission of all affected
26 landowners; and
27 iv. Forcing additional rights of way or leases upon landowners where a lease
28 or right of way currently exists, as this would further devalue the land for
29 agricultural use.

30 **C. DEVELOPMENT OF RENEWABLE ENERGY AND FUELS FROM THE FARM**

31 **1. PRIORITIES**

1 NFU should promote, expand, and ensure localized farmer ownership to the
2 fullest degree possible in renewable/alternative energy development including
3 wind, solar, biofuels and other technologies. Policies that can achieve this goal are
4 feed-in tariffs, incentives and mandates for locally owned facilities. We support the
5 efforts of “host” communities and municipalities to accurately calculate the income-
6 generating capacity of potential renewable energy projects, regardless of ownership
7 type, and to establish feeds, property tax provisions, or impact assessments to
8 ensure that a reasonable amount of the economic benefits are shared by all of the
9 local communities and residents without deterring smaller-scale, distributed,
10 community-based and individually owned projects.

11 NFU should lead efforts to educate family farmers, ranchers and rural
12 communities about how to adapt to the effects of climate change on their own
13 respective operations, as well as the enormous economic benefits that renewable
14 energy brings to our rural areas.

15 We support:

- 16 i. Expanded research and development dollars and full funding for
17 renewable energy programs and technology;
- 18 ii. The development and promotion of renewable energy sources
19 appropriate to their location and directed toward developing self-
20 sufficient units suitable for farm, home, small industry and business use;
- 21 iii. Farmer-owned cooperatives pursuing the development and marketing of
22 renewable energy;
- 23 iv. Adequate funding levels for feasibility studies under the Rural Energy for
24 America Program should be reinstated and cover all pre-development
25 activities involved, including thorough wildlife studies by public
26 agencies;
- 27 v. Incentives for local development and ownership of renewable energy
28 production;
- 29 vi. Development of new markets for cellulosic products from perennial
30 systems;
- 31 vii. Enterprise research to evaluate and develop new plant material
32 selections along with associated production, harvesting and processing

- 1 technologies to discover and develop new uses for products of perennial
2 systems;
- 3 viii. Research and development on utilizing biomass for energy of all forms;
- 4 ix. The Biomass Crop Assistance Program and other such programs;
- 5 x. Economic assistance for family farmers to make agriculture more self-
6 sufficient through increased application of alternative forms of energy
7 and energy efficiency;
- 8 xi. Reversing the trend toward concentration of the ownership or control of
9 sources, production and distribution of energy;
- 10 xii. Targeting funds to encourage diversified, community-based and
11 individually owned energy systems that create jobs and new wealth in
12 rural areas of our country;
- 13 xiii. Eliminating the importation of foreign sources of biofuels;
- 14 xiv. An import fee on non-renewable foreign-produced energy, to fund the
15 development of domestic renewable energy;
- 16 xv. Creation of a Strategic Biofuels Feedstock Reserve;
- 17 xvi. A program to tackle the lack of infrastructure in the expansion of
18 renewable energy. We support many increases in research and
19 development, particularly in the areas of:
- 20 a. Pipelines designated or altered for the transport of biofuels;
- 21 b. Solidifying the railroads in this country to move renewable fuels
22 to each coast;
- 23 c. Expanded use of flex/blender pumps;
- 24 d. Expanding availability of E85 filling stations/pumps; and
- 25 e. Expanding and creating a network of transmission lines
26 throughout the country to aid in the movement of renewable
27 energy from sources such as wind and solar;
- 28 xvii. Extension and expansion of renewable energy tax credits, incentives and
29 loan guarantee programs including a permanent renewable energy
30 production tax credit (PTC) that includes nonprofit organizations as
31 qualifying entities;

- xviii. The use of production tax credits to provide long-term financial incentives for wind and solar energy development; Encourage local ownership of wind turbine manufacturing, development and operations;
- xix. Biodiesel and ethanol blenders' tax credits and the cellulosic production tax credits and loan guarantees;
- xx. Policies to create greater domestic production of biofuel facilities and other renewable energy components;
- xxi. Fully funding the BioPreferred Program, as well as ensuring the federal government is a leader in procuring these products;
- xxii. Expanded energy conservation research and development as well as implementation of programs that encourage the conservation of energy inputs by the agricultural and food sectors;
- xxiii. Working with landowners and other groups to develop a landowner's bill of rights for renewable energy;
- xxiv. Research and development on the production of fuels and fertilizers from renewable electricity;
- xxv. Expanding the utilization of anaerobic digesters;
- xxvi. Funding for research and technical advancement of energy storage systems allowing for reliable and consistent availability of renewable energy;
- xxvii. Renewable fuels to be used in all government vehicles;
- xxviii. A national net metering standard for systems up to 100kW in order to help expand the use of smaller wind and solar energy systems;
- xxix. The Community Based Energy Development (CBED) ownership model created in Minnesota and Nebraska;
- xxx. Renewable energy projects tied to the creation of supply chain businesses in the surrounding rural communities; and
- xxxi. Rural energy cooperatives being able to recoup reasonable fixed costs when members choose to use distributed generation but remain connected to the grid.

We oppose:

- i. Efforts by power utilities to discourage distributed renewable power generation; and
- ii. Fuels that are imported or derived from imported commodities being eligible for any tax incentives or exemptions.

2. ETHANOL

We support:

- i. An ethanol program to include:
 - a. Renewable resources that should be established through low-interest federal loans to farmer-owned cooperatives;
 - b. Further federal legislation to provide for conversion of farm products and byproducts into ethanol emphasizing on-farm and local cooperative site development;
 - c. State legislation granting tax credits on each gallon of ethanol-enhanced fuel sold within each state;
 - d. Promotion of research on usage and marketing of dry distillers' grain for feed and other value-added uses;
 - e. An aggressive and ambitious cellulosic program, geared to rapidly developing necessary technology, to compliment traditional ethanol supplies of motor fuel;
 - f. Expansion of available gasoline blends to E30 or higher, as supported by scientific data, and the EPA and all government regulators immediately reversing statements and regulations prohibiting, restricting, or implying it is illegal, unsafe, or harmful for non-flexible fuel vehicles to use and operate on gasoline-ethanol blends up to and including E30, or higher blends as supported by research and data, which are delivered through blender pumps;
 - g. Flexibility for new fuel systems to accommodate advances in ethanol blend utilization technology; and
- Research and production of engines designed to run solely on ethanol.

- ii. The extension of the ethanol fuel tax incentive to include the ethanol portion of ethyl tertiary butyl ether (ETBE);
- iii. Allowing ETBE refiners the ability to claim the ethanol excise tax exemption at the blend point;
- iv. The use of ethanol as a fuel additive for gasoline formulations to enhance octane levels, with an expanded role of replacing aromatics, in accordance with the Clean Air Act;
- v. Urging all vehicle manufacturers to actively produce and market flex-fuel options in all market classes; and

We oppose:

- i. Any future efforts to eliminate ethanol tax incentives;
- ii. Liability protection for MTBE producers; and
- iii. Any further use of methyl tertiary butyl ether (MTBE) in gasoline.

3. RENEWABLE FUEL STANDARD

We support:

- i. Expanding the Renewable Fuel Standard (RFS) to set an ambitious mandate for production of biofuels to make up one-third of the nation's fuel supply as soon as possible, consistent with grain availability for livestock production;
- ii. Separate mandates of production for each form of biofuel, including cellulosic ethanol and biodiesel;
- iii. Full implementation of RFS legislation that will:
 - a. Supply clean-burning renewable fuels to reduce air pollution;
 - b. Provide strict anti-backsliding requirements in the RFS;
 - c. Ensure that air quality gains from the reformulated gasoline programs are preserved;
 - d. Provide incentives to expand use of other biofuels, and encourage the use of eligible feedstocks to meet the requirements for other advanced biofuels under the RFS; and
 - e. Establish a separate requirement for a national RFS for biodiesel use in transportation fuels;

- iv. Legislation to ensure that American farmers, not ethanol importers, would benefit from the RFS; and
- v. Legislation that would amend the Caribbean Basin Initiative by limiting ethanol imports that are only partially produced in the Caribbean Basin and qualify for duty-free status.

We oppose:

- i. Ethanol import schemes that would thwart ethanol import tariffs;
- ii. The importation of renewable fuels; and
- iii. Changes to the RFS mandate that are not based on the best available science and subject to public review.

4. BIODIESEL

We support:

- i. A nationwide minimum B5 blending requirement;
- ii. Retailers providing higher blends of biodiesel fuels to their customers and urge marinas to offer biodegradable biodiesel fuels to their customers;
- iii. Increased research funding to demonstrate the effectiveness of biodiesel;
- iv. Research and development of oilseed crops and animal byproducts for use as biodiesel alternative fuels;
- v. DOE developing a rapid commercialization program for biodiesel;
- vi. Legislation to provide for the recycling of used cooking oils and waste greases generated at government facilities to be processed into biodiesel for use in government vehicle fleets, wherever feasible; and
- vii. ASTM D6751 as the biodiesel industry's quality standards to meet the requirements of the railroads, military and other heavy industry.

5. COMPRESSED NATURAL GAS

We support the development of infrastructure to permit use of compressed natural gas as a transportation fuel.

6. WIND ENERGY

We support:

- i. Development and distribution of electric generation from wind, including a reasonable timeline for approval for interconnection to the electric grid;
- ii. Efforts to educate our farmers and ranchers about their wind rights and other related issues;
- iii. Federal legislation to require all utilities to allow community-based wind projects access to the electric grid by actively pursuing power purchase agreements;
- iv. Account balancing of small wind generators on an annual basis; and
- v. Creating a grant program for local RECs who will upgrade their system to monitor the flow of energy both ways within their system to accept net-metered energy produced by a local REC customer.

7. SOLAR ENERGY

We support:

- i. The development of solar energy, including solar thermal;
- ii. Community solar garden models to allow for greater participation in solar projects;
- iii. Educating our landowners about solar rights and other related issues;
- iv. Research into concentrated solar and other developing solar technologies;
- v. Replacing fossil fuel-powered heating and drying applications with solar powered systems; and
- vi. The development of community and commercial solar farms in areas with no current value-added use.

8. RENEWABLE ENERGY STORAGE

We support development of storage technology and infrastructure for electricity produced by intermittent renewable sources.

9. COOPERATIVE DEMONSTRATIONS

We support:

- i. Consumer-owned utilities uniting to develop and demonstrate the economic feasibility of renewable and other alternate energy systems.

1 The economic viability of those cooperative utilities must be taken into
2 consideration;

- 3 ii. Cooperatives providing consumers price incentives for using ethanol- or
4 biodiesel enhanced fuels;
- 5 iii. Continued federal funding for the Great Plains Synfuels Plant; and
- 6 iv. Placing alternative marketing devices for alternative fuels such as
7 E85/biodiesel and flex/blender pumps at every cooperative retailer in
8 the nation.

9 **D. ENVIRONMENTAL PRECAUTION IN ENERGY PRODUCTION AND USE**

10 We support:

- 11 1. The Clean Air Act;
- 12 2. Regulations that emphasize achieving the greatest amount of pollution
13 control through the most cost-effective measures available; and
- 14 3. Diesel emissions being reduced in the most cost-effective manner possible,
15 consistent with good fuel economy.

16 **1. FUEL STORAGE TANKS**

17 We support:

- 18 i. Rules for underground fuel storage tanks that provide cost sharing to
19 mitigate the financial impact of compliance on farmer-owned, locally-
20 owned and cooperatively-owned outlets;
- 21 ii. An exemption for farm and ranch use in the EPA rule pertaining to
22 existing above-ground fuel storage tanks; and
- 23 iii. Above-ground fuel storage tanks being monitored and replaced on an as-
24 needed basis as the condition of the tanks change and leaking becomes
25 detectable.

26 **2. WASTE PRODUCTS**

27 We support:

- 28 i. Recycling as a socially responsible activity;
- 29 ii. Programs that facilitate the recycling of plastics used on the farm;
- 30 iii. Federal assistance to help establish an effective recycling system
31 throughout the country for agricultural, post-consumer and industrial
32 waste;

- iv. The creation and use of reusable, recyclable, compostable, and biodegradable materials for packaging of products used on the farm;
- v. Only the environmentally safe use of solid wastes in the production of energy; and
- vi. Composting of food and organic fiber waste, and the opening of markets for the sale and distribution of the composted products, especially for schools and other public institutions.

3. HYDRAULIC FRACTURING AND WASTEWATER INJECTION

We support:

- i. Holding energy companies that use the hydraulic fracturing process and wastewater injection well owners liable for any and all expenses resulting from environmental damage, earthquakes and health impacts incurred as a result of the activity and handling of wastewater and other byproducts associated with the extraction process;
- ii. A complete Environmental Impact Statement (EIS), with assessments of health and economic impacts, baseline water quality and quantity and the effect of a diversion of water that may currently be assigned to agricultural, private and municipal use or under contracted obligations;
- iii. Local oversight and regulation of the fracking process and wastewater disposal;
- iv. Mandatory disclosure of the chemicals, including percentages, used in fracking drilling fluids and wastewater injection. Such chemicals must be identified as environmentally safe before use or injection;
- v. Mandatory monitoring of possible groundwater contamination and oversight of wastewater injection wells; and
- vi. Compliance with the Federal Right to Know Act (Emergency Planning and Community Right to Know Act). Oil and gas well operators must report all hazardous chemicals in use or stored at drilling sites to the State Emergency Response Commission (SERC). The SERC shall maintain a current database with this information that is easily accessible to first responders and the public.

1 **E. LANDOWNER RIGHTS IN NATURAL RESOURCES PROJECT DEVELOPMENT** (WIND, SOLAR,
2 FRACKING, OIL, ETC.)

