

Policy of the National Farmers Union
Enacted by delegates to the 116th anniversary convention
Kansas City, MO
March 3-6, 2018

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
27 ground, drop of water, animal, plant or any of the multitude of resources entrusted to
28 our care. We are also very cognizant of the need to extend beyond our fence rows and
29 townships 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 future control and ownership of agriculture is a fundamental issue facing our
10 nation 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-sized
13 commercial farms must be reversed. The family farm system of agricultural production
14 is truly sustainable. Sustainable agriculture integrates three main goals – environmental
15 health, economic profitability and viability, and social economic equity. We believe
16 farmers engaged in sustainable agriculture set out to protect the environment, improve
17 their quality of life, and enhance the communities in which they live. Programs that
18 encourage sustainable agriculture through diversified production, improved marketing
19 strategies, and enhanced value-added opportunities can be key to reversing this trend.
20 Another important aspect of reversing the decline of these farms is to encourage new
21 farmers to enter the agriculture industry. Farms and consumers need stability and
22 fairness in a farm program. Farmers, rural communities, and consumers are at the
23 mercy of a marketplace that is increasingly dominated by vertically integrated,
24 multinational grain and food conglomerates.

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

27 We commit ourselves to being good stewards of the land and resources by working
28 toward innovative approaches that move beyond the parameters of past farm programs
29 and seek to bridge philosophical differences within the agricultural community and our
30 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 fewer and fewer larger-than-
10 family-sized corporate farm units.

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

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

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

23 Directed benefit provisions should include:

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

28 We support future farm policy which recognizes our geographical differences
29 and 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 extend the loan period from nine
6 months to 18 months. A producer should have the option to forfeit after
7 nine months;
- 8 iii. Improve and expand risk management tools (*see Article I.G.2 - Crop*
9 *Insurance*);
- 10 iv. 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 v. 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 vi. Urge USDA to expand the reporting timeline for LIP;
- 17 vii. Establish a regionalized cost of production floor under dairy prices;
- 18 viii. Establish a farmer-owned Strategic National Food, Feed and Biofuels
19 Feedstock Reserve;
- 20 ix. Expand the Bill Emerson Humanitarian Trust;
- 21 x. Implement an effective inventory management program for all farm
22 commodities;
- 23 xi. Support the Farm Storage Facility Loan Program;
- 24 xii. Continue and support an effective Conservation Reserve Program (CRP);
25 and
- 26 xiii. Limit the authority of the secretary of agriculture to take discretionary
27 actions that would result in lower farm income.

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

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

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

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

12 **5. LOCAL FOOD & FOOD SYSTEMS**

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

20 The local food movement has many benefits including:

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

- 1 ix. Allowing for more profitable and sustainable methods of agriculture to
2 be employed.

3 We support:

- 4 i. USDA's promotion of buying local and regional agricultural products, as a
5 means to provide new and larger markets for smaller specialty crop
6 farmers. Local will be defined by the consumer to be the immediate area,
7 state, or region, but must be U.S.-produced;
8 ii. Promotion of farm-to-school and farm-to-institution programs;
9 iii. Promotion of farmers markets and community-supported agriculture
10 (CSA);
11 iv. Regional food hub distribution centers;
12 v. The purchase of surplus fruits and vegetables for federal food aid
13 programs;
14 vi. Removal of barriers and incentives so that farmers markets and farm
15 stands can redeem federal, state and local nutrition benefits;
16 vii. Geographically disadvantaged provisions for U.S. areas not included in
17 main farm programs;
18 viii. Local seed producers who produce regionally adapted seed; and
19 ix. Improved access to reasonably priced liability insurance for small local-
20 market and direct-marketing producers.

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

23 We recognize that the average age of a U.S. farmer continues to increase and a
24 majority of the nation's farmland will change hands in the coming years due to the
25 aging farmer population. The ability of the next generation of family farmers to
26 continue to produce food and fiber is critical to the economy, health, and security of
27 our nation and local communities. In order to address this critical concern, the
28 necessary programs must be in place and funded in order to meet the unique needs
29 and barriers facing beginning farmers and ranchers, with special emphasis on
30 returning military veterans, and ensure that they can enter and sustain farming or
31 ranching as a viable livelihood.

32 We support:

- 1 i. The Beginning Farmer and Rancher Individual Development Accounts
2 program;
- 3 ii. The loan category within Farm Service Agency that directs operating
4 loans to provide flexible capital through operating microloans for
5 beginning farmers and ranchers;
- 6 iii. Maintaining the loan set-aside within the direct and guaranteed FSA loan
7 program for beginning farmers and ranchers while reducing the farm
8 management experience requirement from 3 years to 2 years;
- 9 iv. Increasing the down payment loan program limit;
- 10 v. Incentives and/or tax credits to landowners to lease or sell to beginning
11 farmers or ranchers (*also see Article VI.C - Land Transfer*);
- 12 vi. Cost-share differentials and funding set-asides for beginning farmers and
13 ranchers in the Environmental Quality Incentives Program (EQIP),
14 Conservation Stewardship Program (CSP), and other programs;
- 15 vii. Including a priority for projects benefiting beginning farmers and
16 ranchers within Value-Added Grant Program and fostering new
17 entrepreneurial opportunities for beginning farmers and ranchers within
18 the Rural Development grants and loans programs;
- 19 viii. Continuation and funding programs that provide education and training
20 to beginning farmers and ranchers, including for agricultural
21 rehabilitation and vocational training programs for military veterans;
- 22 ix. The Risk Management Agency (RMA) ensuring fair access to crop and
23 revenue insurance by beginning farmers and ranchers including an
24 additional crop insurance subsidy;
- 25 x. NIFA supporting research, education, and extension on issues related to
26 beginning farmers and ranchers, farm transition, and farm entry;
- 27 xi. The reauthorization and full funding of programs previously
28 administered by the National Sustainable Agriculture Information
29 Service to serve as a resource for beginning farmers and ranchers;
- 30 xii. The establishment of a funding priority for the federal Farm and Ranch
31 Land Protection Program for easements conserving farmland for which
32 there is a generational farm transfer plan, easements which include the

1 use of an Option to Purchase at Agricultural Value or easements which
2 occur in conjunction with the transfer of the conserved land to a
3 beginning farmer; and

- 4 xiii. Funding for beginning farmers and ranchers training and education
5 access programs.

6 **7. URBAN FARMING**

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

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

13 **1. DAIRY POLICY**

14 **i. Domestic Dairy Policy**

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

17 It should:

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

- 1 i. Utilize the Commodity Credit Corporation (CCC) to mitigate low
- 2 prices;
- 3 j. Provide transparency in milk price reporting;
- 4 k. Require mandatory participation of processors in an audited National
- 5 Agricultural Statistics Service (NASS) survey;
- 6 l. Require mandatory participation of processors in an audited cold-
- 7 storage report;
- 8 m. Include development of a transparent pricing mechanism to replace
- 9 the inadequate Chicago Mercantile Exchange (CME) pricing system;
- 10 n. Require USDA and CME to standardize labeling and packaging of
- 11 surplus dairy products;
- 12 o. Ensure research and promotion activities are directed toward
- 13 enhancing income to family farmers;
- 14 p. Provide an incentive payment to domestic producers who agree to
- 15 voluntary limits. Funding should be provided by those producers who
- 16 increase production from the previous year and produce more than a
- 17 level targeted to family-sized farms;
- 18 q. Prohibit volume premiums;
- 19 r. Include market loss assistance during times of low prices, with
- 20 capped payments based on production. The cap levels should be
- 21 targeted to family farmers;
- 22 s. Prohibit federal legislation allowing dairy forward contracts that give
- 23 processors and marketers the ability to pay below the minimum
- 24 market order price;
- 25 t. Include a floor price policy for milk. The floor price should help
- 26 producers in all regions of the country and provide for supply
- 27 management. The floor price should be set at a level that allows
- 28 producers to earn a fair return on their milk from the marketplace;
- 29 u. Provide for minimum prices that are based on a formula that reflects
- 30 what consumers are paying for all dairy products;
- 31 v. Require plants to pay the minimum prices established by USDA for
- 32 butter, nonfat powder, and cheddar cheese; and

1 w. Prohibit the use of fluid milk as a loss leader at the retail level.

2 Any future dairy program should include:

- 3 1. Feed price adjuster based on regional feed prices;
- 4 2. Federal government assistance commensurate to levels
- 5 consistent with other commodities; and
- 6 3. A capacity management mechanism.

7 **ii. Market Order Reform**

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

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

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

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

5 We support:

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

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

26 We support the following initiatives to ensure consumers can make
27 informed purchase decisions:

- 28 a. State and federal legislation to require all schools to use rBST-free
29 milk;
- 30 b. Restricting the use of the Real Seal to domestically produced dairy
31 products and subsequent enforcement of its standards;
- 32 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
- d. Producers conforming to Grade A production specifications.

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;

- 1 c. Responsible care and management of animals to provide for the
- 2 welfare of herds and flocks;
- 3 d. Educating the public regarding the important use of animals for
- 4 agricultural and medical research. Any illegal actions taken by animal
- 5 rights organizations toward producers should be prosecuted to the
- 6 fullest extent of the law; and
- 7 e. The development of egg sexing technologies to eliminate the
- 8 euthanasia of male chicks hatched in egg laying operations.

9 We oppose:

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

15 We call for the reinstatement of facilities and USDA inspection to deal with the

16 processing and humane disposal of horses.

17 **ii. Livestock and Livestock Product Imports** *(also see Article III –*

18 *International Trade, Cooperation, and the Family Farm)*

19 The unrestricted importation of livestock and livestock products is

20 causing serious damage to our domestic industry. Additionally, a lack of

21 sufficient meat import inspection poses an increased potential of

22 contaminated food reaching tables in the United States. We recommend that

23 Congress incorporate the following steps to protect U.S. livestock producers

24 from unfair trading practices:

- 25 a. Investigate the impact of foreign pricing practices on the U.S. market;
- 26 b. Impose countervailing duties to offset subsidies paid to foreign
- 27 exporters;
- 28 c. Require the amount of imported meat and live animals intended for
- 29 slaughter be reported weekly;
- 30 d. Re-establish Section 301, allowing the United States to impose trade
- 31 sanctions against foreign countries that the USTR determines
- 32 applicable;

- 1 e. Re-establish the Meat Import Act, which was replaced under the
2 Uruguay Round, by replacing existing tariff rate quota system with an
3 import quota system; and
4 f. Require end-use certificates to monitor the flow of livestock being
5 imported.