3 We support a comprehensive policy that protects landowners from speculation and
4 unfair contracts in the development of natural resources. We support the following
5 landowners' rights:

- 6 1. Prohibition of non-disclosure or secrecy clauses in leases. Landowners
7 should be allowed to review leases with attorneys, lenders and other holders
8 of leases to ascertain the relative value of a lease offer;
- 9 2. Establishment of a registry of current standard natural resources leases that
10 is accessible to the public;
- 11 3. Prohibiting mandatory arbitration clauses;
- 12 4. Limiting length of lease options to encourage the use of lease options for
13 actual development instead of speculation; wind and solar power leases to
14 terminate after five years if the project is not developed;
- 15 5. Private property rights, including ownership of land and all its attributes
16 above, on, and below the surface, unless otherwise marketed;
 - 17 a. We support a regulatory process that ensures the ending spot and
18 direction of directional drilling, and
 - 19 b. We urge legislation to apportion the present real estate tax between
20 the surface owner and the mineral owner;
- 21 6. Authorizing collective bargaining of leases to encourage fairness in the
22 application of lease terms among multiple landowners;
- 23 7. Bonding and reclamation protections to encourage responsible energy
24 development and transmission at outset of the lease by providing funds up
25 front for reclamation of land after equipment, tower or project life has
26 expired;
- 27 8. Prohibiting prior investment as a condition of lease or option of fulfillment;
- 28 9. Prohibiting farmland ownership by energy development or generation
29 companies to ensure that agricultural land remains in the hands of
30 producers and retains the agricultural value of the land used in energy
31 development;

- 1 10. Prohibiting right of first refusal by developers, which allows a developer to
- 2 tie up land, and/or reduce marketability of landowner's land without
- 3 purchasing an option;
- 4 11. Disclosure of actual lease payments in contracts;
- 5 12. Five-day cooling-off period after a lease agreement is signed to allow a
- 6 landowner to have a window to reconsider;
- 7 13. Ownership of wind, solar, and mineral rights should not be severed from
- 8 surface rights and ownership of land;
- 9 14. Ownership of wind rights should extend up to a minimum of 100 feet above
- 10 the height of the wind turbine;
- 11 15. Enacting a moratorium on industrial wind siting in federal waters until an
- 12 open public process is developed for siting industrial wind power
- 13 generation;
- 14 16. Land owners sharing in percentage of energy revenues transmitted through
- 15 transmission lines sited on their property;
- 16 17. Landowner models for developing transmission associations that will create
- 17 transmission corridors and receive compensation on an annual basis
- 18 through royalties rather than one-time payments; and
- 19 18. An annual tax credit for landowners with renewable energy transmission
- 20 based on value of land impacted by development.

1 **ARTICLE IX – ECONOMIC REGULATION AND THE FAMILY FARM**

2 **A. FEDERAL BUDGET REFORM**

3 The federal budget process is not working effectively. We urge Congress to revise
4 the entire budget process to prevent understating the true deficit problem and to
5 provide realistic reduction goals.

6 To cure the structural failings, we support:

- 7 1. Congress imposing the same Generally Accepted Accounting Principles
8 (GAAP) on the federal government as it has imposed on private financial
9 institutions;
- 10 2. Static scoring by the Congressional Budget Office (CBO) and Joint Committee
11 on Taxation;
- 12 3. A transparent scoring process by CBO and Joint Committee on Taxation;
- 13 4. All long-term credit programs, permanent and long-term improvements,
14 multipurpose conservation, dam and watershed projects, public buildings,
15 highways and inland waterways, be placed in a “capital budget,” distinct
16 from the annual operation budget;
- 17 5. Farmers’ assessments or trust fund revenues not being used for deficit
18 reductions;
- 19 6. Congress demonstrating fiscal responsibility; and;
- 20 7. Reviewing all programs. Programs that fail to meet their intended objectives
21 should be restructured or terminated;
- 22 8. The requirement that new legislation contain a mandatory sunset clause to
23 ensure timely review;

24 9.

25 We oppose:

- 26 1. Using budget sequestration in an attempt to reduce the federal deficit;
- 27 2. Any proposed agricultural cuts to relieve the federal deficit;
- 28 3. Attempts to reduce funding for farm bill programs through budget
29 reconciliation;
- 30 4. Dynamic scoring; and
- 31 5. Reducing the farm bill baseline budget for savings generated through the
32 safety net.

1 **B. MONEY AND CREDIT POLICY** *(ALSO SEE ARTICLE IV – CREDIT AND THE FAMILY FARM)*

2 We support:

- 3 1. Consumer, farmer and small business representation on the Federal Reserve
4 Board (Fed);
5 2. Requiring the Fed to comply with provisions of the Humphrey-Hawkins Full
6 Employment and Balanced Growth Act of 1978;
7 3. Congress immediately authorizing a nonpolitical outside entity to conduct a
8 thorough audit and investigation of the Fed and its policies; and
9 4. Allowing cannabis and cannabis-related businesses that are state regulated
10 to have access to the normal banking system.

11 **C. BANKING, FINANCIAL, AND INVESTMENT REGULATION**

12 From the beginnings of this country, public policy has favored a decentralized
13 banking system, avoiding the abuses that would come from a highly concentrated
14 financial structure.

15 We are concerned about recent trends in bank regulation that have accelerated the
16 loss of independent community banks and have decreased the banks' desire to service
17 agricultural credit needs. It has also reduced community reinvestment.

18 We support:

- 19 1. Re-regulation of the financial services industry and reinstating provisions of
20 the Glass-Steagall Act of 1933, which would prohibit commercial banks from
21 engaging in speculative investments using bank depositor funds;
22 2. The consumer protection provisions and easing the regulatory requirements
23 on small banks within Dodd-Frank;
24 3. Maintaining individual Federal Deposit Insurance Corporation (FDIC)
25 coverage of at least \$250,000;
26 4. Vigorous investigation and prosecution of criminal activity in our financial
27 institutions; and
28 5. Reestablishment of small transaction fees to reduce the abuses of high
29 frequency trading.

30 **D. CREDIT UNIONS**

31 We support:

- 1 1. Maintaining the National Credit Union Share Insurance Fund as a separate
- 2 and independent agency from other federal deposit insurance systems;
- 3 2. The credit union movement in its efforts to combat the anti-competitive
- 4 regulatory tactics undertaken by other segments of the financial services
- 5 industry; and
- 6 3. The right of all Americans to choose how and where they deposit their
- 7 earnings and transact their personal financial business.

8 We oppose any proposal that seeks to curtail services by credit unions to their
9 members under the false guise of regulatory reform or financial soundness. Such
10 proposals are especially discriminatory against rural credit unions that provide
11 agricultural credit services.

12 We oppose mergers between credit unions, unless such a merger or joint venture
13 would benefit local credit union members.

14 **E. ESTATE AND GIFT TAX POLICY**

15 We support:

- 16 1. Estate tax relief for family-owned farms, ranches and small businesses in
- 17 order to facilitate the transfer of those enterprises to the next generation;
- 18 2. Creating policy that taxes agriculture estates based on production value and
- 19 not on potential development value so long as the estate and its property
- 20 remain in agriculture production;
- 21 3. Permanently maintaining the federal estate tax exemption per individual at
- 22 \$11 million, \$22 million per couple, indexed for inflation, with an additional
- 23 \$5 million exemption if the estate continues to be operated by a family
- 24 member or transfers to a beginning farmer;
- 25 4. Simplifying the exemption qualification rules and requirements;
- 26 5. Implementing graduated rates with a base rate of 35 percent; and
- 27 6. Allow a one-time per person rollover of the capital gains from the sale of a
- 28 farm or small business into an approved retirement plan.

29 We oppose shifting tax liability from the estate tax to the capital gains tax through
30 the elimination of the “step-up” in basis provision.

31 **F. IRS TAX CODE 1031 EXCHANGES**

32 We support:

1. A study on the impact of IRS Tax Code 1031 Exchanges (Starker Exchange) on farmland values;
2. The return to a stricter interpretation of like kind property exchanges, i.e. agricultural land for agricultural land;
3. Allowing livestock and equipment to be included in like kind property exchanges; and
4. Allowing property owners a minimum of 18 months to identify and complete a 1031 exchange if the property was lost through eminent domain (*also see Article VI.Q – Eminent Domain*).

G. INCOME TAX REFORMS

We support:

1. A more progressive tax structure and oppose a flat tax;
2. A simplified tax code;
3. The full deductibility for the individual payment of premiums for health, disability and long-term care. Premiums on life insurance benefits up to \$500,000, or as required to be carried by creditors, should also be deductible;
4. A limited refundable federal income tax credit equal to all or a percentage of the state and local real estate taxes paid by farmers and ranchers on farmland utilized for commercial agriculture production;
5. Income from a farm sale being put into a tax-deferred individual retirement account (IRA);
6. Annual gift tax limits of \$25,000 per individual;
7. The concept of family savings accounts, the saver's credit for low-income families with net incomes of \$40,000 or less, and other state and federal programs known as an Individual Deposit Account (IDA) that are targeted at low-income savers;
8. Permanent tax legislation for deductions of expenses accrued on the farm and ranch under section 179 of the tax code of no less than \$500,000;
9. Tax expensing tools that allow family farmers to elect to deduct part or all of the cost of qualifying farm assets in the year they are placed in service. Such

1 tools include adequately high limits of the accelerated depreciation
2 deduction and bonus depreciation deductions;

3 10. Deferring the tax consequences of a forced liquidation of livestock if it is due
4 to severe weather conditions or other causes and if the animals are replaced
5 within a 5-year time frame; and

6 11. Equitable deductions for farmers who sell to co-ops.

7 **H. TAXATION**

8 We support:

- 9 1. Legislation that would hold multinational and off-shore corporations
10 responsible for their full tax burden, including user fees to cover the cost of
11 import inspections;
- 12 2. Closing tax loopholes for corporations and individuals to balance the tax
13 burden for funding the federal government;
- 14 3. The right of state governments to tax production of nonrenewable resources
15 such as coal, oil, natural gas and minerals;
- 16 4. Reforming U.S. capital gains tax laws to allow tax-free conversion of farm
17 assets in exchange for investments in all categories available to the general
18 public and other business entities;
- 19 5. A \$1,000,000 capital gains exemption tax on farm real estate sales;
- 20 6. Studying the inclusion of a federal mechanism to equalize the effects of
21 foreign consumption taxes on trade; and
- 22 7. An expansion to Internal Revenue Code Section 280E that would allow
23 businesses compliant with state laws to claim deductions and credits
24 associated with the production and sale of medical and industrial cannabis.

25 We oppose:

- 26 1. Multinational corporations moving to tax havens to avoid tax liabilities;
- 27 2. Legislation and court action that would prohibit states from taxing
28 multinational corporations based on the volume of business done in the
29 state;
- 30 3. Any taxation for the use of the internet;
- 31 4. Enactment of a national sales tax;
- 32 5. Unfunded federal mandates being imposed on state and local jurisdictions;

- 1 6. Efforts to prohibit the cash method of income and expense accounting; and
- 2 7. A Border Adjustment Tax (BAT).

3 **I. TAX CREDIT**

4 A properly designed tax credit can encourage new enterprises in rural communities,
5 be a stimulus for encouraging new family farms and family fishing businesses and be an
6 opportunity for retiring farmers to sell their operations to beginning family farmers.

7 We support:

- 8 1. A tax credit, targeted to the seller of farm land, who sells to a beginning or
9 young farmer;
- 10 2. Credit being extended to a sale of land or a small business from one
11 generation to the next;
- 12 3. Continuation of the investment tax credit;
- 13 4. A federal tax credit for approved conservation practices for non-deductible
14 expenses;
- 15 5. An investment in tax credit allowance to farmer-owned cooperatives that
16 build facilities in rural America. The investment tax credit should be
17 required to be allocated back to the patron-members of the co-op;
- 18 6. A tax credit for renewable energy; and
- 19 7. Tax credits generated through the creation of a conservation easement be
20 marketable to those who have a tax liability with appropriate safeguards.

21 We oppose the forced sale of assets under receivership of bankruptcy resulting in
22 tax liabilities that exceed the capacity of asset liquidation funds to meet those tax
23 obligations.

24 **J. COMMODITY FUTURES**

25 To ensure that the objectives of the commodity futures regulatory statutes are
26 carried out, we support:

- 27 1. Oversight and authorization jurisdiction for the Commodity Futures Trading
28 Commission (CFTC) being maintained by the Senate and House Agriculture
29 Committees; efforts to merge the CFTC with the Securities and Exchange
30 Commission (SEC) should be defeated;

2. Increased farm owner-operator representation on exchange boards, specifically on those committees responsible for rulemaking relating to new agricultural commodity contracts;
3. Establishing appropriate contract and aggregate position limits for all commodities in all price discovery markets with input from agricultural producers and commercial market users;
4. The collection and publishing of data on the total value of index funds and other passively held long-only positions in all markets;
5. Requiring over-the-counter (OTC) trades be cleared by a CFTC-regulated clearing organization and reported publicly;
6. Increased transparency between domestic and foreign boards of trade;
7. Clearly defining hedgers and the hedger exemption to only include those with a legitimate commercial interest in the physical commodity; and
8. Studying and developing new research revenue streams such as an assessment on agricultural commodity futures contracts.

We oppose the adoption of policies that shift agricultural risk to individual producers and force producers to depend on the commodity exchanges for risk management protection.

Accordingly, CFTC should:

1. Guard against insider trading by individuals or firms;
2. Examine and investigate the role of increasing market power of funds, the connections between funds and large commercial interests, the ability of these organizations to exchange information and the effects on the commodities market;
3. Ensure there are an adequate number of delivery points for hedging participants;
4. Work in cooperation with other federal and state securities enforcement agencies to investigate and prosecute violators of the Commodities Exchange Act;
5. Monitor with special vigilance any market movements that indicate a deliberate accumulation of excessive speculative positions that exceeds the

- 1 limited number of positions an individual speculator may hold and to
2 exercise, when necessary, the emergency powers granted by the Act;
- 3 6. Monitor and guard against proposals by the commodity futures exchanges
4 impacting trading rules and trading limits that would increase market
5 volatility to the detriment of agricultural producers;
- 6 7. Continue to monitor off-exchange-traded agricultural options and ensure
7 they are operated in a manner that benefits family farmers;
- 8 8. Monitor activity on so-called “dark markets;” and
- 9 9. Have a minimum of three of the five commissioners with agricultural
10 backgrounds.

1 **ARTICLE X – RURAL DEVELOPMENT AND THE FAMILY FARM**

2 **A. RURAL COMMUNITY DEVELOPMENT**

3 We support a comprehensive rural development policy that includes:

- 4 1. Coordination and cooperation of the various government agencies involved
5 to better utilize existing programs and funds;
- 6 2. Consideration of social needs, such as a living wage, health care, childcare,
7 education and human resource development, as well as venture capital,
8 transportation and telecommunications;
- 9 3. Research and development of additional and alternative uses for existing
10 agricultural and seafood commodities and new alternative crops and fish
11 stocks, with a commitment to marketing and processing these products;
- 12 4. Development of local expertise, to make the best use of available programs
13 and local talent;
- 14 5. Low-interest loan and grant programs that foster the development of value-
15 added products;
- 16 6. Low-interest loan and grant programs that foster energy efficiency and
17 renewable energy production;
- 18 7. Creation of agricultural opportunities for a new generation of beginning
19 farmers as a central component of rural development;
- 20 8. The organization of cooperative enterprises that retain equity, control and
21 ownership within rural communities as a proven self-help, home-grown
22 rural development mechanism which builds needed economic infrastructure
23 for rural people;
- 24 9. Access to credit, technical expertise and markets as essential ingredients in
25 securing opportunities for rural and agricultural enterprises;
- 26 10. Competitive grants and producer opportunity payments to stimulate
27 research, education, market development and farm innovation that increase
28 the farm and ranch share of food system profit;
- 29 11. Revitalization of agricultural communities through entrepreneurship,
30 enhanced food security by offering consumers greater choice and access to a
31 diversity of agricultural products;

12. The approval, funding and construction of water projects and waste systems for rural communities and Native American reservations, and the increase of funding for water and wastewater programs through RUS
 13. The development of farmer-owned cooperative facilities;
 14. Increased funding of loans and grants to rural communities for advanced telecommunications, including high-speed broadband to improve schools, medical facilities, judicial systems and other essential services;
 15. Increased funding for loans and grants for rural essential services infrastructure;
 16. RUS, Rural Business-Cooperative Service (RBS), and Rural Housing Service (RHS) using local investment revolving funds, grants and technical assistance;
 17. The Resource Conservation and Development (RC&D) program to encourage and improve the capability of volunteers, locally elected officials and civic leaders; and
 18. Incentives for rural business opportunities for veterans.
- We oppose rural development grants that encourage the establishment or expansion of larger non-family farms or open ocean aquaculture.

B. TRANSPORTATION

An integrated intermodal transportation system of waterways, railways and roads is of crucial importance to America's farmers. Maintenance of a viable, competitive transportation network within the United States ensures the free flow of farm products to the market.

We support federal transportation policy that:

1. Fosters a balanced competition between all modes of transportation and maintains protections for transportation users in those areas where such competition does not exist;
2. Addresses deregulation of the nation's transportation system that has reduced the quality of, or eliminated altogether, public transportation services for small cities and rural communities. This trend has been evident in airline services for several years and is now being felt in reduced or eliminated bus service;

3. Extends the hazardous materials exemption for transportation of agricultural production materials to family farmers and/or end-users, as it relates to the Department of Transportation's HM-200 rule;
4. Exempts farm machinery operators from Commercial Driver's License (CDL) requirements;
5. Exempts farm operations that are delivering their own product from CDL requirements; and
6. Encourages development of alternative transportation systems including electric, CNG, and other alternative fuels.

We oppose:

1. Federal budget cuts that could further damage the transportation services remaining in our rural communities;
2. Proposals to terminate funding or privatize Amtrak rail service; and
3. The use of gas tax funds for deficit reduction. Federal, state and local support must be supplied to provide an integrated transportation system to serve America's farmers and other rural residents.

1. U.S. HIGHWAY TRUST FUND

Money raised by highway excise taxes and interest earned on such revenues accumulates in the Highway Trust Fund and can only be used for highway purposes, with the exception that Congress has allowed part of such funds to be diverted to mass transit construction and subsidies. We support using a portion of the trust fund to repair county and rural bridges that are structurally deficient.

2. TRUCK TRANSPORTATION

NFU believes that regulation of the trucking industry should focus on high quality, energy-efficient and reliable service for rural areas. Honest competition should be encouraged and rates should be regulated to prevent unfair practices by trucking companies.

We support:

- i. Trucking industry regulations that permit cooperative-owned trucks to haul up to 30 percent of non-member, general merchandise;
- ii. Review of backhaul restrictions on trucking, while maintaining an emphasis on food safety, to save energy and lower shipping costs;

- 1 iii. The Federal Highway Administration consider standardizing the
- 2 maximum width, length and weight for Longer Combination Vehicles
- 3 (LCV) to help equalize state to state commerce. This should include input
- 4 from agricultural representation from each state;
- 5 iv. Exclusion of farm vehicles, used exclusively to transport products of the
- 6 farmer owner-operator, from federal highway-use taxes collected by the
- 7 IRS, and exemption from any unnecessary federal regulation regarding
- 8 the transportation of hazardous substances being used by farmers in the
- 9 course of their own farming operations. Farm machinery and farm
- 10 vehicles used for off-road purposes should be exempt from using taxable
- 11 highway fuel;
- 12 v. Increased law enforcement to ensure commerce shipping is subject to
- 13 traffic law so that community residents enjoy adequate protection of
- 14 their safety; and
- 15 vi. An hours of service waiver for livestock and insect haulers.

16 We oppose:

17 Any regulations that would provide for the ELD mandate until further

18 research on the unintended consequences is conducted and resolved.

19 The above-listed regulations, as well as U.S. safety standards, must apply to all

20 members of USMCA.

21 We believe family-farm operations hauling their own commodities should be

22 exempt from mileage limitations, commercial driver's licenses, and commercial

23 truck licensing requirements, including International Fuel Tax Association (IFTA)

24 tax requirements and issues relative to the Federal Motor Carrier Safety Act.

25 **3. RAIL TRANSPORTATION**

26 **i. Rail Service**

27 Federal rail transportation policy should recognize that deregulation of

28 railroads cannot be treated in the same manner as deregulation of other

29 industries. Continuing rail mergers result in elimination of rail service to many

30 communities and the establishment of a single railroad service to entire portions

1 of the country. Federal policy must provide for government regulation or
2 antitrust enforcement in instances where there is no rail competition.

3 We support:

- 4 a. The Surface Transportation Board (STB) addressing the problems of
5 captive shippers, including:
 - 6 1. Ensuring that common carrier obligations are adhered to;
 - 7 2. Providing oversight of branch-line abandonment, in addition
8 to transferring jurisdiction of branch-line abandonment to
9 state regulatory agencies from the federal government;
 - 10 3. Ensuring that reasonable notice of rate changes is continued;
 - 11 4. Establishing trackage rights in order to encourage rail-to-rail
12 competition;
 - 13 5. Establishing reciprocal switching within, and for an
14 appropriate distance outside of terminals in order to
15 encourage rail-to-rail competition;
 - 16 6. Authorizing a maximum rate for a movement to a captive
17 shipper;
 - 18 7. Authorizing, when petitioned, the removal of agreement
19 provisions that prevent short-line railroads from delivering
20 traffic to any railroad;
 - 21 8. Enacting a policy that would hold railroads responsible for
22 losses due to delayed delivery of rail cars; and
 - 23 9. Reasonable rates for less than unit train pricing;
- 24 b. Taking action to avoid a rail car shortage for transporting grain and
25 other perishable commodities;
- 26 c. Expansion of regional railroads where local residents deem
27 appropriate, using a route that spares productive farmland;
- 28 d. Railroad Regulatory Reform Act of 1980 (Staggers Act); Legislation
29 that would provide adequate bulk commodity and intermodal
30 shipping facilities;

- e. Funds to finance a survey to determine the most desirable location of sub-terminals as well as adequate financing of sub-terminals and equipment, including rolling stock;
- f. Provisions to assure continued local control over the movement and storage of farm commodities;
- g. Federal legislation that would create rural transportation cooperatives and finance programs, patterned after the rural electric cooperative program, for railroad cooperatives seeking to preserve rail service in rural areas;
- h. Careful consideration of proposals to create utility corridors or federalize the railroad beds, thereby improving railroad efficiency and promoting more competition among conventional and alternative railroads;
- i. "Unit train" loading that provides for pooling of grain shipments and is not limited to one-stop terminal loading, in addition to stricter regulations and better enforcement of laws to require companies to provide proportionately equal service to elevators in the allocation of rail cars;
- j. Rate regulations that incorporate provisions to protect smaller shippers from rate discrimination;
- k. Continued regulation of freight rates and commodities shipped by rail;
- l. Statutory provisions to govern mergers or reorganizations of railroad lines facing financial difficulty to assure that such mergers do not destroy competition or necessary service;
- m. Allowing adjacent landowners or existing businesses leasing the property to be given first option to purchase abandoned railway rights-of-way, including mineral acres, at fair appraisal value;
- n. Legislation to prevent companies or railroad property owners from charging unreasonable prices for railroad property and lease sites;
- o. A moratorium on all rail-line abandonments;

- 1 p. Prohibition of railroad companies from forming holding companies
2 or subsidiaries for the purpose of hiding assets originally received
3 from land grants; and
4 q. The expansion of high-speed rail, including in rural areas.

5 We oppose any merger between major railroad carriers.

6 **ii. Certificates of Transportation (COT)**

7 The Certificate of Transportation (COT) system is discriminatory, anti-
8 competitive, and violates the intent of Congress in its adoption of the Staggers
9 Act. NFU urges the STB to review the use of COTs and the impact on producers
10 and their local elevators.

11 **iii. Safety**

12 We support:

- 13 a. Continued improvements to the safety mechanisms on railcars and
14 railways to better protect our rural citizens, to include:
15 1. Requiring reflective stripes to be placed and maintained on all
16 railroad cars;
17 2. Enforcing lower speed limits going through communities;
18 3. Requiring railroads to erect warning light and arm signals on
19 all crossings near schools; and
20 4. On-time implementation of safety mandates;
21 b. The STB establishing and enforcing rules that minimize the time a
22 train can block a road;
23 c. The STB enacting a policy that will force railroads to upgrade the
24 railway infrastructure as a first step in protecting the public and
25 ensuring the safe transport of commodities; and
26 d. The rail authority being held liable for expenses incurred by local fire
27 and emergency response departments for updating equipment and
28 training to deal with potential rail accidents.

29 **C. PORT DEVELOPMENT, SHIPPING POLICY**

30 We support:

1. Adequate funding to improve our inland waterway transportation system, including funding to repair our system of locks. We are particularly concerned with needed lock renovation on the Mississippi River;
2. The lowest possible user fee for the use of locks on inland rivers;
3. Keeping the Great Lakes shipping channels, including the St. Lawrence Seaway and the twin ports of Duluth and Superior, open while such lanes are navigable, to maximize this nation's export capabilities;
4. Restricting the management of our nation's port system to U.S.-owned and -based companies;
5. The Jones Act; and
6. Efforts to deepen and maintain ports in the U.S., especially those that load agricultural commodities.

We oppose:

1. Legislation that requires agricultural interests to pay a disproportionate fee for operation, maintenance and construction of deep-draft channels and ocean and Great Lakes ports; and
2. Any excessive increases in the inland Waterways Fuel Tax.

D. AIR TRANSPORTATION

We support:

1. Maintaining feeder and commuter airline services to farm/rural communities to ensure mail and passenger service;
2. The continuation of federal regulation of all airline services to protect public safety;
3. Regulations that would assure that rural areas are not penalized in airline rate structures;
4. Full funding of the Essential Air Service (EAS); and
5. Building a robust industry to support the production of homegrown, renewable bio-jet fuels for commercial and military aviation.

We oppose airline fees imposed at airports, after ticket purchase, such as a surcharge for checked luggage.

E. RURAL UTILITIES

We support:

- 1 1. The RUS loans, loan guarantees, and economic development programs for
- 2 rural electric and rural telephone cooperatives;
- 3 2. Policies that allow for distributed generation that would enable family
- 4 farmers to provide electricity for themselves and their communities; and
- 5 3. Facilitating the creation of high-speed broadband networks operated by
- 6 rural utility cooperatives for unserved and underserved rural communities.

7 We oppose termination or privatization of RUS.

8 **1. TELEPHONE SERVICES**

9 We support:

- 10 i. The Universal Service Fund;
- 11 ii. Continued access, maintenance and improvement to landline (including
- 12 metal wire) telephone service;
- 13 iii. Expansion and improvement of cellular service in rural areas, including
- 14 mobile data;
- 15 iv. Reduced regulatory burdens for rural telephone providers; and
- 16 v. Enhanced 911 telephone services in rural areas.

17 **2. ELECTRIC SERVICES**

18 We support the continuation of a low-interest-loan pool program for rural electric

19 cooperatives.

20 We oppose encroachment on rural electric cooperative service areas by private and

21 municipal power companies.

22 **3. TELECOMMUNICATIONS**

23 Access to information, education and entertainment programming in an information

24 age is increasingly important to the quality of life in rural communities.

25 We support:

- 26 i. A ban on cross-ownership of media that results in higher telephone and
- 27 subscription television rates;
- 28 ii. The continuation of the e-rate program;
- 29 iii. The development of cooperative cable television systems to serve both
- 30 rural and urban sectors;
- 31 iv. Adoption of FCC policies that encourage sound technical standards for
- 32 rural radio and television service;

- v. Legislation to allow citizens to participate in boards and committees via the use of telecommunications;
- vi. Greater transparency in billing for telecommunications services; and
- vii. Congress reinstating the Fairness Doctrine.

We oppose:

- i. Federal, state or local governments imposing taxes and fees on services such as subscription television or internet; and
- ii. Proposals that would weaken or eliminate radio and television farm news, public service broadcast time and other services.

4. RURAL ACCESS TO TECHNOLOGY AND INFORMATION

We support:

- i. Efforts to ensure competitively priced, high-speed broadband and wireless access to the internet for rural America, at download speeds of 25 megabytes per second (mbps) or higher;
- ii. Collaborative efforts that leverage internet-based technology and use the internet to improve communications;
- iii. Net neutrality; and
- iv. The further advancement of the cell tower and fiber optic networks to cover all rural communities to support:
 - a. New technology in agriculture,
 - b. Faster, more improved emergency services, and
 - c. Access to emerging technologies.

F. SMALL BUSINESS DEVELOPMENT

1. INDUSTRIAL DEVELOPMENT BONDS

We support:

- i. Each state being allowed a minimum base allocation in addition to the per-capita allocation allowed industrial development bonds, in order to provide equity among states;
- ii. Judicious use of these bonds to ensure priority is given to long-term, locally based economic development projects within the community; and
- iii. States using industrial development bonds to finance beginning or socially disadvantaged farmer programs.