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

8 We support:

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

24 USDA ensuring a rigorous and enhanced meat inspection system, in
25 order to maintain consumer confidence in the safety and wholesomeness
26 of meat and poultry products. We oppose:

- 27 a. The shipping of U.S. beef, pork, poultry, or fish to be processed in
28 foreign countries that is then returned to the U.S. for U.S.
29 consumption; and
30 b. Any changes to slaughter inspection that moves inspection tasks
31 away from USDA and state inspectors. This includes any

1 expansion of the HACCP-Based Inspection Models Project or any
2 other project that would privatize inspection roles.

3 **iv. Livestock Health**

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

- 9 a. We encourage all livestock producers to develop professional
10 relationships with their veterinarians to understand all aspects of the
11 Veterinary Feed Directive as implemented;
- 12 b. Continue to allow FDA to permit the use of therapeutic antibiotics
13 approved for use in livestock unless valid scientific evidence proves
14 the product is unsafe. NFU believes that antibiotic treatment should
15 be reserved for clinical treatment of illness and for judicious use in
16 preventing illness during periods of stress, and supports producers'
17 right to treat his or her animals with antibiotics to address herd
18 health issues while opposing the constant subtherapeutic use of
19 antibiotics;
- 20 c. In order to protect the continued and effective use of antibiotics for
21 human health care, we oppose the off-label use of antibiotics and/or
22 arsenicals and fluoroquinolones in animal production;
- 23 d. Fully fund disease eradication programs, including testing of wildlife,
24 non-traditional livestock species and imported livestock and
25 livestock byproducts;
- 26 e. Ban livestock, animal protein products, and meat imports that would
27 jeopardize U.S. efforts to eradicate livestock diseases, including BSE
28 and Foot-and-Mouth Disease (FMD);
- 29 f. Encourage congressional support for emergency economic assistance
30 for producers who have suffered economic and market losses as a
31 result of an incident of livestock disease, as covered by the Animal
32 Health Protection Act (PL 108-498);

- 1 g. Establish funding for a voluntary Johne's Disease testing program;
- 2 h. Increase research on transmission modes, vaccine regimens, and
- 3 protocol for vesicular stomatitis by federal officials and private
- 4 organizations;
- 5 i. Re-evaluate the quarantine restriction and reclassification of
- 6 vesicular stomatitis from Class A to a Class B disease;
- 7 j. Prevent Bovine Spongiform Encephalopathy (BSE) and Foot-and-
- 8 Mouth Disease (FMD) through:
 - 9 1. Increasing federal and international research to understand
 - 10 and prevent BSE/FMD;
 - 11 2. Continuing the site-specific ban on processing, blending, and
 - 12 shipping of meat from a plant where BSE has been found, until
 - 13 subsequent test results show that the plant is free of BSE;
 - 14 3. Rescinding the USDA rules that allow the import of livestock
 - 15 and meat products from countries with active disease
 - 16 outbreaks and returning that authority back to Congress with
 - 17 producer and consumer input;
 - 18 4. Continuing the ban on livestock and meat imports from
 - 19 countries with BSE/FMD outbreaks until the disease is
 - 20 controlled and/or eradicated;
 - 21 5. Banning all meat and feed imports from countries that have
 - 22 not implemented and enforced a ruminant-to-ruminant feed
 - 23 ban;
 - 24 6. Prohibiting the importation of animal protein products from
 - 25 countries that cannot certify BSE- and transmissible
 - 26 spongiform encephalopathies (TSE)-free products;
 - 27 7. Prohibiting TSE-positive materials in non-ruminant feeds; and
 - 28 8. Cross-referencing all regulations for complete consistency of
 - 29 standards.
- 30 k. Develop a comprehensive strategy and work with electric providers
- 31 to help producers detect and eliminate stray voltage;

- 1 l. Enforce Section 21 General Requirement Rule 215-B of the National
- 2 Electric Safety Code to prohibit using the ground as the sole
- 3 conductor or return to utilities substations;
- 4 m. Require user-fees for importers to implement inspections and
- 5 disease prevention;
- 6 n. Encourage Congress to continue funding research and prevention
- 7 methods for all harmful and life-threatening strains of influenza.
- 8 USDA should develop a strategic plan to help producers detect,
- 9 monitor, and eradicate infected animals. Vaccination compensation
- 10 for mandatory culling should be directed toward producers with
- 11 limited finances to prevent the driving out of small producers;
- 12 o. Urge Congress to upgrade the Plum Island Animal Disease Center;
- 13 however, we oppose completion of the National Bio- and Agro-
- 14 Defense research facility in any location critical to food production in
- 15 our nation. If completed, rigorous standards of containment must be
- 16 developed and the government should assume complete liability
- 17 should containment not be successful. Funding must be full, adequate
- 18 and continuous to meet the rigorous standards of containment. To
- 19 prevent any biosecurity risk, funding for this facility should be
- 20 exempt from any budgetary cuts; and
- 21 p. Legislative efforts to amend the Minor Use and Minor Species Animal
- 22 Health Act of 2004 to include language that would provide federal
- 23 incentives, tax and others, for the development and labeling of much
- 24 needed pharmaceuticals for minor species and minor uses.

25 **v. State Animal Identification**

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

1 **vi. National Animal Identification**

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

- 4 a. Costs of implementing the program remain uncertain. The
5 Department of Homeland Security (DHS) has stated the necessity of a
6 national animal I.D. program to combat terrorism; therefore, we urge
7 Congress to provide the full funding necessary to create and maintain
8 the database and provide compensation to producers for their costs
9 of implementing the program;
- 10 b. Any national animal I.D. program should be administered by USDA;
- 11 c. Mitigate producer liability for contaminated food products. A
12 seamless system should be provided at all retail levels that ensures
13 the information gathered through an I.D. system is complementary
14 with that provided through mandatory country-of-origin labeling;
- 15 d. Use of the proprietary information should include clear limits to
16 ensure protection under the Freedom of Information Act (FOIA).
17 Access to producer information should be available only to relevant
18 federal and state agencies and only in times of animal disease
19 outbreaks or bioterrorism attacks;
- 20 e. Ensured uniformity of identification system with tracking technology
21 and database management; and
- 22 f. Control of the database needs to remain under the control of the
23 federal government. The concerns we have with USDA's proposal to
24 allow a privately managed database system include:
- 25 1. It forces producers to bear the financial burden, which they
26 cannot afford;
- 27 2. This public database will create a revenue source for private
28 entities seeking to make a profit;
- 29 3. It does not contain oversight to protect confidential producer
30 information;
- 31 4. It does not mitigate producer liability;

- 1 5. It will create opportunities for packers to condition the
- 2 purchase of livestock upon participation in a voluntary I.D.
- 3 program;
- 4 6. It assumes coordination among a complex web of data with no
- 5 guarantees of success; and
- 6 7. It assumes all sectors of the livestock industry will agree upon
- 7 the development and maintenance of a single entity to
- 8 represent each species' interests.

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

10 The land-based aquaculture and alternative livestock industries represent

11 opportunities for family farmers to establish new and/or more diversified

12 farming enterprises.

13 In order to ensure consumer confidence in the health and safety of these

14 products, we support:

- 15 a. The extension of federal, or equivalent state, food inspection services
- 16 for these products and recommend that a uniform inspection fee
- 17 system be adopted by the agency of jurisdiction;
- 18 b. Recognizing farm-raised freshwater fish and shellfish production as a
- 19 domesticated livestock under USDA definition and moving its
- 20 inspection from FDA to USDA jurisdiction;
- 21 c. Recognizing game farms as livestock operations and subjecting them
- 22 to all livestock health regulations, as well as making them eligible for
- 23 any benefits provided traditional livestock operations;
- 24 d. Recognizing vermiculture and insect farming as agricultural
- 25 practices, and worms and insects as an alternative livestock; and
- 26 e. USDA, utilizing state departments of agriculture where feasible, being
- 27 the agency that regulates all health issues for these farms and
- 28 ranches, as well as providing production, processing, and market
- 29 development assistance for these products.

30 **1. Marine Aquaculture**

31 The development of industrial-scale offshore finfish aquaculture is

32 detrimental to the family fishers and local economies of historic fishing

1 communities. It should not be allowed to proceed unless and until there is
2 national legislation in place that ensures it can be conducted without
3 harming marine ecosystems and coastal fishing communities.

4 We oppose:

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

14 **2. Sustainable Working Waterfronts and Fisheries**

15 Small boat fishers face many of the same challenges as family farmers: an
16 aging population, consolidation of the fishing fleet, and high cost of production in
17 fuel and license costs make it hard to enter or sustain a fishing business. Overfishing
18 of forage fish habitat has led to a current economic crisis for many small boat fishers
19 and their coastal communities. Drastic declines in commercial and ground fish off of
20 all U.S. coasts will necessitate extreme cuts to fish harvest. The economic impact of
21 these reductions will be devastating for small boat fishers.

- 22 a. We support:
- 23 b. Protecting our working waterfronts so that viable family fishing
24 businesses can thrive and grow;
- 25 c. Disaster assistance for small boat fishers;
- 26 d. Full assistance of USDA Risk Management Agency for small boat
27 fishers;
- 28 e. Development and support of cooperative marketing, processing
29 and branding models that provide a fair livelihood for fishing
30 families, healthy local food products, and sustainability of wild
31 harvest fisheries;

- 1 f. Extension of the full range of USDA Know Your Farmer, Know
2 Your Food (KYF) programs to support small boat fishers and
3 provide access to education and training for beginning fishers;
- 4 g. Programs that provide regionally appropriate research and
5 technical assistance to improve profitability of sustainable fishing
6 practices, enhanced marketing and processing of sustainably
7 caught fish;
- 8 h. Programs that enhance the production and processing of local
9 meat and poultry should be extended to include fish;
- 10 i. USDA conservation programs that support the development and
11 adoption of sustainable fishing practices and protect coastal
12 ecosystems;
- 13 j. Nutrition incentives should be extended to fresh fish;
- 14 k. Catch limits as essential means of rebuilding fish stocks;
- 15 l. Selective harvesting practices that allow healthy stocks to be
16 targeted, while at-risk and depleted stocks are avoided;
- 17 m. Reviewing current practices as well as development of new
18 fishing gear or techniques that avoid depleted stocks;
- 19 n. Forage fish populations being carefully managed to avoid
20 overharvest using science-based annual catch levels and a risk
21 adverse management strategy;
- 22 o. Development of meaningful protections for sensitive sea floor
23 habitat essential for the needs of managed species based on best
24 available science; -
- 25 p. Prohibiting fishing gears and/or practices that are not conducive
26 to protecting these important and vulnerable areas; and
- 27 q. We oppose opening closed areas of the ocean fisheries in
28 response to recent declines in ground fish stocks.

29 **C. LABELING OF COMMODITIES AND COMMODITY PRODUCTS**

30 **1. COUNTRY-OF-ORIGIN LABELING**

31 We support reauthorization and full implementation of mandatory country-of-
32 origin labeling (COOL) for agricultural, aquaculture and wild-caught seafood

1 products. Mandatory COOL is a valuable marketing tool for producers, and it allows
2 consumers to know where the meat products they consume are born, raised,
3 slaughtered, and processed. U.S. producers and consumers have the right to
4 distinguish products from those of other countries and U.S. products should not be
5 categorized as a North American product (*also see Article II – Agriculture*
6 *Competition and Concentration*).

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

- 9 i. Meat products must come from an animal born, raised, slaughtered, and
10 processed in the United States;
- 11 ii. Fresh produce, honey, and nuts must be exclusively grown and processed
12 in the United States;
- 13 iii. Dairy products to be labeled to indicate country-of-origin;
- 14 iv. Farm-raised fish and shellfish must be hatched, raised, and processed in
15 the United States or wild fish and shellfish harvested and processed
16 solely in the United States or by a U.S.-flagged vessel;
- 17 v. USDA should prohibit any third-party compliance reviews and third
18 parties dictating what types of records producers need to keep and the
19 manner in which the records should be kept;
- 20 vi. USDA should perform any/all producer audits to determine compliance
21 with the law;
- 22 vii. Allow those who solely produce U.S. products to self-verify that fact;
- 23 viii. Allow producers, processors and retailers to maintain records in a
24 manner of their choosing, as long as the information is available and can
25 be transferred to a standardized format in the event of an audit by USDA;
- 26 ix. In the absence of mandatory COOL, the same labeling standards outlined
27 in mandatory COOL should be maintained to benefit producers and
28 consumers in any voluntary program; and
- 29 x. If a national animal identification program is implemented, the
30 information should include country-of-origin distinction for consumers
31 of covered commodities at all retail levels.

32 **2. LABELING OF FOOD PRODUCTS**

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

- 6 i. Artificial growth hormones;
- 7 ii. Products derived from cloned animals;
- 8 iii. The identity of the parent company;
- 9 iv. Carbon monoxide injected in meat and seafood or packaging for
10 appearance or shelf-life purposes;
- 11 v. Point of origin and producer-determined standards for geographic
12 indicators, including percentage coming from that origin;
- 13 vi. Date of kill, for meat and seafood;
- 14 vii. Whether the meat was frozen;
- 15 viii. The date/dates the meat was subsequently refrozen;
- 16 ix. Irradiated products, and we call for further research on its long-term
17 effects on human health;
- 18 x. Maintaining and protecting the integrity of organic labeling;
- 19 xi. Labeling standards for the sale of organic products, while not limiting
20 opportunities to market other natural or sustainably produced food
21 products;
- 22 xii. A designation for soil-less systems so as to maintain the integrity of the
23 USDA Organic label;
- 24 xiii. Requiring labeling of milk from cows injected with recombinant bovine
25 somatotropin (rBST), a hormone to stimulate milk production. In the
26 absence of federal labeling requirements, we encourage farmer-certified
27 rBST-free labeled products;
- 28 xiv. Requiring labeling of imitation and substitute dairy products;
- 29 xv. Labeling the use of casein, MPC/UF dairy blends, and food preps in food
30 production;
- 31 xvi. Requiring the labeling of artificial sweeteners; and

- 1 xvii. Requiring any laboratory or artificially produced products to be labeled
2 as such.

3 We oppose:

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

10 **3. NUTRITION LABELING**

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

13 **D. COMMODITIES**

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

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

- 17 i. Price support and income support mechanism for wheat, coarse grains,
18 oilseeds, rice, and cotton that establishes a floor under market prices and
19 enables producers to obtain their income from the marketplace;
20 ii. Cotton should be a covered commodity;
21 iii. Price and income supports should primarily be provided by CCC non-
22 recourse, commodity loans;
23 iv. Loan maturity periods should be extended at the discretion of the
24 producer, for up to 18 months;
25 v. Price support and CCC loan rates should be set at levels to ensure
26 producers have the opportunity to receive a fair return on their
27 investment. The loan rate should not be for less than the USDA national
28 average cost of production. CCC loan rates should be adjusted annually to
29 reflect inflation and productivity;
30 vi. Price supports and CCC loan rates should be annually balanced in an
31 upward manner, in order to prevent market and planting distortions;
32 and

- 1 vii. NFU strongly urges the establishment of a voluntary, farmer-owned
2 market-driven inventory system that reduces volatility in agricultural
3 commodity markets. In order for such a system to succeed, we
4 recommend the following:
- 5 1. USDA will offer per bushel storage rates for commodities when
6 prices fall below a designated loan rate, which is set near the
7 midpoint between the variable and full cost of production for
8 each commodity. Enrollment in the storage program will cease
9 when prices recover;
 - 10 2. Farmers may enter any portion of their crop into storage, which
11 must remain enrolled in the program until the market price for
12 the commodity reaches the release price, or approximately 160
13 percent of the loan rate;
 - 14 3. Farmers must maintain the crop in proper condition while in
15 storage;
 - 16 4. Economically sound inventory caps should be set on each
17 commodity. Should the inventory cap be reached for a
18 commodity, a voluntary set-aside program may be made available
19 by USDA;
 - 20 5. When the release price is reached, the farmer may sell the
21 commodity into the market or hold the commodity, but storage
22 rates will cease;
 - 23 6. Allowing the secretary of agriculture the authority to manage
24 price-depressing surpluses by providing producers incentives to
25 plant dedicated energy crops on acres which are now, or may be
26 produced, in surplus;
 - 27 7. Commodity support based on actual production history (APH),
28 where available. For cases without APH, the program yield cannot
29 be lower than county Farm Service Agency yields. Additionally,
30 we urge the establishment of APH floors to protect producers in
31 the event of successive crop failure brought on by natural
32 disasters;

- 1 8. Planting flexibility;
- 2 9. Low-interest grain storage facility loans should be made available
- 3 to producers;
- 4 10. Each farm operator and crop share landlord should be eligible for
- 5 maximum loan volume targeted to family-sized producers;
- 6 11. Farmers should have the right to periodically update acreage
- 7 bases and proven yields on all crops for each farm; and
- 8 12. Farmers should have the option to store forfeited grain and
- 9 receive storage payments until final sale is consummated.

10 NFU believes cotton should be a covered commodity in any future farm bill. We
11 support the designation of cottonseed as an “other oilseed” for the purpose of the
12 Agricultural Risk Coverage (ARC) program and the Price Loss Coverage (PLC)
13 program.

14 We oppose the growing, harvesting, or processing of castor beans.

15 **2. OTHER PROGRAM COMMODITIES (WOOL, MOHAIR, HONEY, PULSE CROPS,**
16 **ETC.)**

17 We support:

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

28 **3. TOBACCO**

29 We urge action by Congress and the administration to:

- 30 i. Provide for a plan and funding for economic development assistance to
- 31 tobacco-dependent communities;
- 32 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 Program quota limits must be carefully safeguarded to protect domestic

26 producers from the masking of sugar imports in the form of stuffed molasses and

27 other stealth products capable of refinement.

28 We oppose ethanol produced from imported sugar receiving any taxpayer

29 subsidies.

30 **6. TREE FARMS AND FORESTRY**

1 The economic well-being, as well as the independent existence of family-sized
2 tree farmers, is threatened by regulatory uncertainty, over-regulation of wetlands,
3 and restraining buffer zones. We support the family-sized tree farmers.

4 NFU encourages private landowners to adopt cooperative sustainable forest
5 management practices, including but not limited to completion and implementation
6 of forest stewardship management plans as recognized by USDA's Forest Service.

7 **7. SPECIALTY CROPS**

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

13 We support:

- 14 i. Mandatory funding for the Specialty Crop Block Grant Program. Specialty
15 crop block grants that are provided to states should be provided to
16 producers and not supplant state budgets;
- 17 ii. Collaboration with consumer, culinary and other food groups to promote
18 U.S. specialty crops;
- 19 iii. Protection for specialty crop producers from imports during the primary
20 harvest season for perishable crops (window of harvest);
- 21 iv. Incentives for all federal nutrition program beneficiaries to use their
22 benefits at farmers markets, CSAs and other direct marketing outlets.
23 Reauthorization and expansion of the SNAP-based Food Insecurity
24 Nutrition Incentive Grant Program and the Child Nutrition Act with
25 continued prioritization for the direct-to-consumer marketing and the
26 local and regional sourcing of fruits and vegetables;
- 27 v. Reclassification of industrial hemp as a non-controlled substance and
28 adopting policy to allow American farmers to grow industrial hemp
29 under state law without affecting eligibility for USDA benefits, and
30 supporting legislation to allow for industrial hemp to become a crop in
31 the U.S. again;

- 1 vi. A state’s right to make their own choice on medical and recreational
- 2 marijuana by calling on Congress and U.S. DEA to reclassify marijuana as
- 3 a schedule 2 or lower drug;
- 4 vii. USDA designation of tree syrups as a specialty crop; and
- 5 viii. Both seed exchanges and seed libraries for the open exchange of
- 6 heirloom and open-pollinated seed.