1 **2. SMALL BUSINESS POLICY**

2 We support:

- 3 i. Federal policy that protects small businesses from predatory
4 encroachment by monopolistic big business;
5 ii. Small businesses being given a fair opportunity to bid on government
6 contracts;
7 iii. Continuation of the Small Business Administration (SBA);
8 iv. Small-business loan funds being available through the SBA to meet
9 credit-worthy applications; and
10 v. Regulations and paperwork to be administered in ways that do not place
11 an undue burden on small businesses.

12 **3. ENTERPRISE FACILITATION**

13 We encourage family farmers, ranchers and small boat fishers and their local
14 communities to utilize various USDA Rural Development technical assistance and
15 funding programs through the National Sustainable Agriculture Information Service,
16 Rural Cooperative Development Grants (RCDG), Value-Added Producer Grants (VAPG),
17 the Agricultural Marketing Resource Center (AgMRC), Agricultural Innovation Centers
18 (AIC), and regional food hubs, as well as others.

1 **ARTICLE XI – QUALITY OF LIFE IN RURAL AMERICA**

2 NFU urges the adoption of national policies that address the difficulties and greater
3 costs of providing necessary health, education, consumer protection, public and
4 emergency services for our children, sick, needy, individuals with disabilities and
5 elderly.

6 **A. HEALTH CARE**

7 NFU strongly affirms the right of all Americans to have access to affordable, quality
8 health care, with emphasis on disease prevention and access to nutritional food.

9 **1. HEALTH CARE COVERAGE, ACCESS AND CARE**

10 We support:

- 11 i. A continued effort toward an improved national comprehensive health
12 plan, which includes a public option that allows citizens to choose their
13 own doctors, that provides universal, affordable and accessible coverage
14 and elder care for all Americans;
- 15 ii. Adoption of a single-payer national health insurance program with no
16 deductible and minimal co-pays that provides comprehensive health care
17 services. Government funds to operate such a system, similar to
18 Medicare, should be raised in a manner based on ability to pay;
- 19 iii. Maintaining the mandated coverage for preventive care and retention of
20 choice of doctors;
- 21 iv. Federal funding for rural health clinics;
- 22 v. Incentives for medical professionals who serve in underserved areas;
- 23 vi. Including health promotion and education in long-term policy and
24 planning;
- 25 vii. Consumer education with special emphasis on childhood education on:
 - 26 a. The benefits of nutritionally sound foods;
 - 27 b. Health dangers of harmful products; and
 - 28 c. Education about the benefits and risks of immunization;
- 29 viii. The effort to educate our communities on identifying the signs associated
30 with depression, and how to help those with depression and suicidal
31 thoughts;
- 32 ix. Increased funding for mental health and addiction treatment services;

- x. Research and education, including increased publicly-funded research, to prevent the spread of, and to find a cure for, life-threatening diseases;
- xi. The development, research and use of licensed alternative medicines and practices. Such remedies should be eligible for reimbursement;
- xii. Expedited access to promising treatments for terminal illnesses, including those in trial phase;
- xiii. Increased access to, and use of, palliative care for patients in end-of-life situations;
- xiv. Third-party reimbursement for advanced health care professionals to allow nurses, resident caregivers, nurse practitioners, and physician's assistants to set up clinics and to allow improved access to home health care, health promotion, and health maintenance in rural America;
- xv. Long-term care, end-of-life care, and expanded in-home care coverage being included in any universal coverage reform. In addition, asset spend-down limits should be increased;
- xvi. Continuation of the National Health Service Corps. Funds should also be allocated to communities to provide training and equipment for emergency health care;
- xvii. Self-employed farmers having the same access to dependent care services as those in other industries;
- xviii. Assistance to families struggling to provide care to their dependents, including children, individuals with disabilities and the elderly;
- xix. Adoption of a comprehensive program of federal aid for depended care, including the use of tax credits;
- xx. Congress opposing tort reform that precludes consumers' ability to receive adequate compensation for wrongful actions;
- xxi. Implementation and full funding of the Farm and Ranch Stress Assistance Network;
- xxii. The elimination of any payment or benefit caps including but not exclusive to preexisting conditions;
- xxiii. Decisions regarding patient care residing with the physician and patient, not with the insurance company or government;

- xxiv. Implementation of Health Information Technology (HIT) systems in rural areas and funding for Rural Health Clinics (RHCs) and Community-Funded Safety Net Clinic (CSNCs);
- xxv. A uniform health insurance exchange system;
- xxvi. States expanding Medicaid coverage to additional low-income citizens;
- xxvii. The reauthorization and expansion of the State Children's Health Insurance Program (SCHIP); and
- xxviii. The establishment of cooperative-based health insurance companies.

2. PRESCRIPTION DRUGS

We support:

- i. Immediately addressing discriminatory pricing policies, the ability of providers to negotiate the price of drugs, access to generic drugs and an adequate prescription drug benefit for all Americans;
- ii. Providing rural access to prescription drugs and pharmacy services. Retail pharmacies must have equal access to pharmaceutical manufacturers' discounts, and state and federal legislative efforts are encouraged to ensure equal access;
- iii. The clear labeling of all prescription drugs' purposes;
- iv. The general re-importation of prescription drugs from other countries and repealing the federal law that prohibits it;
- v. Consumer access to safe and proven generic prescription drugs and an end to extended delays by drug companies or the FDA; and
- vi. Education, prevention, and treatment for drug misuse and addiction.

3. MEDICARE AND MEDICAID

We support:

- i. The ability to negotiate the price of drugs for a prescription drug program;
- ii. Expediting Medicare reimbursement to health care providers. All health care providers should be reimbursed at a rate no lower than the provider's actual cost as determined by independent audit;
- iii. Extension of the Medicare program to include the treatment of long-term illness as a covered benefit;

- iv. Reducing the Medicare entry age to 55;
- v. Elimination of the “donut hole” (coverage gap) in Medicare;
- vi. The reform of Medicare and Medicaid to enable and encourage doctors and dentists to serve all Medicare and Medicaid patients, especially in rural areas; and
- vii. Payment reform efforts and continued cost-based reimbursement for rural hospitals and Critical Access Hospitals (CAH) for Medicare services.

We oppose:

- i. Any cuts to Medicare and Medicaid;
- ii. Privatizing Medicare;
- iii. Proposals to block-grant Medicaid and strip its status as an entitlement; and
- iv. Increased use by hospitals of keeping people overnight for observation care status instead of admitting patients to hospitals.

4. VETERANS’ RIGHTS

We support:

- i. Increases in the VA’s medical care operating budget;
- ii. Redoubling efforts to ensure all veterans receive localized timely and quality care;
- iii. Funding to ensure the preservation of veterans’ rights and benefits;
- iv. Rejecting any proposal that would close VA hospitals;
- v. Continuation of federal and state funding for existing rural hospitals and nursing homes to provide for the health needs of veterans;
- vi. Increasing emphasis of programs to provide assistance to individuals suffering from post-traumatic stress disorder (PTSD) and all mental health issues; and
- vii. Agricultural rehabilitation and vocational training programs for military veterans, such as the Farmer-Veteran Coalition.

B. EDUCATION

We support:

- 1. Maintaining the U.S. Department of Education and establishing an assistant secretary for rural education;

- 1 2. Continuation and full funding of the Perkins Act at the secondary and post-
2 secondary level and drivers' education programs;
- 3 3. Maintaining career and technical education under the umbrella of the
4 Department of Education;
- 5 4. A strong national educational set of standards designed to maintain
6 consistency when students transfer schools;
- 7 5. Congress to fully fund the federally mandated Individuals with Disabilities
8 Education Act to assist all districts (especially rural districts) in meeting the
9 needs of all students;
- 10 6. Ensuring that all youth and young adults are aware of the relevance of
11 agriculture, cooperatives and family farming in their society through
12 adequate funding for coursework and/or other activities required by
13 education institutions;
- 14 7. Voluntary Bible-reading and prayer in our public schools;
- 15 8. States finding more equitable ways other than property tax to fund public
16 education;
- 17 9. Continued involvement with, and active support of, Organizations Concerned
18 with Rural Education (OCRE);
- 19 10. Expansion of grants and lower "low-interest" student loans to assist students
20 of all ages with the cost of higher education;
- 21 11. The interest rate level on student loans should be equal to, or less than the
22 10-year Treasury rate that is enjoyed by the large banking institutions;
- 23 12. Revising financial aid forms to ensure a more equitable system for both
24 urban and rural farm students;
- 25 13. Establishment of a federal student loan forgiveness program for students
26 who attend college and subsequently return to rural communities, based on
27 years of service to those communities;
- 28 14. The inclusion of agricultural producers in a federal and/or state student loan
29 forgiveness program based on years of service to rural communities;
- 30 15. Rural schools being assured their fair share of both federal and state
31 resources and support;

16. Ensuring all adults have the opportunity to participate throughout life in meaningful educational and vocational training programs;
 17. The federal Qualified Zone Academy Bonds (QZAB) program;
 18. Farmers Union members monitoring the implementation of the Vocational Education Act in their local schools and state vocational technical programs to be sure that the interests of agriculture are met;
 19. Involvement in local, state and national 4-H, FFA, and other vocational education organizations, and we encourage these organizations to link with family farmers;
 20. Unemployed workers having the opportunity for retraining and upgrading their skills as part of their unemployment benefits;
 21. The continuation of federal or state-funded retraining programs for displaced farmers and ranchers and their spouses;
 22. Teaching animal welfare, as opposed to animal rights;
 23. Adequate funding for public education;
 24. Schools that have developed courses in entrepreneurship as a means of encouraging young people to stay in their rural communities;
 25. Encouraging rural schools to explore all educational possibilities to enhance the curriculum, such as distance-learning courses, which serve as an alternative to school consolidation or closure;
 26. The development and retention of remote learning centers to provide a broader range of educational opportunities;
 27. Consumer and regulator education on the benefits of healthy soils in relation to our physical health, particularly as related to the Food Safety Modernization Act (FSMA);
 28. Funding of the Every Student Succeeds Act (ESSA) while providing more flexibility to state and local education agencies in implementation; and
 29. The development and expansion of school garden programs;
 30. The extension of broadband capacity for high speed internet to all schools equivalent to the services available in urban areas; and
 31. Incentives to recruit, hire, and retain teachers, especially in rural areas.
- We oppose:

1. Mandatory consolidation of rural schools;
2. Excessive testing requirements incumbent to such programs as “Common Core”;
3. Unfunded mandates from state or federal governments on schools;
4. The use of vouchers;
5. Requirement of using credit ratings in determining loan eligibility;
6. The privatization of state and federal student loan programs; and
7. Cuts in student aid.

1. PUBLIC RESEARCH (*ALSO SEE ARTICLE VIII.J – COMMODITY FUTURES*)

NFU supports increased funding for public agricultural research. We are concerned of the reductions in state and federal funds for crop and livestock research. The resulting increase in private research has reduced the sharing of information and increased costs of production inputs. Land-grant colleges and universities helped create the technological revolution in agriculture. We support:

- i. These institutions focusing on research to increase family farm net income, specialty crops and commodity prices;
- ii. Farmers Union state organizations scrutinizing relationships between USDA grants and the land-grant colleges and universities and large agribusiness corporations to ensure that research by those colleges and universities is in the best interests of family farmers;
- iii. Full financial disclosure of funding sources for agricultural research projects being made public;
- iv. The continuation and additional funding for all federal formula allocations, such as Hatch Act of 1887 and Smith-Lever Act funds;
- v. Increased funding supporting land-grant colleges for research into alternative agricultural technologies which would benefit small and specialized family farmers by reducing input costs and by developing a system of sustainable agriculture;
- vi. Targeted research specifically designed to explore innovative production, processing and marketing topics that enhance small or family-sized farm operations;

- vii. Amending the Internal Revenue Code to create a new type of 401(c)(3) organization, as an agriculture research organization (ARO), to conduct agricultural research and increase funding to advance agriculture;
- viii. Publicly funded research, findings and by-products of the research remaining in the public domain and benefiting family-sized farms; and
- ix. Consideration to authorize the distribution of federal agriculture research funds to both land-grant universities and other post-secondary agricultural educational institutions.

2. LAND GRANT UNIVERSITIES AND NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Land Grant Universities and the National Institute of Food and Agriculture (NIFA) were established with the mandate to help the public learn about and apply to everyday activities, the latest technology and management knowledge. This valuable rural information delivery system's role must be reassessed and strengthened to meet the demands of a rapidly changing, highly sophisticated technology delivery system now available in this country.

We support:

- i. Land-grant universities re-envisioning agricultural extension training so that it respects and utilizes the experience of farmers and ranchers and the significant role this experience plays in the science of agriculture;
- ii. Farmers and ranchers being part of the research team;
- iii. Extension training respecting and utilizing the agricultural practices of traditional native peoples and acknowledge the significant role these practices play in sustainable agriculture;
- iv. Education, research, and support of small, diverse farms as well as larger farms;
- v. The ability to earn college credit through continuing adult and extension education programs;
- vi. Agricultural extension educators mentoring low- and moderate-income families to improve agricultural economies by adding value to agricultural products;

- 1 vii. No funds utilized by NIFA being used to carry out political or lobbying
2 activities; and
3 viii. The governing board of land-grant universities be made up of at least 50
4 percent individuals engaging in agriculture;
5 We oppose the consolidation of extension services into larger than single-county
6 units.

7 **C. SOCIAL SECURITY**

8 We support:

- 9 1. Active participation in developing a plan to help ensure the solvency for
10 Social Security for future years;
11 2. Preserving a major portion of any budget surplus for Social Security;
12 3. Social Security tax being applicable to all earnings by removal of the income
13 cap;
14 4. Social Security being a mandatory, universal system to assure benefits in the
15 future;
16 5. Continued strengthening and protecting of the Social Security program;
17 6. Congress changing laws so that a husband and wife who are equal business
18 partners in a farming operation are able to collect equally on the Social
19 Security tax that was paid as a result of that business; and
20 7. Congress changing the eligibility requirements for individuals who haven't
21 worked off the farm long enough to qualify for benefits.

22 We oppose:

- 23 1. Using Social Security funds for anything other than their intended use;
24 2. A freeze on the Social Security cost-of-living allowance for all recipients;
25 3. Any part of Social Security being invested in non-government-insured
26 investments; and
27 4. Proposals that would privatize the system.