7 **8. HONEY/POLLINATION**

8 Pollinators are vital to agriculture and in particular to the production of fruits,

9 vegetables and crops. Introduced parasites have had a significant impact on

10 honeybees in the United States. Undetermined factors have led to an observed

11 collapse in the bee populations, commonly referred to as Colony Collapse Disorder.

12 Therefore, we support:

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

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

3 x. The continued consideration of honeybees and hives for inclusion in
4 livestock compensation programs.

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

8 **9. VALUE-ADDED AND MINIMALLY PROCESSED FOODS**

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

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

13 **10. VALUE-ADDED USES OF FARM PRODUCTS**

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

17 **E. AGRI-TOURISM**

18 We support:

- 19 1. The inclusion of agri-tourism, including on-farm bed and breakfasts, as part
20 of the definition of agriculture and encourage USDA to recognize the value of
21 agri-tourism; and
- 22 2. USDA developing and implementing a program to educate producers about
23 liabilities associated with agri-tourism operations.

24 **F. RISK MANAGEMENT**

25 We encourage:

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

30 **1. LIVESTOCK PRODUCER ASSISTANCE**

31 We support:

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

2. CROP INSURANCE

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

We support:

- i. The continuation and improvement of the federal crop insurance program;
- ii. Maintaining or increasing the average premium subsidy for crop insurance;
- iii. A permanent disaster program, in addition to crop insurance that addresses both catastrophic and shallow losses;
- iv. Enhancing the affordability of coverage above 75 percent of actual production history (APH);
- v. A limitation on the cumulative value of all federal premium subsidies for the purchase of “buy-up” crop insurance coverage. In the event budget cuts result in decreased “buy-up” premium subsidies, those cuts should be accomplished by caps on per-individual subsidies. Crop insurance subsidies should be attributed to individuals based on their share of ownership of insurable production and entities they own;
- vi. Development of federal crop insurance policies that provide a dollar-per-acre, multi-peril coverage option similar to policies that exist for single-peril hail coverage;
- vii. Development of federal crop insurance policies based on the regional average cost of production for the insured commodity;
- viii. Development of new products that allow producers to protect their income in times of low prices and/or quality losses;
- ix. Expanded production loss and revenue protection programs to cover more crops and livestock in an equitable and comparable manner in all states;

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

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

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

25 We oppose:

- 26 i. RMA allowing outside influence on crop insurance premium levels with
27 regard to specific crop inputs, practices or technologies;
- 28 ii. The sale of crop insurance by ag lending institutions and other ag
29 industries that are able to coerce the producer, i.e. lenders discounting
30 interest or requiring purchase of the lender’s own crop insurance
31 product as condition of receiving a loan;

- 1 iii. The voiding of an entire crop insurance policy due to an error in a single
- 2 line of the policy; and
- 3 iv. The sale of crop insurance by federal agencies.

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

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

11 **4. RISK MANAGEMENT EDUCATION**

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

13 **G. FARM PROGRAM ADMINISTRATION**

14 We urge full implementation and funding of all provisions of the 2014 Farm Bill,
15 consistent with the intent of Congress.

16 **1. FARMER-ELECTED COMMITTEES**

17 We support:

- 18 i. The integrity and independence of farmer-elected committees in carrying
- 19 out farm programs;
- 20 ii. Sufficient funding so the committee members can be trained and can
- 21 function effectively;
- 22 iii. Appointees to state FSA committees, which administer farm programs,
- 23 being family farmers;
- 24 iv. Farmer-elected, county- or area-farmer committees;
- 25 v. Uniformity of interpretation of USDA programs to the maximum degree
- 26 possible, while still meeting local needs;
- 27 vi. Offering appeals at the local, state, and national levels;
- 28 vii. Continuing an independent appeals process and the producer’s right to
- 29 mediation;
- 30 viii. Programs to educate producers and others about mediation processes;
- 31 and

- 1 ix. Greater authority given to FSA county committees in determining the
2 disaster designations and the appropriate program applications.

3 We oppose selection of the county or area farmer committees by political
4 appointment.

5 **2. NATURAL RESOURCES CONSERVATION SERVICE**

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

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

21 We oppose:

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

27 **3. IMPROVED MARKETING MECHANISMS**

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

- 31 i. Bring farmers and farm cooperatives together with handlers and
32 processors, for the purpose of bargaining over prices received by

1 agricultural producers. Farmers need and are entitled to a firm legal
2 procedure which will enable them to manage the production and
3 marketing of their products; and

- 4 ii. Help preserve the long-standing rights of farmers to participate in
5 bargaining associations and cooperatives without being subject to
6 antitrust action.

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

8 **1. FARM LABOR**

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

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

15 We support enforcement of the following labor standards:

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

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

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

26 We recommend:

- 27 i. Farmers take advantage of training opportunities, including pesticide
28 applicator programs, as often as possible;
29 ii. Farm equipment manufacturers be subject to rules requiring product
30 safety, and that manufacturers be liable for damages suffered due to
31 injuries caused by faulty equipment;

- 1 iii. Developing incentives for the purchase of rollover protection for farm
2 equipment;
- 3 iv. Standardized hazard and caution lights and distinct turn signals on all
4 farm equipment that uses public roadways, and increased education of
5 the public on the need to respect them;
- 6 v. Discouraging the use of Slow Moving Vehicle emblems for purposes other
7 than their intended use;
- 8 vi. Farmers and their employees have access to information regarding
9 hazardous materials used on the farm;
- 10 vii. Farmers maintain adequate records on their transportation, use, storage,
11 and disposal of fertilizers and pesticides;
- 12 viii. Stakeholders having a voice in assuring that safety rules established for
13 the protection of those employed by farmers are reasonable and
14 workable, financially viable, penalties are not excessive, and that
15 reasonable periods of time are allowed for compliance;
- 16 ix. Congress provide for continued exemption of small farms and businesses
17 that have 10 or fewer employees from the inspection provisions of the
18 law;
- 19 x. Family farmers exercise reasonable care to promote the safety of
20 themselves and their families; and
- 21 xi. Developing International Labor Organization (ILO) standards that
22 adequately protect the health and safety of children.

23 **3. STORABLE COMMODITIES PRODUCER PROTECTION**

24 **i. Federal Warehouse Act**

25 We support the right of individual states to regulate the grain merchandising
26 activities of warehouses licensed by the federal government. NFU will oppose
27 federal preemption of state regulatory authority over grain merchandising
28 unless:

- 29 a. Federal regulation includes appropriate and effective oversight of
30 federally licensed warehouses and merchandising activities;
- 31 b. Modifications to federal warehouse and merchandising activities that
32 may have an impact on producers are proposed and adopted through

1 public rulemaking procedures rather than the annual licensing
2 process;

- 3 c. Producers are provided a protection program funded by the
4 warehouse and merchandising industry against losses from
5 warehouse and merchandising company insolvencies and
6 bankruptcies at no less than:
- 7 1. 100 percent in the case of warehouse receipted stored grain
8 and grain sold for payment within 30 days of delivery; and
 - 9 2. \$3 million per producer for each commodity stored, delivered,
10 or contracted within 31-365 days of delivery
- 11 d. Limitations on the level of licensing flexibility provided to grain
12 warehouses and merchandisers are enacted to ensure it does not
13 result in a reduction in existing financial protections for producers;
14 and
- 15 e. States' abilities to fund operations and inventory transactions,
16 liquidity, and maintain "weights-and-measures" regulations are
17 protected.

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

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

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

27 **iii. Commodity Basis**

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

1 **4. AGRICULTURAL CENSUS**

2 Census data are useful in designing farm programs and defending and
3 promoting the interests of family-sized farm operations. The census of agriculture
4 provides data that show the trends in the agricultural economy of each county and
5 state and for the nation. NFU encourages the following relative to the census of
6 agriculture:

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

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

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

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

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

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

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

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

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

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

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

1 referendum shall be able to recall a commodity checkoff program. USDA
2 shall make available the total number of producers;

3 x. When an assessment is collected from U.S. producers of a commodity, an
4 equal, non-refundable fee should continue to be assessed on foreign
5 imports of that commodity, in either raw or manufactured form. Any
6 special provisions extended to U.S. regions, remote states or territories
7 should not be extended to imported products;

8 xi. The assessment should also be collected from those integrators who are
9 currently exempted by virtue of being in a vertically integrated
10 operation;

11 xii. Periodic independent, outside evaluations and audits of all financial
12 records should be conducted to ensure that the benefits of the program
13 outweigh the costs to producers, with copies of the audits available to all
14 who pay the assessments;

15 xiii. Procedures should be provided to enable producers to immediately
16 obtain the refunds of the research and promotion funds they were
17 assessed;

18 xiv. Research funds generated through producer assessments should not be
19 used as a substitute for publicly generated research funding;

20 xv. Farmers and ranchers have the right to designate the use of the checkoff
21 dollars he or she contributes for research, promotion, expanded
22 cooperative development, or nutrition programs and food banks;

23 xvi. Prohibiting the use of dairy producers' checkoff money to conduct
24 research into the use of casein and/or MPC's in the making of cheese and
25 other dairy products, or to promote anything other than U.S.-produced
26 natural dairy products;

27 xvii. Mandatory producer assessments should not go to organizations that
28 engage in lobbying. No funds should be donated or contracts provided to
29 organizations that carry out political or lobbying activities or to their
30 shared staff, even if records are kept which separate their activity. No
31 checkoff programs/events shall be held in concert or conjunction with
32 any policy organization's programs/events. An audit should be

- 1 conducted and severe criminal penalties should be assessed for using
2 funds for personal, political, or lobbying activities;
- 3 xviii. The payment of a mandatory commodity checkoff must not constitute
4 membership in a producer organization; and
- 5 xix. Producer-funded research should remain the property of the producers.
6 Patents granted as a result of the research should also belong to the
7 producers. Royalties collected should be returned to the producers'
8 research fund.

9 **8. GRAIN STANDARDS**

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

12 We support:

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

20 Revised standards should:

- 21 i. Reward positive actions taken by producers, such as genetic
22 improvement and sound grain-handling practices;
- 23 ii. Establish grade and non-grade factors that can be commonly understood
24 and mutually determined by producers and end-users;
- 25 iii. Adopt dry-matter grading by the grain trade as a better way of
26 compensating the producer for the grain delivered to the elevator;
- 27 iv. Ensure testing standards that reflect actual grain quality; and
- 28 v. Establish standardized tests that are accurate and reproducible.

29 **9. GRAIN INSPECTION**

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

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

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

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

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

24 We support:

- 25 i. The enforcement and monitoring of the national organic standards
26 promulgated by USDA and the prosecution of individuals or entities who
27 knowingly sell or import nonorganic products as certified organic;
- 28 ii. Strict uniform enforcement of the USDA National Organic Program (NOP)
29 “120 day pasture rule” for all certified organic dairy producers;
- 30 iii. Greater enforcement of the USDA NOP pasture rule by requiring
31 certifiers to inspect all organic dairy farms twice during their 120-day
32 designated pasture season with one visit being on an “unannounced

- 1 basis” to assure that all milk cows are on pasture and 30% DMI is being
2 achieved;
- 3 iv. All certifiers and their inspectors would be required to complete
4 additional online training on USDA NOP pasture standards,
5 documentation, and expectations. This training would reinforce USDA
6 DMI% ration and pasture rule compliance;
- 7 v. Each “dairy herd” feeding group DMI% must be calculated separate from
8 each other, with no combining of milk cows with dry cows, or any other
9 groups;
- 10 vi. When testing technologies become validated, and available, NFU
11 supports the use of testing of milk samples to verify sufficient compliance
12 with pasture rule;
- 13 vii. Ensuring accreditation and certification costs do not discriminate against
14 small producers, including support and funding for the National Organic
15 Certification Cost-Share Program;
- 16 viii. Requiring USDA to maintain the role of the National Organic Standards
17 Board (NOSB) as the official source of developing policies and
18 procedures to interpret and implement the federal organic standards.
19 Adequate staffing must be provided to enable the NOSB to fulfill its
20 obligation to organic producers;
- 21 ix. Maintaining and enforcing organic livestock production standards, that
22 are uniform and account for feeding and animal health care practices for
23 continuous or transitional organic management;
- 24 x. Prohibiting genetically modified organisms, irradiation, and the use of
25 sewage sludge that contains heavy metals;
- 26 xi. Protecting organic producers from chemical and/or genetic pollution and
27 provide reasonable redress for any damage caused by this drift;
- 28 xii. USDA negotiating trade arrangements to eliminate the need for NOP-
29 certified U.S. farmers to certify through multiple international agencies;
- 30 xiii. The continued development of risk management tools for organic-
31 certified crops (*also see Article I.G.2 – Crop Insurance and Article X.B.1 –*
32 *Public Research*);
- 33 xiv. Requiring increased monitoring and testing of organic products
34 originating outside the United States to ensure those products comply
35 with USDA organic standards; and

- 1 xv. An emergency pest treatment, by removing out of certification the area
2 to be treated while not losing certification in the process.

3 **11. PLANT BREEDING**

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

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

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

11 **12. PLANT GENETIC RESOURCES**

12 We support:

- 13 i. Enhancing and diversifying the genome and plant genetic resources
14 pools;
- 15 ii. Recognizing farmers' contributions to the development and conservation
16 of plant genetic resources by protecting farmers' rights, including the
17 right to save generic seed; and
- 18 iii. Keeping public research and research results in the public domain and
19 protected from acquisition by corporations or other private entities
20 attempting to develop their own products derived from public research
21 genetic pools.

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;

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

20 **B. AGRICULTURAL TECHNOLOGY**

21 We support:

- 22 1. The Nebraska Tractor Test Laboratory, the only U.S.-approved Organization
23 for Economic Cooperation Development laboratory and the unbiased, third-
24 party testing information that it provides at little or no cost to U.S. farmers so
25 they can make informed buying decisions.
- 26 2. The first-sale doctrine, whereby an individual who knowingly purchases a
27 copyrighted work from the copyright holder receives the right to sell,
28 display, or otherwise dispose of that particular copy and protections not
29 otherwise available for licensees.
- 30 3. Fair Repair and Right to Repair legislation that would allow farmers and
31 independent mechanics access to diagnostic software, information, and
32 other tools in order to repair modern equipment.

1 **C. INFORMATION COLLECTION AND PROTECTION**

2 Detailed field data should only be collected with the producer’s consent in a manner

3 so as to:

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

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

10 We support:

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

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

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ARTICLE III – AGRICULTURE COMPETITION AND CONCENTRATION

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

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

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

A. COMPETITION AND ANTITRUST

We support the following initiatives to achieve true competition for producers in the marketplace:

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

- 1 4. Requiring the Justice Department (DOJ), Federal Trade Commission (FTC),
2 and the Surface Transportation Board (STB) where applicable to require
3 firms to submit information on joint ventures and alliances between firms
4 above a certain size. In many cases, firms that are participating in joint
5 venture arrangements behave just like firms that have merged and should be
6 subject to the same level of antitrust scrutiny as mergers. The disclosure
7 requirement should be set at a threshold sufficient to include firms that
8 account for a significant percentage of market share at a regional level;
- 9 5. Requiring the DOJ, FTC, or STB to publicly disclose why a merger subject to
10 antitrust review is approved;
- 11 6. Expanding the role of USDA to initiate and/or participate in the review of
12 proposed mergers in the agricultural sector;
- 13 7. Requiring economic and environmental impact statements detailing the
14 impact of a proposed merger on farmers, ranchers, and consumers prior to
15 approval;
- 16 8. Establishing an Office of Special Counsel on Competition within USDA to
17 streamline and increase the effectiveness of USDA investigation and
18 enforcement of competition laws;
- 19 9. Establishing a level of concentration that triggers a presumption of a
20 violation of antitrust law to make it easier for the DOJ, FTC, or STB to prevent
21 high levels of concentration;
- 22 10. The right of producers to hold retailers, distributors and manufacturers
23 responsible for price gouging;
- 24 11. Prohibiting slotting fees that provide windfall profits to retailers and create a
25 barrier for new firms and products;
- 26 12. A target price program on a limited volume of production as automatic
27 compensation for livestock producers when a lack of antitrust enforcement
28 or unfair imports damage their markets;
- 29 13. Congress repealing statutory provisions that exempt railroads from the
30 antitrust injunctive actions, as well as the judicially developed Keogh
31 doctrine that limits antitrust damage remedies;

- 1 14. Supporting state anti-corporate and contract producer protection legislation;
2 and
3 15. Providing strong protection to employees that report non-competitive
4 practices.

5 **B. LIVESTOCK MARKET REFORM**

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

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

29 **C. POULTRY MARKET REFORM**

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

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

28 **D. PRODUCTION CONTRACTING**

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

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

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

23 We support the following current negotiating topics:

- 24 1. Unified, worldwide elimination of export subsidies;
- 25 2. Increased transparency and market disciplines of state trading enterprises;
- 26 3. Greater equity and balance in agricultural tariff and tariff rate quota regimes;
- 27 4. Development of an improved and more inclusive methodology for measuring
- 28 the level and impact of domestic support programs, including green box
- 29 supports and effective subsidies conveyed through monetary policy and
- 30 labor and environmental regulation;
- 31 5. The rights of countries to address the circumvention of tariffs and tariff rate
- 32 quotas by trading partners;

- 1 6. The need to provide consumer information (labeling) on agricultural
2 products as a means to address food safety concerns and enhance market
3 access;
- 4 7. National flexibility in the design and implementation of domestic support
5 programs within reasonable negotiated limits such as the Trade Adjustment
6 Assistance program;
- 7 8. Cooperative development, implementation and enforcement of competition
8 policies;
- 9 9. Utilization of end-use certificates to monitor the flow of all agricultural
10 imports; and
- 11 10. Allowing countries to restrict the import of agricultural commodities that are
12 contaminated or infected with disease or other toxic or noxious organisms
13 that threaten domestic production and/or food safety.

14 We oppose:

- 15 1. Elimination of tariffs, tariff rate quotas and domestic trade remedies utilized
16 to counter the effects of dumping and other unfair trade practices, including
17 the use of monetary, labor, and environmental regulations that create
18 competitive trade advantages;
- 19 2. Elimination of “credit” for supply management programs (blue box);
- 20 3. Requirements that domestic support programs be de-coupled; and
- 21 4. Importation of agricultural products from countries that do not grow or
22 produce such products.

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

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

25 We oppose:

- 26 1. Fast-track negotiating authority for the president; and
- 27 2. The fast-track system of ratification of trade agreements in which the entire
28 trade package must be approved without amendment or rejected in total by
29 Congress.

30 Congress should have full opportunity to review and amend provisions of a trade
31 agreement, consistent with the authority and power endowed by the U.S. Constitution.

1 Because agriculture is only one area considered in the trade agreement negotiation,
2 fast-track could easily sweep agricultural concerns aside.

3 **C. FAIR AND TRANSPARENT TRADE PRACTICES**

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

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

24 **D. HEALTH AND INSPECTION STANDARDS FOR FOOD AND FIBER IMPORTS**

25 We believe that food imports pose a much greater food safety threat to American
26 consumers than domestic food. Only a minimal amount of food imports are physically
27 inspected, and of those which are inspected, many are rejected for reasons ranging from
28 mislabeling of residues to pesticides banned for use in this country.

29 We support:

- 30 1. Increased funding and number of inspectors for the Agriculture Quarantine
31 Inspections Program and transfer inspectors back to USDA from Department
32 of Homeland Security (DHS);

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

19 **E. CHINA TRADE**

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

- 23 1. Ratifies and enforces all pending United Nations covenants on human rights;
- 24 2. Develops a history of actually complying with international trade
25 agreements;
- 26 3. Enacts and enforces rules that protect individual rights, establishes
27 appropriate environmental standards and fosters fair trade; and
- 28 4. Enacts and enforces food and product safety standards equal to those
29 required of producers in the United States.

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

32 **F. INTERNATIONAL FOOD ASSISTANCE**

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

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

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

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

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

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

32 **H. POLICIES TOWARD DEVELOPING NATIONS**

1 We support:

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

10 We oppose:

- 11 1. The dumping of agricultural products in developing countries which puts
12 local farmers out of business and destabilizes local economies;
- 13 2. The forced removal of indigenous peoples from their traditional homelands;
14 and
- 15 3. The exploitation of developing countries through forcing them to abandon
16 their own domestic food security policies, indigenous seed stocks, foods, and
17 cultural practices.