28 **D. PEOPLE WITH DISABILITIES**

29 We support:

- 30 1. Public and private programs aimed at providing development, therapy and
31 rehabilitation of Americans with developmental, physical and mental
32 challenges;

- 1 2. Equal and gainful employment for individuals with disabilities and the
- 2 development of special supports for farmers who are disabled and who want
- 3 to continue to farm; and
- 4 3. The National AgrAbility program.

5 **E. EMPLOYMENT: A NATIONAL PRIORITY**

6 We recognize the need to prepare a skilled workforce that will be required for a

7 healthy, competitive, full-employment economy.

8 We support:

- 9 1. Expanding present policy to further training and employment opportunities
- 10 for all people who want to work;
- 11 2. Assistance being targeted to retraining dislocated workers and displaced
- 12 farmers;
- 13 3. A preference for training with agriculture or agricultural related industries;
- 14 4. Directing special emphasis to stimulating economic growth and increasing
- 15 research and development of technology that will generate productive jobs
- 16 with fair wages and benefits; and
- 17 5. The elimination of the Multiemployer Pension Reform Act of 2014 (MPRA).

18 **F. IMMIGRATION POLICY**

19 We believe the growing consequences of a broken immigration system must be

20 addressed in a bipartisan effort that considers the following principles:

- 21 1. Our immigration system must be flexible enough to address the needs of
- 22 businesses while protecting the interests of workers;
- 23 2. Immigration is a federal issue that should be addressed at the federal level.
- 24 We therefore oppose programs such as E-Verify at the state level only;
- 25 3. We support adoption of a mandatory E-Verify program only in conjunction
- 26 with a coherent and viably effective agricultural worker program. The E-
- 27 Verify system must allow communication among federal agencies for
- 28 determining status in order to protect the integrity of the worker and of the
- 29 employer;
- 30 4. We support development and improvements to immigration programs,
- 31 including the H-2A program, to help the agricultural community by allowing
- 32 a more flexible, cost-effective, and reliable visa program; An effective visa

1 system responsive to geographic proximity and economic and cultural
2 factors, which acknowledge the beneficial contributions immigrants make as
3 workers, taxpayers and consumers;

- 4 5. As strong families are critical to developing successful individuals and
5 cohesive communities, our immigration policies should prioritize keeping
6 families together to most enable supportive home environments for all
7 children and to not support separation of children from families as a border
8 security policy and to reunite all separated children to their families; unless
9 indication to do so would endanger the child;
- 10 6. Our immigration enforcement strategy should focus on public safety and
11 consider consequences to businesses, workers and consumers. Furthermore,
12 our broader immigration reform effort should include a path to reliably and
13 affordably determine who is permitted to work, ensuring an adequate labor
14 force for a growing economy;
- 15 7. Immigrants are part of both our rural and urban communities. We recognize
16 the critical role immigration has played in our nation's history and economy;
- 17 8. Immigration policies must provide a sensible path for those who are here
18 without legal status, are of good character, pay taxes and are committed to
19 becoming fully participating members of our society. The legalization of
20 undocumented workers may occur after paying appropriate fines and
21 incurring penalties for illegal entry; and
- 22 9. Encouraging any people seeking permanent residence in the United States to
23 apply for citizenship with all the rights and responsibilities that accompany
24 it.

25 We also support:

- 26 1. The DREAM Act;
- 27 2. A fast track toward U.S. citizenship for those immigrants of upstanding
28 character who seek citizenship and serve with honor in a branch of the U.S.
29 military service;
- 30 3. A pathway to citizenship or legal residency for undocumented agricultural
31 workers that does not restrict their employment to any specific farm or
32 group of farms;

- 1 4. A pathway to citizenship for asylum seekers; and
- 2 5. A pathway to citizenship for children of undocumented immigrants.

3 We oppose the indentured servitude of a captive workforce.

4 We oppose the mass deportation of any peoples from the United States.

5 **G. EXPANDING OPPORTUNITIES FOR SENIOR CITIZENS**

6 In keeping with the traditional American concept of individual dignity in our
7 democratic society, all older Americans are entitled to enjoy an active involvement in
8 our society. The number of older Americans continues to increase, and efforts must be
9 expanded to continue to make use of their experience, skills and energy to fill the needs
10 of our society through citizen involvement, employment and volunteer activities.

11 We support:

- 12 1. The energies and talents of retired Farmers Union members and employees
13 being used to strengthen and expand our organization;
- 14 2. The Older Americans Act (OAA);
- 15 3. Experience Works, formerly Green Thumb, a nonprofit organization
16 conceived by NFU because older Americans who had the ability and desire to
17 work were not given the opportunity to do so;
- 18 4. The Senior Community Service Employment Program (SCSEP), providing full
19 funding at authorized levels and opposing block-granting; and
- 20 5. The development of policies to allow our seniors to age in place.

21 **H. FOOD AND NUTRITION PROGRAMS**

22 It is imperative that our national nutrition policy addresses both the quantity and
23 quality of food available to needy Americans. Nutrition programs should place an
24 emphasis on fresh and local foods to ensure that Americans of all income levels have
25 access to healthy, nutritious foods.

26 **1. ADMINISTRATION OF FOOD AND NUTRITION PROGRAMS**

27 We support:

- 28 i. Reauthorization and full funding of federal nutrition programs under
29 USDA;
- 30 ii. Expansion of nutrition programs to include farm-to-school, WIC and
31 Senior Farmers Market Nutrition Programs, programs that allow SNAP

- 1 and other federal nutrition program beneficiaries to double their benefits
2 at farmers markets, and others;
- 3 iii. Congress continuing federal responsibility for nutrition programs;
- 4 iv. Maintaining federal standards as well as the USDA's authority for
5 commodity donations to nutrition programs;
- 6 v. Requiring comprehensive and unbiased research precede any official
7 dietary advice regarding the relationship between diet and health;
- 8 vi. The United States Dietary Guidelines to utilize the abundant and
9 thorough evidence suggesting that Americans should consume a
10 balanced diet rich in nutrients which includes lean meats and dairy
11 products;
- 12 vii. All federally funded nutrition programs following the U.S. Dietary
13 Guidelines;
- 14 viii. Periodic reviews of federally funded nutrition programs to assess their
15 effectiveness; and
- 16 ix. Expansion of nutrition feeding programs for the elderly, including the
17 distribution of excess commodities when available.

18 We oppose:

- 19 i. The privatization of the administration of federally-funded nutrition
20 programs;
- 21 ii. The shifting of nutrition programs to state block grants;
- 22 iii. Separating nutrition title programs from the Farm Bill; and
- 23 iv. Increased work requirements for eligibility in food and nutrition
24 programs.

25 **2. FOOD ASSISTANCE PROGRAMS**

26 We support:

- 27 i. The Food Stamp Act of 1964;
- 28 ii. The Supplemental Nutrition Assistance Program (SNAP);
- 29 iii. Outreach efforts to extend services to the increasing number of hungry
30 people who should be served, particularly in rural areas where access is
31 a problem;
- 32 iv. Exclusion of farm loans as income in determining eligibility for SNAP;

- v. Continued development of the Electronic Benefits Transfer (EBT) Program and education on how to use EBT;
- vi. Prohibiting efforts to substitute cash payment for SNAP;
- vii. Programs which allow SNAP users to purchase food directly from farmers markets, community supported agriculture (CSAs) and local producers;
- viii. Commodity distribution programs such as The Emergency Food Assistance Program (TEFAP), the Commodity Supplemental Food Program (CSFP) and child feeding programs;
- ix. The Food Distribution Program on Indian Reservations (FDPIR), as well as including indigenous foods and foods grown on reservations in the program;
- x. USDA making healthy surplus foods readily available to food banks and emergency kitchens, bearing the cost of transportation and storage; and
- xi. Federal law that requires commodities distributed for nutrition programs be domestically produced.

3. CHILD NUTRITION PROGRAMS

We support:

- i. Full funding and expansion of the child nutrition programs such as the School Lunch Program, School Breakfast Program, Child and Adult Care Food Program (CACFP), Summer Food Service Program, the farm-to-school program, WIC, Community Eligibility Program (CEP) and other USDA nutrition assistance programs;
- ii. Congress to redirect USDA to support a school meal program at the federal level that provides flexibility and reduces the federal regulations while encouraging a healthy diet, the use of local foods and local food preparation;
- iii. Free lunches under the School Lunch Program for all elementary and middle school students;
- iv. The Special Milk Program for children;
- v. Congress to strengthen and expand farm-to-school programs by supporting an increase of annual mandatory funding for the USDA Farm

1 to School Grant Program. We support expansion of the USDA Farm to
2 School Grant Program to include preschools, summer food service
3 program sites, and before and after school programs. We encourage farm
4 to school partnership to increase consumption of nutritious and/or
5 traditional foods while also supporting farmers and ranchers;

- 6 vi. Increased emphasis on the use of locally produced foods in all
7 government nutrition programs;
- 8 vii. The removal of soda sales in public schools during lunch hours; and
- 9 viii. The Geographic Preference rules for school meal programs to financially
10 encourage the purchase and use of local farm products, and to allow
11 “locally produced” as a specification in the procurement bidding process.

12 **I. NUTRITION MONITORING** (*ALSO SEE ARTICLE I.D – LABELING OF COMMODITIES AND*
13 *COMMODITY PRODUCTS*)

14 The National Nutrition Monitoring and Related Research Act creates a national
15 system for monitoring the nutritional status of the U.S. population and, for this reason,
16 is of great importance to those concerned with hunger, malnutrition and the broad
17 planning for adequate food and farm policy. We urge continued effort to establish such
18 mandated information collection as a basis for sound national policy.

19 **J. FOOD SAFETY** (*ALSO SEE ARTICLE III.D – HEALTH AND INSPECTION STANDARDS FOR FOOD*
20 *AND FIBER IMPORTS AND ARTICLE I.D – LABELING OF COMMODITIES AND COMMODITY*
21 *PRODUCTS*)

22 **1. REGULATORY AUTHORITY**

23 Current U.S. laws are not sufficient to address the complexities of our modern
24 food supply. The creation of a single food safety agency to regulate the U.S food
25 supply as a whole, including imported and domestic food could help rectify this
26 situation. Therefore, we support:

- 27 i. Greater collaboration between the USDA and FDA;
- 28 ii. Congress providing increased funding for outreach, education, training
29 and compliance for food safety.
- 30 iii. The authority of the regulatory agency to require a recall in the event of
31 an outbreak of unsafe food.

32 **2. FOOD SAFETY STANDARDS**

1 It is imperative that we maintain the high quality of our food supply. This means
2 ensuring high standards for production, processing, and transportation.

3 We support:

- 4 i. Vigorous action by U.S. regulatory agencies to prevent the introduction of
5 bovine spongiform encephalopathy, tuberculosis, foot and mouth, and
6 other communicable diseases into the food system;
- 7 ii. A moratorium on mechanical de-boning until the process can be
8 improved to ensure that no undesired portions of the carcass are present
9 in the final product;
- 10 iii. Opposition to the transportation of food in containers that have carried
11 incompatible substances;
- 12 iv. Protecting our nation's food supply and the rigorous inspection of all
13 imported food, fiber, milk protein concentrate (MPC), animal products
14 and by-products to ensure they meet our nation's sanitary and phyto-
15 sanitary standards including safe pesticide levels. USDA inspection
16 stamps/seals should be placed only on the individual items inspected;
- 17 v. The development of fairly administered Good Agricultural Practices
18 (GAPs) for field-grown vegetable crops which support the biodiversity of
19 farming operations and which do not discriminate against smaller
20 operations. These GAPs should be administered by the USDA, in
21 cooperation with state departments of agriculture. Further, it should be
22 recognized that the most effective method of preventing foodborne
23 illnesses is for rigorous measures instituted at the time that field-grown
24 crops enter processing, packaging and subsequent transportation and
25 storage;
- 26 vi. Permitting states to implement food safety regulations more stringent
27 than comparable federal regulations where states deem consumer health
28 and safety to be at risk or when individual agricultural producers strive
29 to set a higher bar for the safety of food products destined for specialty
30 or export markets;
- 31 vii. National food safety policies that can and should protect consumers
32 without limiting farmers, ranchers or small food processors who sell into

- 1 local and regional markets. Regulations should be size- and risk-
2 appropriate;
- 3 viii. FDA ensuring Food Safety Modernization Act (FSMA) rules are science-
4 based, have size-appropriate regulatory flexibility, and do not conflict
5 with the National Organic Program;
- 6 ix. A continued evaluation of the regulations for the FSMA to rationally
7 address the practice of organic, natural and diversified farm operations
8 vital to the local food movement, to scale requirements and fees with an
9 understanding of the differences between corporate and family
10 agriculture, and remove from the regulations the needless elements that
11 serve the purposes of corporate agriculture at the expense of family
12 farms, sovereign nations, growers of local foods, and consumers; and
13 request that Congress provide appropriate funding to support the
14 implementation of FSMA;
- 15 x. Allowing interstate shipment of state-inspected meat that complies with
16 federal standards and providing assistance to processors who wish to
17 participate in such a program;
- 18 xi. Permitting cross-utilization of meat inspectors and meat graders in all
19 federally and state-inspected meat processing plants which meet federal
20 inspection standards; and
- 21 xii. When tracking foodborne illnesses, the utilization of the epidemiological
22 model as pioneered by the University of Minnesota.

23 **3. INSPECTION OF PERISHABLE COMMODITIES**

24 NFU recognizes the need for integrity and accountability in the federal
25 inspection services. Federal agencies must maintain food inspection credibility
26 without adding to grower or packer costs by implementing the following:

- 27 i. Checks and balances to discover and address infractions that interfere
28 with transaction fairness;
- 29 ii. Stiff penalties on violators;
- 30 iii. Improved supervision and auditing; and
- 31 iv. Identification and prosecution of violators.

32 **4. AGRI-TERRORISM**

1 With increased attention and focus on potential agri-terrorism attacks on our
2 nation's food chain, rural America must be educated, prepared and vigilant of all
3 potential circumstances.