18 **I. FARMERS AND FARM YOUTH EDUCATIONAL EXCHANGE PROGRAMS**

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

1 **ARTICLE V – CREDIT AND THE FAMILY FARM**

2 We recognize that agricultural debt will continue to be a problem until there is a
3 genuine and lasting improvement in farm income opportunities. We support:

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

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

20 **A. FARM SERVICE AGENCY (FSA) CREDIT PROGRAMS**

21 We support:

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

- 1 6. Encouraging the secretary of agriculture to seek the necessary authority to
2 increase the maximum level of federal emergency farm operating loans that
3 may be made available to producers who have suffered multiple years of
4 weather-related disasters;
- 5 7. Educating borrowers on sound farm management principles in an effort to
6 reduce foreclosure rates. Borrower training should be provided by existing
7 programs, including Farm Business Management and Cooperative Extension;
- 8 8. Permitting the guarantee of loans for stock purchases in the farmer-owned,
9 value-added cooperative, as long as the cooperative can demonstrate its
10 feasibility;
- 11 9. Allowing producers who have used debt restructuring to be eligible for all
12 federal loans, including FSA and emergency loans;
- 13 10. Processing applications for credit and appeals in a timely manner to meet
14 production demands;
- 15 11. Not garnishing federal farm program payments to pay delinquent farm credit
16 payments except in cases of delinquency in excess of 3 years without loan
17 restructuring;
- 18 12. Streamlining and digitizing loan programs and the appeals process;
- 19 13. Implementing debt restructuring, including debt forgiveness, as equitably as
20 possible and allowing additional restructuring to be considered;
- 21 14. Continuing to enable the USDA National Appeals Division (NAD) to be an
22 independent and fair forum for agricultural producers;
- 23 15. Increasing consistency and education on the county and state appeals
24 process and FSA servicing responsibilities to the borrower;
- 25 16. Prohibiting the use of private collection agencies and offsets of income tax
26 refunds to recover outstanding debt from borrowers who voluntarily
27 liquidate their assets;
- 28 17. Elimination of term limits for non-delinquent borrowers;
- 29 18. Prohibiting the imposition of long-term or permanent wildlife or
30 conservation easements on land acquired by FSA foreclosures; and
- 31 19. Establishing a revolving loan pool for all Farm Service Agency (FSA) loans to
32 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.

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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 that were
7 designed to ensure democratic control of the business by its members and that the
8 members receive the primary benefits of their cooperative enterprise, including:

- 9 1. One vote per member, regardless of the volume of business done by the
10 member, with no proxy voting;
- 11 2. Elimination of bloc voting;
- 12 3. Directors elected by active members;
- 13 4. Savings/earnings of the cooperative distributed back to the member-users in
14 proportion to the members' patronage volume;
- 15 5. Limited interest/dividends on invested capital;
- 16 6. Sales at competitive prices, and trading normally conducted on a cash basis;
- 17 7. Open membership to all who share the common bond and objective of the
18 co-op;
- 19 8. A continuous cooperative education program to teach cooperative
20 philosophy, principles and operation, funded by five percent of a
21 cooperative's net margin; and
- 22 9. Cooperatives working for the sustainable development of their communities
23 through policies accepted by their members.

24 **C. ADDITIONAL PRINCIPLES**

25 To further the cooperative movement, we support:

- 26 1. Cooperatives returning to the original intention of Capper-Volstead, which
27 allows cooperatives to collectively process, prepare for the market, handle,
28 and market in interstate commerce;
- 29 2. Prohibition of cooperatives engaging in domestic and foreign agricultural
30 production activities, including land ownership in direct competition with
31 agricultural producers;

- 1 3. The rights of cooperative members to organize and operate regional and
2 interregional cooperatives (marketing agencies in common) or to merge
3 with other cooperative associations and not be restricted by law or
4 government regulation;
- 5 4. Exhausting all options of maintaining local control, including merger or joint
6 ventures with a nearby cooperative, before a local co-op is absorbed by a
7 regional cooperative;
- 8 5. Encouraging local members or nearby cooperative associations to
9 repurchase a local facility that has been absorbed by a regional cooperative;
- 10 6. Encouraging regional boards to work with local cooperatives to help them
11 operate for the benefit of members;
- 12 7. Opposing mergers or joint ventures between regional cooperatives and
13 multinational corporations unless such a merger or joint venture would
14 benefit local cooperative members;
- 15 8. Requiring business entities to provide members with “due diligence”
16 information that is timely and adequate before voting on a merger between
17 two or more cooperatives;
- 18 9. Cooperative members giving serious consideration to the long-term
19 consequences of selling a cooperative to private entities for short-term
20 gains;
- 21 10. Individual Farmers Union members taking responsibility to be full
22 participants and patrons in the cooperative movement and to build closer
23 relationships between their farm organization and their cooperatives;
- 24 11. Encouraging cooperatives benefitting from nontraditional income in events,
25 such as litigation, to expeditiously distribute the proceeds to all relevant
26 parties;
- 27 12. Discouraging the practice of allowing individuals, other than “at risk”
28 producers, to acquire directional status in a producer cooperative. Status of
29 such “other individuals” should be limited to non-voting and advisory roles;
- 30 13. Traditional farmer-owned cooperatives lending their experience and
31 cooperation in building new value-added cooperatives that will enhance

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

- 1 22. Rejection of government efforts to dictate the time and manner for returning
2 cooperative patronage earnings;
- 3 23. Membership in state Farmers Union organizations being required of all
4 Farmers Union cooperative board and company members; and
- 5 24. Prohibiting the use of net savings of a cooperative to be used to invest in
6 production agricultural operations by the cooperative.
- 7 25. Either spouse should be able to represent the family farm in voting at
8 cooperative meetings. We encourage both spouses to become voting
9 members of cooperatives.

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

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

15 **E. CHS**

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

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

20 We do not support:

- 21 1. Giving the CHS board of directors the flexibility to approve non-member
22 patronage arrangements; and
- 23 2. Modifying the CHS membership definition to allow non-producers the rights
24 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.

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

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

13 **D. PUBLIC LANDS**

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

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

22 We support:

- 23 1. The current Public Rangeland Improvement Act (PRIA) formula as a fair and
24 equitable method for determining appropriate grazing fees. Grazing fees
25 represent the dividends of stewardship of the federal land, not the value of
26 the forage on the rangeland;
- 27 2. The management of grazing on federal lands to be based on scientific data
28 and monitoring of individual allotments and encourage increased funding for
29 this research;
- 30 3. Utilization of the local Resource Advisory Council (RAC) to set standards and
31 guidelines for grazing tailored to the local area;
- 32 4. Reinstatement of local grazing committees;

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

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

19 We oppose:

- 20 1. Grazing regulations and legislation that require permittees to remove their
21 livestock while they appeal a decision of a public-land manager;
- 22 2. Permitting non-grazers to acquire so-called "conservation allotments" that
23 result in the bidding up of the price of an allotment, thus denying access of
24 grazing permits to low- and moderate-income families;
- 25 3. Any swaps of public lands with private developers that would adversely
26 impact the agricultural community. Hearings regarding such swaps must be
27 held within 50 miles of the proposed land to be swapped. Cultural and
28 economic impact studies must be done to assess the impact of such proposed
29 swaps;
- 30 4. Taking private water rights and private structures on public lands;
- 31 5. Reintroduction of species detrimental to livestock production and
32 agriculture;

- 1 6. The expansion of military reservations;
- 2 7. Legislation that would allow the buyout of grazing permits on federal lands;
- 3 8. Grazing of cattle not born and raised in the United States on public lands; and
- 4 9. The transfer of federal public lands to state control.

5 **E. NATIONAL GRAZING LANDS COALITION**

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

11 We support:

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

17 **F. FOREST HEALTH**

18 We support:

- 19 1. Maintaining Categorical Exclusion capability in federal forest management
20 plans to address forest health issues, so the U.S. Forest Service can accelerate
21 the harvest of small timber stands in western U.S. forests;
- 22 2. Federal and state forests being accessible to the renewable energy industry
23 to allow the use of devastated wood product in environmentally beneficial
24 value-added products; and
- 25 3. Implementation and full funding of efforts to minimize the effects of the
26 insect epidemics on the national and state forests throughout the United
27 States. Federal, state, and private programs must be approved immediately
28 to protect open space, wildlife habitat, watersheds, clean air and other
29 natural resources as well as infrastructure such as roads and utility lines for
30 public safety.

31 **G. WATER QUANTITY AND QUALITY**

32 **1. WATER QUANTITY DISTRIBUTION**

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

3 We support:

- 4 i. States recognizing domestic and livestock water usage in neighboring
5 states when issuing irrigation permits on shared tributaries;
- 6 ii. The use of interstate water compacts between federal, state, and tribal
7 governments for regulating water sharing between neighboring states;
- 8 iii. The use of water storage through impoundment structures, conservation
9 measures, and implementation of soil health principles as primary means
10 for water development;
- 11 iv. Adoption of legislation to protect agricultural water rights through state
12 water rights in order to prevent future power and energy plants from
13 consuming water to the detriment of agriculture;
- 14 v. Requiring new energy plants to return water to a level of quality capable
15 of use by agriculture;
- 16 vi. Subjecting new large enterprises that will use a significant quantity of
17 water to a permitting process to assess the environmental and
18 community impacts of the proposed use;
- 19 vii. Enforcement of the limitations on the size of farm operations eligible for
20 federally subsidized irrigation water;
- 21 viii. Deferred implementation of the U.S. Bureau of Reclamation regulation on
22 the use of federally developed water supplies and facilities and the
23 practice known as “water spreading.” The economic impact of any policy
24 changes on family farmers and rural communities should be completed
25 before implementation:
 - 26 a. Water leasing instead of buy and dry policies; and
 - 27 b. The United Nations adding a 31st article to the 1948 Universal
28 Declaration of Human Rights, establishing access to clean and
29 potable water as a fundamental human right.