4 We support:

- 5 i. The Department of Homeland Security (DHS) and USDA immediately
6 developing mechanisms to combat agri-terrorism with full funding
7 provided by DHS. Such mechanisms should ensure the safety of the
8 consumer and agricultural industry;
- 9 ii. Increased cooperation between USDA, DHS, Department of Health and
10 Human Services (HHS) and the Federal Emergency Management Agency
11 (FEMA) to establish, expand and continue to determine vulnerabilities
12 within the agricultural and food industries;
- 13 iii. Establishing a USDA public awareness and education campaign for
14 producers;
- 15 iv. Providing federal guidance and funding to states and localities to develop
16 and implement plans for agricultural disease prevention, recovery and
17 response, based upon already established state animal response
18 activities; and
- 19 v. A requirement of representatives of federal, state and county agencies to
20 notify landowners prior to non-emergency access of their private
21 property. Representatives and vehicles used for access should also
22 display appropriate agency signage and identification.

23 **K. FOOD WASTE**

24 We support:

- 25 1. The EPA's food recovery hierarchy to prioritize actions to prevent and divert
26 food waste;
- 27 2. USDA's efforts to continue to measure and document food waste;
- 28 3. USDA's efforts to study techniques for reducing and/or recovering food
29 waste;
- 30 4. Policies that are designed to economically reduce, recover, and recycle food
31 waste;

- 1 5. The establishment of municipal or regional agricultural composting facilities
- 2 in order to provide a final opportunity to utilize food waste according to the
- 3 EPA's food recovery hierarchy eligible for support under USDA's
- 4 conservation programs; and
- 5 6. The Good Samaritan Food Donation Act and gleaning bills that enable
- 6 farmers to donate produce to qualified organizations and to receive a tax
- 7 credit for such donations.

8 **L. WORLD FOOD DAY**

9 NFU urges participation in World Food Day as proclaimed by the United Nations'
10 Food and Agriculture Organization.

11 **M. HOUSING**

12 We support:

- 13 1. Increased support for affordable housing, with allocation of units to rural
- 14 areas in proportion to need;
- 15 2. Development of housing options for senior citizens and disabled veterans to
- 16 allow them to continue living in or near their communities and families;
- 17 3. Acceleration of rural, cooperative, farm-labor housing programs, self-help,
- 18 and building-site programs; and
- 19 4. Expansion, continuation and full federal commitments to Title V housing
- 20 programs administered through the Rural Housing Service (RHS) of USDA.

21 **N. LIABILITY INSURANCE**

22 We urge a study into the rapid escalation of officers' and directors' liability
23 insurance costs, especially as they affect our farm cooperatives and nonprofit
24 businesses.

25 Because of the high costs to taxpayers and the reduced availability of liability
26 insurance, we urge that liability against all local units of government be limited to cases
27 of gross negligence.

28 **O. CONSUMER PROTECTION**

29 As one of the largest consumers of goods and services, farm producers are critically
30 affected by legislation to protect consumers.

31 We support:

1. Vigorous enforcement of consumer protection laws, including Truth-in-Labeling, Truth-in-Lending, and Truth-in-Advertising, and oppose exempting agricultural lending from Truth-in-Lending;
2. Loan institutions carrying insurance to protect the borrower against failures of the lending institutions; and
3. Continued cooperation with other consumers and organizations of consumers to protect our common interests.

P. CAMPAIGN FINANCE AND ELECTIONS

1. CAMPAIGN FINANCE

We support the passage of an amendment to the U.S. Constitution to clarify that the rights protected by the Constitution of the United States are the rights of natural persons only; the spending of money to influence elections is not speech under the First Amendment, therefore contributions and expenditures to political issues and campaigns, including a candidate's own, shall be regulated by local, state, and federal governments and must be fully disclosed.

We support comprehensive campaign finance reform, including:

- i. Public financing;
- ii. Caps on total spending;
- iii. Caps on total contributions;
- iv. Prohibition of unreported soft money;
- v. Full reporting of all types of contributions;
- vi. Eventual elimination of all political action committees;
- vii. Elimination of "527" organizations;
- viii. Legislation overturning the Supreme Court's decision in the Citizens United v. Federal Election Commission case that allows corporations to make unlimited campaign contributions; and
- ix. Full disclosure of contributors to political issues and candidate campaigns

Until the time this is achieved, we support participation in the NFU Political Action Committee (NATFARMPAC) as a means for our voice to be heard.

2. ELECTIONS AND ELECTED OFFICIALS

We support:

- i. The federal government’s assistance to local government units to offset the cost of election voting machines that are mandated by the federal government;
- ii. States adopting standards to avoid uncertainty in voting and counting ballots to provide a paper trail that makes reviews and recounts possible for election security;
- iii. Barring TV and radio news reports of national elections and exit polls until all voting stations are closed in the 48 contiguous states;
- iv. Programs that encourage youth involvement in the voting process;
- v. Legislation that states Congress shall pass no law that applies to a citizen of the United States that it does not apply to itself as an institution or to individual senators or representatives, or vice versa, except as it relates to national security issues and/or their personal security;
- vi. Voting, vote counting, and post-election auditing conducted with electronic tabulation equipment must ensure reported results reflect votes cast, and not be reliant on proprietary software inaccessible to bipartisan election oversight;
- vii. Legislation requiring political campaigns and issue-based interest groups to adhere to the “do not call” list. Furthermore, this provision should roll over into a “do not text” list;
- viii. Broad enforcement of the equal-time rule;
- ix. Full disclosure of all financial tax records of all candidates participating in federal elections;
- x. The designation of a General Election Day as a national holiday to increase access to voting for all citizens;
- xi. The use of ranked choice voting systems for elections;
- xii. A campaign length limit of six months for all political candidates;
- xiii. A requirement that any candidate receiving federal funds must be invited to participate in major debates; and
- xiv. Strong enforcement of the Voting Rights Act.

We oppose:

- i. Term limitations;

- 1 ii. Practices that lower voter participation. We urge candidates who choose
- 2 to use negative campaigning be required to appear in the commercials
- 3 they authorize; and
- 4 iii. A single, nationwide primary day.

5 **Q. U.S. FREEDOMS AND LIBERTIES**

6 Although much has been accomplished to ensure freedom and equal opportunity for
7 all citizens, regardless of race, gender, ethnicity, age, sexual orientation, or religion,
8 much remains to be done.

9 We support:

- 10 1. Efforts to provide equality of rights for all in every aspect of life. These rights
- 11 shall not be denied or abridged by the United States or any state within;
- 12 2. Efforts to remedy historical inequities in access to farm programs and other
- 13 systemic barriers to succeeding in agriculture faced by socially
- 14 disadvantaged groups, especially farmers of color;
- 15 3. Vigorously defending the right of privacy;
- 16 4. Elimination of the abuse of federal agency powers and surveillance of law-
- 17 abiding citizens;
- 18 5. The right of reporters to keep their news sources confidential as inherent in
- 19 the “citizens’ right to know”;
- 20 6. Proper display and respect of the U.S. flag;
- 21 7. The usage of “God” on government buildings, legal documents and legal
- 22 tender and we oppose the removal of existing references;
- 23 8. The men and women of the U.S. armed services for their contributions
- 24 around the world; and
- 25 9. Stronger enforcement of our human trafficking laws, and we urge local
- 26 communities to become educated about this growing epidemic.

27 **R. POSTAL SERVICE**

28 It is the specific intent of Congress that effective postal service be assured to
29 residents of both urban and rural communities. Rural America has the right to expect
30 the U.S. Postal Service to adhere to the policy of the Postal Reorganization Act of 1971.

31 We support:

- 1 1. Raising First Class postage rates consistently and concurrently with bulk
- 2 mailing or Second Class rates;
- 3 2. Congress correcting the difficult situation it has imposed on the U.S. Postal
- 4 Service by requiring excessive advance funding of pension funds;
- 5 3. Re-establishment of the Postal Savings Bank; and
- 6 4. Appointing a blue-ribbon panel to investigate the expansion and creation of
- 7 new services offered by the USPS to facilitate economic growth and
- 8 development in rural and inner-city communities.

9 We oppose:

- 10 1. Closing small post offices solely because they are operating at a deficit;
- 11 2. Changes in postal policy that will result in reduced, less frequent or
- 12 insufficient mail services for rural areas including the elimination or
- 13 reduction in parcel post delivery for rural areas or increased rural postal
- 14 rates; and
- 15 3. Privatization of the U.S. postal system, including the establishment of
- 16 contracted rural routes.

17 **S. RURAL EMERGENCY SERVICES AND MANAGEMENT PLANNING**

18 Agricultural communities face potential threats and emergencies (i.e. medical,

19 biological, natural and environmental disasters); therefore, we support:

- 20 1. The implementation of federal, state, and local emergency management
- 21 plans;
- 22 2. Opportunities for citizens to become informed about and implement
- 23 preventative steps;
- 24 3. The dedicated volunteers who serve as emergency medical technicians,
- 25 firefighters, and law enforcement reserves;
- 26 4. Training schedules that recognize the time commitments of the volunteers;
- 27 5. Current laws that allow pre-hospital providers to perform services under a
- 28 doctor's written or verbal protocol;
- 29 6. Development, preservation, and expansion of the rural 911 emergency
- 30 response systems; and
- 31 7. Prohibiting cuts and the elimination of any useful programs that benefit first
- 32 responders in rural areas.

1 **T. VOTING DISTRICTS**

2 **1. REDISTRICTING**

3 We support:

- 4 i. A nonpartisan redistricting process when voting districts are redrawn;
- 5 ii. The establishment of a nonpartisan redistricting process by states that
- 6 utilizes computer software to generate a redistricting map that does not
- 7 take into account any political information;
- 8 iii. The removal of politics from any redistricting process; and
- 9 iv. Voting districts being drawn according to the following criteria:
- 10 a. Population equality,
- 11 b. Contiguity,
- 12 c. Unity of counties and municipalities, and
- 13 d. Compactness

14 We oppose:

- 15 i. Current legislators drawing district lines; and
- 16 ii. Gerrymandering of voting districts to dilute rural representation or give
- 17 advantage to any particular party.

18 **2. STATE LEGISLATIVE DISTRICTS**

19 We support efforts to allow for the apportionment of one of the two legislative

20 bodies of bicameral state legislatures based upon scientific geographical areas and

21 the other body apportioned based upon population.

22 The U.S. Congress follows this approach to determining the composition of the

23 Senate and the House of Representatives and the same method should be allowed

24 for state legislatures. This method would duplicate the system defined in the U.S.

25 Constitution for the Congress.

26 Since the Supreme Court ruling in Reynolds v. Sims in 1964, state legislatures

27 have been forced to apportion both bodies in a bicameral legislature based solely

28 upon population under the “one person, one vote” theory. This has led to a decline in

29 the ability of citizens in rural areas to be effectively represented in the state

30 legislatures. Declining rural populations have significantly changed the composition

31 of most state legislatures to the detriment of rural citizens, with the interests of

32 citizens in rural areas being underrepresented in the legislative process.

1 **ARTICLE XII – FAMILY FARMERS AND THEIR ORGANIZATION**

2 National Farmers Union should strive to bring a broad understanding of the
3 humanities and sense of place to the public in order to perpetuate the spirit of
4 cooperation, education and community upon which our organization was founded.
5 Realization of democratic aims and ideals requires citizen participation in the processes
6 of government as individuals and as members of people-oriented movements and
7 organizations.

8 NFU serves its members by providing an organizational structure in which they can
9 participate more effectively in the processes of our society. The objectives of the
10 Farmers Union challenge us to make the organization strong and effective. To
11 accomplish these goals, we must:

- 12 1. Require dedicated efforts of officers, leaders, and grassroots members;
- 13 2. Encourage participation of family members in this effort;
- 14 3. Encourage gender balance on all committees, boards and in all offices, from
15 the local to the national level, within our organization;
- 16 4. Encourage qualified individuals, regardless of race, gender, age, ethnicity,
17 sexual orientation, or religion to serve on all committees, boards, and in all
18 offices;
- 19 5. Urge members to become more active in their own organization and local
20 cooperatives, and in state, regional, and national public life. Active
21 participation can best be inspired when attention is paid to:
 - 22 i. The study of issues;
 - 23 ii. Decision-making within the organization;
 - 24 iii. Carrying out group efforts to implement policy;
 - 25 iv. Attracting more members into the organization; and
 - 26 v. Promoting the use of the business services associated with Farmers
27 Union.

28 NFU must take the lead on educating policymakers and the public on the real cost of
29 corporate welfare.

30 NFU should initiate and work with other organizations to educate the public on the
31 important issues of our NFU policy. NFU should allow for each state to continue

1 teaching the history of NFU, their state Farmers Union and agriculture in their
2 respective state.

3 **A. EDUCATIONAL ACTIVITIES**

4 **1. SEMINARS AND WORKSHOPS**

5 Special sessions should be held at all Farmers Union levels on issues that are of
6 special concern at a particular time. Seminars should also be directed to special
7 groups interested in farm cooperatives or particular farm commodities.

8 State organizations are encouraged to include among their educational
9 activities: camps for youth and adults, legislative workshops, leadership training
10 institutes, and other events, especially on timely issues.

11 **2. FARMERS UNION YOUTH PROGRAMS**

12 Its strong national and state youth programs make the Farmers Union unique
13 among farm organizations. The highest priority and support should be given by
14 national and state Farmers Union leadership to the Farmers Union youth programs.
15 Farmers Union youth must be prepared to assume eventual leadership of our
16 organization through the following methods:

- 17 i. Greater encouragement for Farmers Union youth to attain positions of
18 responsibility within the organization;
- 19 ii. Special emphasis given to ongoing study programs, camps, All-States
20 Camps and seminars;
- 21 iii. Increased involvement of youth in the organization's decision-making
22 process, group action and conventions;
- 23 iv. Frequently updated Farmers Union educational materials and texts for
24 youth leaders;
- 25 v. Recognition of state and national youth leaders who have given of
26 themselves in building the organization's youth programs as well as the
27 youth that are involved in the organization's youth programs;
- 28 vi. Action from state organizations to encourage young people to remain
29 active in Farmers Union as they become adults; and
- 30 vii. Formation of a collegiate Farmers Union chapter in each member state,
31 and holding a national collegiate conference no less than once annually.

1 We support more activities for young adults to inform them on
2 involvements in Farmers Union.

3 **3. FARMERS UNION YOUNG FARMER PROGRAM**

4 Through its education program, the national organization, in conjunction with
5 state Farmers Unions, should continue to develop its beginning farmer leadership
6 programs upon the principles of cooperation, education and legislation to assist
7 those interested in family agriculture and to develop community.