30 We oppose:

- 31 i. The movement of any water for the purpose of a coal slurry pipeline or
32 similar venture, unless a method can be developed to return water of

1 equal quantity and quality to the original area from which it was taken.
2 Prior to the exportation of any water, an environmental and economic
3 impact statement should be completed to determine its effect on
4 agriculture;

- 5 ii. Any efforts by the federal government through the usage of a national
6 water policy to usurp the rights and prerogatives of the individual states;
- 7 iii. An outright ban on “water spreading,” as currently defined which would
8 have devastating impacts on agricultural producers in the Columbia
9 Basin and other Bureau of Reclamation irrigation projects throughout
10 the West;
- 11 iv. Producers bearing the cost of taking inventory of irrigated lands and any
12 mandated renegotiation of bureau contracts through their irrigation
13 district. Agricultural producers should be credited, and not penalized, for
14 increased efficiencies and for their aquifer recharge efforts; and
- 15 v. The condemnation of agricultural water rights.

16 **2. WATER QUALITY PROTECTION**

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

20 We support:

- 21 i. The creation of a national database on the extent of water quality
22 problems, including nationwide voluntary well-testing programs that
23 include cost sharing of landowners;
- 24 ii. Legislation or regulations limiting groundwater contamination by
25 incentivizing regenerative land management practices in keeping with
26 soil health principles, while enacting effective groundwater cleanup of
27 already contaminated water sources;
- 28 iii. Continued implementation of the Safe Drinking Water Act;
- 29 iv. The uniform administration of Environmental Protection Agency (EPA)
30 policies throughout the nation. Adding to the list of contaminants that
31 municipalities and rural water districts are required to test for, as
32 mandated by EPA, must be backed by science. We encourage EPA to stop

- 1 its practice of targeting specific regions with stricter standards than
2 applied in non-targeted regions;
- 3 v. Requiring inspectors be public employees, rather than employees of the
4 companies who are being regulated;
- 5 vi. Information and education concerning the present condition of our
6 underground water supply and what we can and should do to prevent
7 any further contamination;
- 8 vii. Efforts in research that clarify the issue of point source pollution and
9 non-point source pollution;
- 10 viii. Programs to protect and improve the quality of surface waters, such as
11 the Western Lake Erie Basin and Chesapeake Bay Program, and urge that
12 all who use the resource, such as boaters and fishers, be included in the
13 effort;
- 14 ix. Producers participating in state watershed assessment programs;
- 15 x. Confined Animal Feeding Operations (CAFOs) being required to post the
16 appropriate bonds to cover the cost of cleaning up any contamination of
17 land and water resources. When posting these bonds, CAFOs should also
18 be required to develop and submit waste storage closure plans;
- 19 xi. National minimum guidelines, or standards, that give primacy for
20 implementation and flexibility in regional planning to the states;
- 21 xii. Encouraging states and localities to establish standards beyond the
22 federal minimums;
- 23 xiii. Cost-share provisions targeted to small and medium-sized farmers.
24 Responsibility for submitting a waste management plan and complying
25 with the waste management provisions should be shared by the owner of
26 the livestock and the operator of the facility;
- 27 xiv. The application of best management practices (BMP) established by
28 agencies of the USDA for disposal of poultry waste and animal manure,
29 and recommend such manure be classified as soil supplements and plant
30 food, and not toxic or hazardous waste. If BMP is subject to regulation,
31 we urge the appropriate state department to be assigned as the
32 regulator;

- 1 xv. Research to determine the environmental impact of animal-feed content
- 2 on animal waste ;
- 3 xvi. Family farmers being appointed to serve as advisers to any federal
- 4 agency when a national waste standard is developed; and
- 5 xvii. Targeting water subsidies to family-sized farms.

6 We oppose:

- 7 i. The method of deep-well injection of hazardous waste;
- 8 ii. Legislation that restricts livestock grazing in pastures where running
- 9 streams or ponds are located and mandatory fencing of rivers, streams
- 10 and ponds;
- 11 iii. In situ leach mining;
- 12 iv. Any infrastructure or resource development that jeopardizes the health,
- 13 safety and quality of freshwater aquifer resources; and
- 14 v. Any EPA policy directive that would mandate the testing and/or
- 15 certification of water or farmland unless a federal fund is established to
- 16 pay necessary costs of meeting certification requirements.

17 **3. CLEAN WATER ACT**

18 Clean Water Act rulemaking requires Total Maximum Daily Load (TMDL) be

19 established for 303(d) listed watersheds, i.e., streams that are impacted by

20 pollution. Compliance with mandatory state and federal watershed TMDL

21 regulations can create a hardship on family agricultural producers for compliance

22 with state and federal water quality standards.

23 We support:

- 24 i. Voluntary compliance and incentive-based, cost-sharing programs
- 25 currently working to minimize production agriculture’s impact on our
- 26 nation’s water quality;
- 27 ii. Protecting the quality of our water and assuring its suitability for
- 28 beneficial uses;
- 29 iii. Regulations for the process to identify waters protected under the Clean
- 30 Water Act (CWA) being made clearer, simpler, and faster;
- 31 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.

We oppose:

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

4. DROUGHT MONITORING

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

H. AIR QUALITY

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

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

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

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

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

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

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

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

- 26 1. Holding animal owners and/or contractors responsible for spills and manure
27 disposal in contract feeding operations;
- 28 2. Using best available technology to reduce the environmental impact of waste
29 and setting higher standards for waste storage, including open-air lagoons;
- 30 3. Requiring a CAFO to have a setback distance from an existing residence,
31 business, church, school, public use area or riparian area;

- 1 4. Permit applications must prepare and submit a nutrient management plan
- 2 containing detailed information regarding proposed methods of distribution.
- 3 Application of animal waste should be monitored by the states' departments
- 4 of health and should adhere to the agronomically sound, best management
- 5 practices adopted by the state in which the facility exists. No waste should be
- 6 applied to ice, to highly erodible slopes, or where the ground is frozen;
- 7 5. Including sound, science-based guidelines for using phosphorus and
- 8 nitrogen as limiting factors on the gallons of liquid livestock waste and tons
- 9 of solid waste to be applied per acre as a part of the nutrient management
- 10 plan;
- 11 6. Permit applications for a large-scale facility must serve notice in a timely
- 12 fashion for public comment describing the type of facility to be constructed,
- 13 including information on the type of waste to be generated;
- 14 7. Permit holders must disclose the number of animal units within a facility
- 15 upon request by the appropriate regulatory agency;
- 16 8. A livestock owner whose permit has been revoked in one jurisdiction not
- 17 being allowed a permit in another jurisdiction;
- 18 9. Facilities that close being required to use proper cleanup, including re-
- 19 vegetation, within three years of closure;
- 20 10. Existing operations being required to comply with permit requirements at
- 21 the time of permit approval;
- 22 11. Permits requiring financial assurance including proof of liability insurance,
- 23 equity or adequate bonding;
- 24 12. Appropriate penalties for those who fail to comply with permitting
- 25 requirements;
- 26 13. Implementing a temporary moratorium on the establishment of CAFOs
- 27 based on issues of health until local control is re-established; and
- 28 14. CAFOs processing animal waste nutrients into renewable energy resources.

29 We oppose efforts to restrict the property rights of family farmers and rural
30 residents by limiting their ability to regain compensation in court against a neighboring
31 CAFO nuisance caused by negligence or poor management.

32 **K. PESTICIDE REGULATION**

1 We support pesticide regulations that include:

- 2 1. Protection for producers of non-targeted crops that incur damage due to
3 drift from pesticides onto their property;
- 4 2. Liability insurance requirements for commercial licensed pesticide
5 applicators;
- 6 3. An exemption from liability through EPA for groundwater cleanup for
7 farmers who applied pesticides according to label directions;
- 8 4. Provisions emphasizing protection of uncontaminated groundwater and
9 providing means to keep residue levels from increasing;
- 10 5. Access to health and safety information for farmers, farm laborers and
11 emergency medical personnel;
- 12 6. Greater cooperation between EPA and USDA to help ensure that pesticide
13 regulations and disposal do not unnecessarily interfere with normal farming
14 practices and land transfers;
- 15 7. Legislation designed to eliminate U.S. production of pesticides not registered
16 for use in the United States, or for which a pesticide residue tolerance has
17 not been set;
- 18 8. Restrictions on the import of food products produced with such pesticides,
19 with more frequent inspections at borders to protect consumers from unsafe
20 pesticide use;
- 21 9. The agriculture secretary developing regulations implementing authorized
22 programs for less chemically intensive farming practices. Full funding for
23 these farm programs and for pest-control research initiatives should be
24 included;
- 25 10. Cooperation among farmers, chemical companies and governmental
26 agencies to reduce pollution hazards by using integrated pest management,
27 biological controls or other effective alternatives to pesticides when
28 available;
- 29 11. The creation and implementation of safety standards protecting people from
30 exposure to pesticides;
- 31 12. Continued prudent use of approved chemicals for crops, including expedited
32 registrations for minor use pesticides and requiring EPA to use peer-

1 reviewed, third-party science, such as land-grant universities, in their
2 registration review process;

3 13. Chemical manufacturers increasing the use of reusable, pre-measured,
4 water-soluble, and bulk containers;

5 14. Federal and state assistance for recycling containers and in establishing
6 central locations for disposal of chemical containers;

7 15. Standardization of farm chemical prices and regulations between the United
8 States and other countries;

9 16. Fair pricing of chemicals and pesticides not tied to commodity prices;

10 17. Full funding for the IR-4 minor crop pesticide registration program;

11 18. The Federal Insecticide, Fungicide, Rodenticide Act (FIFRA) as the primary
12 regulatory act for applications of pesticides by farmers and ranchers. Any
13 additional permitting required by EPA under court mandate should mirror
14 existing recordkeeping, education and training requirements and any
15 increases in training requirements should carry provisions for the expenses
16 associated with such training; and

17 19. Extensive research on new technologies and their applications regarding
18 their impact on non-targeted organisms.