8 **4. ALL-STATES CAMP**

9 It is imperative that we maintain a robust youth camp program. All-States must
10 build on the important work of individual state camps, while also serving as an
11 opportunity for states without formal camp programs. All-States Camp is not only a
12 highlight of our youth program, but also represents the time that young adults have
13 become true participants in NFU. We urge that every effort be made to continue this
14 opportunity.

15 **5. FARMERS UNION EDUCATION CENTER**

16 It is a priority of the members that the ownership of the Education Center in
17 Bailey, Colorado is retained and we encourage upgrading the facility. In the event of
18 a sale, preference shall be given to:

- 19 1) Education Focused Groups
20 2) Farmers Union Organizations
21 3) Affiliated Organizations
22 4) Charitable Groups

23 Any monies from the sale shall be held in trust to continue the purpose of the
24 education center, proceeds to be used for education programs at NFU and state
25 associations.

26 **B. COMMUNICATIONS**

27 Communications within the organization, and with the media and public, are vital to
28 promote and support Farmers Union activities and to call attention to the organization's
29 goals. We encourage members and others to utilize all NFU communications tools.

30 **C. FARMERS UNION LEGISLATIVE BUDGET FUND**

31 The NFU Legislative Budget Fund is an important source of support for the overall
32 legislative staff effort. Individual Farmers Union members, local and county units,

1 affiliated cooperatives and other interested groups should give increasing support to
2 this cause.

3 **D. POLITICAL EFFECTIVENESS**

4 Political education should be continuous.

5 Discussions of relevant political issues should be carried on throughout the
6 organization with maximum opportunities for members to participate in efforts to
7 influence political decisions.

8 The financial aspects of political action should not be ignored. Members should
9 consider being more supportive of NATFARMPAC. Additionally, as a collective effort, we
10 encourage state organizations to help collect a dollar per member per year. Candidates
11 should be given support if, in the judgment of members, they regard Farmers Union
12 recommendations favorable.

13 Members have a right to know the voting records of members of state legislatures
14 and Congress on issues which Farmers Union has clearly indicated a position, and,
15 therefore, the national organization and state Farmers Unions should continue to
16 supply such information to their members.

17 In view of the steady decline in rural populations and of those directly involved in
18 agriculture, it has become even more important for our national and state organizations
19 to build alliances with consumer groups, other agricultural organizations, urban
20 legislators, non-farmer rural residents and leaders so as to leverage our political
21 effectiveness.

22 **E. MEMBERSHIP EXPANSION**

23 Growing our organization should be our number one priority. The best hope for
24 family agriculture is for producers to join together to build the Farmers Union.

25 We encourage the expansion of our organization and affiliate memberships for like-
26 minded organizations and ventures. *(Additional information can be found at*
27 www.nfu.org*)*

28 We encourage individual state organizations to make membership growth a
29 priority. Each state should establish a specific membership plan of action. Farmers
30 Union members should be encouraged to sign up new members. A special emphasis
31 should be made to ensure that all cooperative patrons and board members are
32 members of Farmers Union.

1 We are encouraged by the efforts of national and state Farmers Union organizations
2 in development of new programs and services. Special emphasis should be made to
3 ensure that participants in these programs and services are members in their respective
4 state Farmers Union organization.

5 **F. MEMBERSHIP BUDGET INFORMATION**

6 For information on the Farmers Union budget, members are encouraged to contact
7 their state president. A complete comparative written financial report shall be given to
8 delegates at the start of the NFU Convention.

9 **G. FARMERS UNION RELATED SERVICES**

10 Farmers Union business services, whether in marketing or providing inputs and
11 services, are important to the members and the organization. Cooperatives which work
12 with the Farmers Union in its program for agriculture deserve the loyalty of the
13 members in the areas served.

14 Expansion and improvement of the NFU insurances and business services will be
15 important to agriculture in the time ahead. Therefore, close working relationships are
16 essential.

17 The affiliation of Farmers Union cooperatives and insurances to the Farmers
18 Educational and Cooperative Union of America is paramount to any other affiliations
19 because such activities have been built by Farmers Union members as components of an
20 organization of, by, and for rural families.

21 **H. COOPERATION WITH RELIGIOUS ORGANIZATIONS**

22 NFU has a long history of cooperation with religious organizations on many issues
23 of common concern.

24 We believe our nation is strong because its many diverse religious bodies bring their
25 moral viewpoints to bear on public policy. We pledge our continuing cooperation to this
26 common purpose.

27 **I. COOPERATION WITH OTHER ORGANIZATIONS**

28 NFU should continue to seek and explore opportunities to work with other
29 organizations at the local, state and national levels to advance the economic situation of
30 family-scale operators.

31 We have worked aggressively to further build alliances and coalitions with diverse
32 interests including commodity, rural interest, consumer, labor, minority,

1 environmental, conservation, sustainable agriculture, health and nutrition, energy and
2 other groups not typically involved in the nation's farm policy debate.

3 The information shared in those coalitions and alliances has shown that we often
4 have much more in common with those primarily concerned with consumer,
5 environmental and social matters than we have differences.

6 It is in the best interest of family farmers that NFU continues this practice of seeking
7 allies among those who may not be directly associated with agriculture.

8 We support the development of both state and national contract grower
9 associations to improve the welfare of contract growers. Benefits will be realized as a
10 result of this mutually supportive relationship, including the establishment of a far-
11 reaching precedent likely to impact future contract production of poultry, hogs, cattle
12 and other commodities.

Glossary

1031 exchange – also known as a Starker exchange or a tax-deferred exchange; permits investment property owners to sell a property and defer tax payments by reinvesting the proceeds into a “like-kind” investment property or properties. A 1031 exchange is enabled by Section 1031 in the Internal Revenue Code

527 organization – tax-exempt organizations primarily utilized to influence political elections. The structure of a 527 allows unlimited financial contributions and are typically not regulated by the Federal Election Commission or state elections commissions

AFO – animal feeding operation; agricultural enterprise where animals are kept and raised in a confined situation. An AFO congregates animals, feed, manure and urine, dead animals, and production operations on a small land area

Aggie Bonds – state agriculture loan program based on the use of tax-exempt bonds to assist beginning farmers and first-time farmers

AgJOBS – legislation aimed at reforming labor and immigration laws specifically for agriculture

AGR/AGR-Lite – whole-farm crop insurance that provides producers with protection against low revenue from natural causes and market fluctuations; covers income from agricultural commodities, as well as income from animals, animal products and aquaculture species reared in a controlled environment

AgrAbility – a program to enhance quality of life for farmers, ranchers, and other agricultural workers with disabilities. See: <http://www.agrability.org/about/program/>

Agricultural Conservation Easement Program (ACEP) – Administered by NRCS, it provides financial and technical assistance to help conserve agricultural lands and wetlands and their related benefits

American Society for Testing and Materials (ASTM) - An international standards organization that develops and publishes voluntary consensus technical standards for a wide range of materials, products, systems, and services

AMS – Agricultural Marketing Service of the U.S. Department of Agriculture; administers programs that facilitate the efficient, fair marketing of U.S. agricultural products, including food, fiber and specialty crops

APHIS – Animal and Plant Health Inspection Service of the U.S. Department of Agriculture; a multi-faceted Agency with a broad mission area that includes protecting and promoting U.S. agricultural health, regulating genetically engineered organisms, administering the Animal Welfare Act and carrying out wildlife damage management activities

Base – labor that provides significant support, including material day-to-day operational support, for a family farm, business, etc.

Basis – in commodities, the difference between a local cash price and the relevant futures contract price for a specific time period

BFP – basic formula price

Big Open – also referred to as the “buffalo commons,” and another term for the Great Plains. It is sometimes used in reference to proposed schemes, originally floated in the 1980s, in which ranches would be phased out of the Great Plains in favor of wildlife and tourism.

Biobased Markets Program – Authorized in the 2002 Farm Bill and expanded in the 2008 Farm Bill, it establishes a process for determining eligibility criteria for federal purchase of biobased products

Biodiesel (ASTM D6751) – the American Society for Testing and Materials (ASTM)-approved standard for biodiesel, which covers blends between 5 and 20 percent biodiesel by volume blended with petroleum diesel fuel; also known as B100

Brucellosis – livestock disease, which causes cows to abort calves

BSE – bovine spongiform encephalopathy; a progressive neurological disorder of cattle that results from infection by an unusual transmissible agent called a prion

Byrd Amendment – legislation that provides for the annual distribution of antidumping (AD) and countervailing duties (CVD). The distribution is available to “affected domestic producers for qualifying expenditures.” An “affected domestic producer” is defined as a manufacturer, producer, farmer, rancher, or worker representative (including associations of such persons) that 1) was a petitioner or interested party in support of a petition with respect to which an AD or CVD order was in effect and 2) remains in operation. It was repealed in 2005

CAFO – concentrated (confined) animal feeding operation; an AFO that meets one of the EPA’s regulatory definitions of large CAFOs, medium CAFOs, and small CAFOs

Cap and trade – a regulatory program that sets a cap level of permissible emissions and allows firms to buy credits if they exceed the limit and sell credits if they are under the limit

Capper-Volstead Act – the 1922 law, which allows producers to organize into cooperatives without violating antitrust laws

Carbon sequestration – the storage of carbon from the atmosphere in soil organic matter through agricultural practices. The producer/landowner is paid an amount of money for implementing this practice

Casein/caseinates – milk protein that is manufactured from skim milk and used in processed foods and in industrial products

CBO – Congressional Budget Office; produces independent analyses of budgetary and economic issues to support the Congressional budget process

CBOT – Chicago Board of Trade

CCC – Commodity Credit Corporation of the U.S. Department of Agriculture; government-owned and operated entity that was created to stabilize, support, and protect farm income and prices; also helps maintain balanced and adequate supplies of agricultural commodities and aids in their orderly distribution

Certificate of Transportation (COT) – a futures contract issued by railroads to grain customers as a guarantee to present empty covered hoppers for loading at a specific location with an option to lock in price

CFTC – Commodity Futures Trading Commission, which has regulatory oversight of U.S. futures trading

CHS – the forerunner of CHS Inc., Cenex Harvest States was formed in 1998 by a merger between two regional cooperatives, Centx Inc. and Harvest States Cooperative. Cenex Harvest States Cooperatives changed its legal name to CHS Inc. effective August 5, 2003

Circle of Poison – the circle created by chemicals produced in the United States, banned for use here, exported to other countries, and then returned as residue on imported food

Codex Alimentarius – a commission created in 1963 by FAO and WHO to develop food standards, guidelines and related texts such as codes of practice under the Joint FAO/WHO Food Standards Programme

Community-supported agriculture (CSA) – a farm in which members or “shareholders” of the farm or garden pledge in advance to cover the anticipated costs of the farm operation and farmer’s salary and receive shares in the form of food in return

Comprehensive Land Policy – a land policy that includes and considers all elements or aspects of land use and conservation methods, and which considers valid methods which can be observed, measured and evaluated in an objective manner

Contract grower – a person who will grow or raise a commodity owned by a processor or meatpacker. The grower provides the labor and facility; other production inputs including feed, medicine and the animals are provided by the integrator/processor/meatpacker

Cooperative development centers – regional centers set up to further the cooperative movement

Countervailing duties (CVD) – specific duties imposed on imports to offset the benefits of subsidies to producers or exporters in the exporting country. The executive branch of the U.S. government has been legally empowered since the 1890s to impose countervailing duties in amounts equal to any “bounties” or “grants” reflected in products imported into the United States

CRP – USDA’s Conservation Reserve Program, administered by the FSA; the long-term goal of the program is to re-establish valuable land cover to help improve water quality, prevent soil erosion, and reduce loss of wildlife habitat

CSP – USDA’s Conservation Stewardship Program; helps agricultural producers maintain and improve their existing conservation systems and adopt additional conservation activities to address priority resources concerns

CSREES – Cooperative State Research, Education, and Extension Service

Dark market – secretive, unregulated (though often technically legal) trading in commodity futures

Decoupling – the removal of the link between the receipt of a direct payment and the production of a specific product

DFO – direct farm ownership loans administered by FSA. Loans can be used to purchase farmland, construct or repair buildings and other fixtures, and promote soil and water conservation

E15 – gasoline blend consisting of 15 percent ethanol, approved for use in 2001 model year and newer vehicles

E85 filling station – a station capable of handling up to an 85 percent ethanol blend

EPA – U.S. Environmental Protection Agency

EQIP – USDA’s Environmental Quality Incentive Program; voluntary program that provides financial and technical assistance to agricultural producers through contracts up to a maximum term of ten years in length, that help plan and implement conservation practices

ESA – Endangered Species Act; administered by the U.S. Fish and Wildlife Service and the Commerce Department’s National Marine Fisheries Service, with the purpose of protecting and recovering imperiled species and the ecosystems upon which they depend

ETBE – ethyl tertiary butyl ether, renewable gasoline oxygenate which uses ethanol as a feedstock

Fairness Doctrine – a tenet of licensed broadcasting that ensures a reasonable opportunity for the airing of conflicting viewpoints on controversial issues

Farmer Mac – Federal Agricultural Mortgage Corporation; government-sponsored enterprise with the mission of providing a secondary market for agricultural real estate mortgage loans, rural housing mortgage loans, and rural utility cooperative loans

Farmers market – a public, recurring assembly of farmers or their representatives selling local agricultural products that they have grown, raised or produced, directly to the consumer. Such markets may include other products, which reasonably serve the public or enhance the market’s diversity

FAS – Foreign Agricultural Service of the U.S. Department of Agriculture; links U.S. agriculture to the world to enhance export opportunities and global food security

FCIC – Federal Crop Insurance Corporation – this has been reorganized to become the Risk Management Agency (RMA) of the U.S. Department of Agriculture

FDIC – Federal Deposit Insurance Corporation; independent agency created by Congress to maintain stability and public confidence in the nation’s financial system

Fed – Federal Reserve Board

FIFRA – Federal Insecticide, Fungicide and Rodenticide Act, which provides for federal regulation of pesticide distribution, sale, and use

Finfish – a true fish, distinguished from shellfish

Fishers – a person who catches fish for a living or for sport

Flex pump – a filling station fuel pump that allows consumers to select the desired blend of gasoline and ethanol (also known as a blender pump)

Flex-fuel vehicles – vehicles which contain engines that are capable of running on either gasoline or fuel blends containing mostly ethanol like the E85 blend

Fluoroquinolones – a class of antimicrobials that kill bacteria or prevent their growth

Food hub – a centrally located facility with a business management structure facilitating the aggregation, storage, processing, distribution, and/or marketing of locally/regionally produced food products

Food waste (also known as food loss) – the edible amount of food, post-harvest that is available for human consumption but is not consumed

FSA – Farm Service Agency of the U.S. Department of Agriculture

GAO –General Accounting Office

Gender – the socially constructed roles, behaviors, activities, and attributes that a given society considers appropriate for men and women

Generalized System of Preferences (GSP) – a program designed to promote economic growth in the developing world by providing preferential duty-free entry for about 4,800 products from 131 designated beneficiary countries and territories

Genetically modified organism (GMO) – an organism whose genetic material has been altered using genetic engineering techniques

Ghost crop – A second or late season planting that does not interfere with an insurance claim

GIPSA – Grain Inspection, Packers and Stockyards Administration of the U.S. Department of Agriculture

Glass-Steagall Act – a law passed by Congress in 1933, which prohibited commercial banks from engaging in the investment business. The law was repealed by the Gramm-Leach-Bliley Act of 1999

Global climate change, aka global warming – changes to the earth's climate that are caused by human activity

Green Thumb – a training and employment program established in 1965 by NFU for the purpose of providing jobs for low-income people who were age 55 or older and

wanted to work; the program is authorized in the Older Americans Act and funded through the Department of Labor. Now known as Experience Works

Grass Bank – A section of rangeland that is set aside for the use of grazing services by a permitted user. A grass bank can act as an exchange between public or private entities and a family farmer/rancher for the commitment of the institution of conservation practices on the permittees private land, the creation of land access for beginning and under-served farmer/ranchers, or as an additional community forage source during times of drought

GRP – USDA’s Grasslands Reserve Program; voluntary conservation program that emphasized support for working grazing operations, enhancement of plant and animal biodiversity, and protection of grassland under threat of conversion to other uses

GSM-102 – short-term export credit guarantees. This commercial loan program, administered through the USDA’s Commodity Credit Corporation, leverages financing from the private sector to support and encourage U.S. agricultural exports to foreign markets. On average, CCC’s credit guarantee covers 95 percent of the combined principle and interest in GSM-102 transactions

GSM-103 – intermediate-term (3-10 year) export credit guarantees

Hatch Act – limits certain political activities of most executive branch employees

Hazard Analysis Critical Control Point (HACCP) - A management system in which food safety is addressed through the analysis and control of biological, chemical, and physical hazards from raw material production, procurement and handling, to manufacturing, distribution and consumption of the finished product.

Humphrey-Hawkins Full Employment Act – an act of legislation that explicitly instructs the nation to strive toward four ultimate goals: full employment, growth in production, price stability, and balance of trade and budget, by setting requirements and goals for the federal government to attain

Hydraulic fracturing – the process by which a specially blended liquid is pumped down a well into a formation under pressure high enough to cause the formation to crack open, forming passages through which oil can flow into the well bore

Integrator – a processor or meatpacker that provides animals, feed, medicine and other production inputs to an individual as outlined in a production contract

Ionophore – feed additive that enhances feed efficiency in cattle by altering ruminal fermentation

IRA – Individual Retirement Account

ITC – Investment Tax Credit (not to be confused with the USITC, the U.S. International Trade Commission)

Johne's Disease – chronic disease affecting domestic animals, especially cattle and sheep, caused by bacterium

Jones Act – legislation that regulates maritime commerce between U.S. cities; requires that goods and passengers transported by water between U.S. ports be done in U.S.-made ships, owned by U.S. citizens and crewed by U.S. citizens

Keogh Doctrine – also known as the Filed Rate Doctrine; precludes an award of damages under the antitrust laws when a plaintiff seeks a recovery measured by payments made according to rates approved by a regulatory agency

Land operator – person who runs the farm, making day-to-day management decisions. The operator could be an owner, hired manager, cash tenant, share tenant and/or a partner

Large-scale family farm – defined by the USDA as annual gross cash farm income of \$1 million

Leach mining – the recovery, by chemical leaching, of the valuable components of an orebody without physical extraction of the ore from the ground

Livestock – in this policy document, the term includes cattle, swine, sheep, poultry, goats, horses, buffalo and farmed cervidae (deer family) that are produced for food, fiber or feed

Livestock Compensation Program – A suite of USDA programs that include: the Livestock Indemnity Program (LIP), the Livestock Forage Disaster Program (LFP), the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) and the Tree Assistance Program (TAP)

Make allowance – a factor used in a formula for determining the price of milk. In the formula, an allowance is given for what it costs to turn raw milk into cheese and nonfat dry milk

Margin Protection Program – an insurance program run by the U.S. Department of Agriculture to protect dairy producers during times of low margins

McGovern-Dole International Food for Education and Child Nutrition Program – a global school feeding program that promotes education, child development, and food security for some of the world’s poorest children, through donations of agricultural commodities and financial and technical assistance for school feeding and maternal and child nutrition projects in low-income countries

MPC – milk protein concentrate

NAFTA – North American Free Trade Agreement, an international trade agreement linking Mexico, the United States, and Canada; enacted in November of 1993

NASS – National Agricultural Statistics Service of the U.S. Department of Agriculture

NATFARMPAC – the National Farmers Union Political Action Committee

National Grazing Lands Coalition (NatGLC) - Formerly the Grazing Lands Conservation Initiative or GLCI, the National Grazing Lands Coalition was founded to provide technical assistance on privately owned grazing lands on a voluntary basis and to increase the awareness of the importance of grazing land resources.

National Rural Utilities Cooperative Finance Corporation – a member-owned, nonprofit cooperative and the premier lender for electric cooperatives, including Rural Utilities Service (RUS) borrowers and non-RUS borrowers

National Sustainable Agriculture Information Service – the National Sustainable Agriculture Information Service, formerly known as Appropriate Technology Transfer to Rural Areas (ATTRA), provides sustainable agriculture information to those engaged in or serving commercial agriculture

Neonicotinoids – a class of insecticides with a common mode of action that affects the central nervous system of insects, causing paralysis and death

NEPA – National Environmental Policy Act, which requires federal agencies to integrate environmental values into their decision-making processes by considering the environmental impacts of their proposed actions and reasonable alternatives to those actions

Net neutrality – a principle that states internet service providers may not discriminate between different kinds of content and applications online. It guarantees a level playing field for all websites and internet technologies

NIFA – National Institute of Food and Agriculture, formerly the Cooperative State Research, Education and Extension Service (CSREES); provides leadership and funding for programs that advance agriculture-related sciences

Nonrecourse loan – a commodity loan that gives the borrower the options of repaying the loan in cash or forfeiting the commodity (collateral) to the lender who accepts said collateral to satisfy payment of the loan, without recourse against the borrower

NPDES – National Pollutant Discharge Elimination System permit program authorized by the Clean Water Act to control water pollution by regulating point sources that discharge pollutants into waters of the United States

NRCS – Natural Resources Conservation Service of the U.S. Department of Agriculture; provides America’s farmers and ranchers with financial and technical assistance to voluntarily make conservation improvements

OMB – Office of Management and Budget; oversees the performance of federal agencies, and administers the federal budget

Organic – the use of organic claims shall be defined by USDA under the Organic Foods Production Act and the National Organic Program (NOP)

Packer Consent Decree of 1921 – an agreement struck between packers and the attorney general’s office that allowed the packers to avoid antitrust prosecution in exchange for agreeing to: 1) sell holdings in stockyards, railroads, market newspapers and public warehouse, 2) abandon all retail meat business, 3) abandon control of transportation facilities, and 4) dissolve any conspiracies with other packers

Parity index – originally, the price per bushel, pound or bale that would be necessary for a bushel today to buy the same quantity of goods (from a standard list) that a bushel would have bought in the 1910-14 base period at the price then prevailing. In 1948, the parity price formula was revised to make parity prices dependent on the relationship of farm and nonfarm prices during the most recent 10-year period for non-basic commodities. Basic commodities, including wheat, corn, rice, peanuts, and cotton, use the higher of the historical formula or the new formula (referred to by USDA as the “prices paid index.” See:

https://www.nass.usda.gov/Surveys/Guide_to_NASS_Surveys/Prices/Chapter%20Four%20Parity%20and%20Feed%20Price%20Ratios%20v10.pdf

Particulate matter – solid or liquid particles less than 10 microns in diameter suspended in the air

Pesticide – a chemical that is used to kill or control animals, insects, plants, or other organisms. The purpose of a pesticide is to reduce or eliminate damage to crops or livestock. Includes insecticides, herbicides, miticides, rodenticides, fungicides, etc.

Pharma crops – crops grown specifically for use in pharmaceuticals such as vaccines and medicine

PL-480 – law that authorizes the United States to provide food aid to needy in other countries

Poultry – any domesticated bird being processed for human consumption, according to the Poultry Products Inspection Act of 1957

Pugh clause – a clause added to an oil lease to limit holding non-producing lands or depths beyond the primary term of the lease

Pulse crop – legumes that are harvested exclusively for dry grain such as peas, lentils, beans, and chickpeas

Raw – any food in its natural state

RBS – Rural Business Cooperative Service of the U.S. Department of Agriculture

rBST – Recombinant bovine somatotropin, a synthetic hormone injected in dairy cows to increase milk production

REAL® Seal – The Seal is a federal registered trademark, depicted as a white drop of milk with a red border and the word “Real” inside. It was originally developed in 1976 by the California dairy industry, with the goal of combatting the use of imitation cheese on pizzas. To use the Seal, companies must register their products annually. A product cannot carry the Seal if it fails to meet required standards or if it contains dairy products imported from other countries. In March of 2012, the Seal was licensed to the National Milk Producers Federal (NMPF). See: <http://www.realseal.com/real-brief-history>

REC – rural electric cooperative

Recourse loan – a commodity loan that must be repaid in cash, plus interest

Retail wheeling – allowing utilities to abandon current service territories and sell power in an open market to the highest bidder

RMA – Risk Management Agency of the U.S. Department of Agriculture

Rochdale Principles – a set of guidelines for cooperatives, established by a group of artisans in Rochdale, England, who formed the first modern cooperative business in 1844. These principles are known today as: 1) voluntary and open membership; 2) democratic member control; 3) member economic participation; 4) autonomy and independence; 5) education, training and information; 6) cooperation among cooperatives; and 7) concern for community

RPS – Renewable Portfolio Standard, a policy that requires retail energy suppliers to provide energy from renewable sources as part of their electricity portfolio

RUS – Rural Utilities Service of the U.S. Department of Agriculture; administers programs that provide much-needed infrastructure or infrastructure improvements to rural communities

SBA – Small Business Administration; delivers loans, loan guarantees, contracts, counseling sessions and other forms of assistance to small businesses

Section 22 – a section of the Agricultural Adjustment Act of 1933 (P.L. 73-10) that authorizes the president to restrict imports by imposing quotas or fees on imports that interfere with federal price support programs or substantially reduce U.S. production of agricultural products

Sexual orientation – a person's sexual identity in relation to the gender to which they are attracted

Slotting fee – a fee charged to companies or manufacturers by retailers in order to have their products placed on shelves

Small family farm – defined by USDA's Economic Research Service as annual sales of less than \$250,000

Small wind – a residential wind turbine system, installed on top of a tall tower with 100kW capacity or less, which collects kinetic energy from the wind and converts it to electricity that is compatible with a home's electrical system. Extra power generated is typically sold to local utility

Smith-Lever Act – established a national Cooperative Extension Service that extended outreach programs through land-grant universities to educate rural Americans about advances in agricultural practices and technology

Special Supplemental Nutrition Program for Women, Infants and Children (WIC) – a federally funded health and nutrition program that helps families by providing checks

for buying healthy supplemental foods from WIC-authorized vendors, nutrition education, and help finding health care and other community services

Staggers Act – law that significantly deregulated the rail industry, passed in 1980

Star School/Medical Link – telecommunications used to link research hospitals to community hospitals

Supplemental Nutrition Assistance Program (SNAP) – formerly known as food stamps; a federal aid program administered by the USDA that provides financial assistance for purchasing food to low- and no-income people living in the United States

Surface Transportation Board – a bipartisan, decisionally-independent adjudicatory body organizationally housed within the U.S. Department of Transportation. The Board provides a forum for the resolution of surface-transportation disputes and other matters within its jurisdiction. It has the authority to limit or remove regulatory requirements where appropriate

Sustainable –an integrated system of plant and animal production practices having a site-specific application that will, over the long term:

- Satisfy human food and fiber needs;
- Enhance environmental quality and the natural resource base upon which the agricultural economy depends;
- Make the most efficient use of nonrenewable resources and on-farm resources and integrate, where appropriate, natural biological cycles and controls;
- Sustain the economic viability of farm operations; and
- Enhance the quality of life for farmers and society as a whole.

Thorium – a naturally occurring, slightly radioactive metal found in most rocks and soils

T-levels – a measure of the amount of soil loss that can occur each year (in tons of soil per acre per year) and still allow production to continue at current levels

TMDL – total maximum daily load is a calculation of the maximum amount of a pollutant that a body of water can receive and still meet water quality standards. Commonly referred to as a “pollution diet”

U.S. Warehouse Act – authorizes the secretary of agriculture to license warehouse operators who store agricultural products and meet specific standards

UF – ultra-filtered (milk products)

Unmanned aerial vehicle – an aircraft without a human pilot aboard, commonly known as a drone

USTR – U.S. Trade Representative; responsible for developing and coordinating U.S. international trade, commodity, and direct investment policy, and overseeing negotiations with other countries

VAT – value-added tax

Vermiculture – the raising and production of earthworms and worm castings

Water spreading – the practice of using allocated water on undesignated acres

WFO – World Farmers Organization, of which NFU is a member

WHIP – USDA's Wildlife Habitat Incentives Program

World Food Summit – U.N. meeting where heads of state committed to reducing hunger

WRP – USDA's Wetlands Reserve Program; voluntary program that offered landowners the opportunity to protect, restore, and enhance wetlands on their property

WTO – World Trade Organization, a body created in the last major trade agreement that handles disputes between signatory nations to the Uruguay Round of the General Agreement on Tariffs and Trade

WTO boxes – used to categorize programs based on their impact on trade. Amber box programs are considered to be the most trade distorting. Blue box programs are less trade distorting, and green box programs have no significant impact on trade

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