19 **L. FERTILIZER REGULATIONS**

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

22 We support:

- 23 1. No hazardous waste being included in fertilizers;
- 24 2. Manufacturers labeling all ingredients in fertilizers and providing
25 notification to buyers;
- 26 3. Anhydrous ammonia continuing to be classified as non-hazardous for the
27 purposes of transporting nurse tanks on public roadways;
- 28 4. Privately owned anhydrous ammonia facilities and equipment to meet the
29 same safety requirements and standards as that of licensed dealers. We
30 encourage private owners to attend anhydrous ammonia safety training
31 classes;

- 1 5. The federal government stepping up enforcement of the illegal production of
- 2 methamphetamines and fully funding measures to prevent the theft of
- 3 agricultural materials and cleanup of confiscated methamphetamine labs;
- 4 6. Sludge generated from human waste should be spread or composted in a
- 5 timely fashion with a nutrient and pathogen management plan. Farmers
- 6 must be provided with a complete nutrient and contaminant analysis of the
- 7 sludge; and
- 8 7. Sufficient consideration being given before OSHA implements changes to the
- 9 enforcement of Process Safety Management of Highly Hazardous Chemicals
- 10 Standards for Retail Facilities.

11 **M. INVASIVE SPECIES CONTROL**

12 Much of the current infestation problem is attributed to insect or other invasive

13 species population growth on public lands. Animal and Plant Health Inspection Service

14 (APHIS) needs increased funding so it can properly inspect all imported and interstate

15 movements of agricultural products, monitor insect hatch and damage, and coordinate

16 measures in states affected by infestations. Federal grants or cost sharing on both

17 public and private lands should be made available for dealing with widespread

18 infestation of insects.

19 Increased monitoring and inspection of domestic and foreign imported products to

20 prevent introduction of invasive species. Vigorous control and eradication measures are

21 needed to ensure that invasive species be eliminated.

22 Where needed and requested, the Agricultural Research Service (ARS) must engage

23 systems-based insect ecology research on the interaction between soil health

24 implementation and pest infestation occurrence and should provide adequate standing

25 funding for practical, applied research and Integrated Pest Management (IPM)

26 programs to help farmers implement rapid, highly organized and cooperative IPM

27 responses to infestations. It is especially important that the additional cost of such

28 programs be wholly or partially underwritten for small-scale farms to enable them to

29 participate effectively in them.

30 Coordinated efforts and adequate funding are urgently needed for improved control

31 of noxious weeds on public lands and all road rights of way. We are concerned that

32 farmers are expected to control weeds on their land while nearby public land goes

1 without weed control. Whenever this responsibility is not being met, there should be a
2 moratorium on any further land acquisition by the appropriate agency.

3 **N. PRESCRIBED BURNING**

4 Prescribed burning is a viable farming practice.

5 We support:

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

8 **O. LANDOWNER RIGHTS**

9 We support:

- 10 1. Private property rights, including ownership of land and all its attributes
11 above, on, and below the surface, unless otherwise marketed;
- 12 2. Land lessees' rights;
- 13 3. Just compensation to farmers and ranchers who suffer losses as a result of
14 any state or federal agency ruling;
- 15 4. Local control;
- 16 5. The expiration (null and void) of any pipeline or utility right-of-way grant
17 five years after abandonment or period of non-use for the original purpose
18 or use of the grant; and
- 19 6. Trespassers being held liable for any damages done to private property,
20 including along public accesses.

21 We oppose:

- 22 1. The "big open concept," and the resulting confiscation of private property;
- 23 2. Any agency or individual entering into a mineral lease or granting a permit
24 for the extraction of minerals without the consent of the land surface owner,
25 including just compensation to the agricultural operation; and
- 26 3. Landowners being held liable for injuries obtained by a trespasser.

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

28 Abuses of eminent domain occurring across the country raise serious concern to the
29 rights of private property owners. While government entities are permitted to seize
30 private property for public use via eminent domain, it is contrary to American values to
31 seize property from one private owner and give to another for purposes of increasing
32 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. Restricting the use of eminent domain by state and local governments for the
30 purpose of "economic development" when it involves taking private
31 property from one owner and giving it to another private entity;

- 1 11. Offering seized property back to the original property owner if property is
2 not used in a timely manner or if property is not used for its original public
3 use intent; and
- 4 12. The right of a landowner to receive a tax shelter, and/or 1031 like-kind
5 exchange against capital gains from the sale of properties taken by eminent
6 domain.

7 We oppose:

- 8 1. 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 2. The acquisition of productive farmland through use of the eminent domain
12 process to extend wildlife habitat; and
- 13 3. 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

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

3 **R. CLIMATE CHANGE AND CARBON SEQUESTRATION**

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

9 We support:

- 10 1. Farmers and ranchers being consulted as the United States moves forward to
11 reduce its emission of greenhouse gases;
- 12 2. Soil health practices that aim to increase organic matter and humus
13 development;
- 14 3. Carbon sequestration being an innovative way to enhance income for
15 producers and protect our environment. Therefore, the trading of carbon
16 credits with the inclusion of carbon sequestration as an agricultural
17 conservation practice for fair and equitable carbon offset payments should
18 be encouraged;
- 19 4. Carbon sequestration research not being biased toward a single practice,
20 such as no-till, and instead integrating soil health principles into all
21 agricultural practices, including grazing lands, energy feedstock production,
22 organic cropping, wood lots, the Conservation Reserve Program and other
23 proven conservation methods;
- 24 5. The continuation and expansion of a carbon trading exchange as a way to
25 compensate farmers and ranchers for sequestering carbon;
- 26 6. A national mandatory carbon emission tax or fee and dividend system to
27 reduce non-farm greenhouse gas emissions that:
 - 28 i. Grants USDA control, verification and administration of the
29 agriculture offset program, rather than EPA;
 - 30 ii. Does not place an artificial cap on domestic offset allowance;
 - 31 iii. Bases carbon sequestration rates upon science;
 - 32 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. Exempting small domestic refiners (producing 150,000 barrels per day or
- 10 less) from an emission cap;
- 11 11. Research and development of carbon capture and storage (CCS) facilities,
- 12 with the understanding that landowners will not share in the risks
- 13 associated with CCS;
- 14 12. Research and promotion of resilient farming practices, such as the NRCS Soil
- 15 Health Initiative, that mitigate and adapt to the potential effects of climate
- 16 change;
- 17 13. Efforts to preserve rainforest land and convert cleared rainforest land back
- 18 into diversified agroforestry; and
- 19 14. Increasing USDA research funding for public plant breeding programs to
- 20 provide farmers with seeds that are regionally adapted to changing climates.

21 We oppose:

- 22 1. Any attempt to regulate carbon by the EPA through Section 111(d) of the
- 23 Clean Air Act through state implementation plans that do not include
- 24 economic safety-valves to protect rural economies;
- 25 2. Any plan that does not cover carbon emissions from all sectors of the
- 26 economy; and
- 27 3. Considering international indirect land use changes when determining U.S.
- 28 carbon and energy policy.

29 **S. CONSERVATION**

30 Strong conservation efforts promote healthy soils. Conservation programs should be

31 fully funded to benefit the environment, reward stewardship of land and water

32 resources and marine habitat, discourage speculative development of fragile land

1 resources, strengthen family farming, and enhance rural communities. Conservation
2 assistance should be at a level designed to meet the needs as shown in the federal land
3 conservation inventory, the appraisals under the Resource Conservation and Recovery
4 Act of 1976, and other federal studies.

5 We support:

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

1 practices without automatically being penalized. Loss of full federal farm
2 program benefits should be imposed only in cases of purposeful destruction
3 of conservation practices;

4 10. Federal financing to meet clean water and air standards of the EPA being
5 available to farmers from funds appropriated by Congress for this purpose,
6 and that such funds be administered through the farmer-elected committees;

7 11. Adequate funding to enable the small watershed programs to provide for the
8 maintenance and rehabilitation of existing structures built under federal
9 water control and flood protection programs, as well as to build additional
10 structures to provide flood control, livestock water, irrigation water, and
11 recreational benefits to rural America;

12 12. State efforts to create cost-share programs for soil and water conservation
13 practices;

14 13. The continuation of NRCS snow surveys and SNOW TELEMETRY (SNOTEL)
15 measuring stations;

16 14. Limiting programs that increase the role of private companies and non-
17 governmental organizations in conservation planning, technical assistance
18 or implementation; and

19 15. The continuation and expansion of the Environmental Quality Incentives
20 Program (EQIP), which provides federal cost-share and technical assistance
21 to enable farmers to comply with environmental requirements, and urge full
22 appropriation of existing authorized funding and an increase in future
23 funding.

24 We support:

25 i. Appropriate caps on funding levels to assure funds are being
26 directed to family farmers and ranchers;

27 ii. Preference and priority given to family farmers below a 1,000
28 animal waste unit threshold;

29 iii. The agriculture secretary prioritizing the use of EQIP funds for
30 family farmers and ranchers, taking into account the geographical
31 differences in farming and ranching operations;

- 1 iv. EQIP program eligibility and cost-share levels being consistent
- 2 with commodity program eligibility and payment limits; and
- 3 v. USDA funding public and private research and development of
- 4 composting and that composting be eligible for cost sharing
- 5 under EQIP as an enhancement of pollution control.

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

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

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

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

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

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

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

22 We support:

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

- 1 v. Enrollees being allowed to manage permanent, vegetative cover to
2 enhance wildlife habitat and ecosystem health;
- 3 vi. Landowners' rights to collect hunting or recreational use fees on CRP
4 land ;
- 5 vii. The program being better focused to serve the needs of family farmers
6 and ranchers and to protect highly erodible land and other
7 environmentally sensitive lands;
- 8 viii. Land enrolled in CRP shall have an end-of-contract plan in place for use
9 of the land following the contract expiration date that takes into account
10 erodibility, soil type and conservation practices;
- 11 ix. Voluntary participation to transfer CRP lands that qualify for ACEP to
12 that program;
- 13 x. Evaluation of all CRP lands currently or previously enrolled in the
14 program for contract re-enrollment. The most environmentally sensitive
15 land should be given first opportunity for contract. Land enrolled in CRP
16 that is critical habitat for endangered species should be given an
17 extension of up to 15 years. CRP lands diverted into long-term timber
18 and forestry conservation projects should be given a high priority for
19 contract re-enrollment;
- 20 xi. Financial and technical assistance being provided to producers in
21 preparing CRP acreage for sustainable agricultural systems that will
22 meet established conservation standards;
- 23 xii. Land managed with appropriate organic standards while enrolled in CRP
24 being eligible for organic certification upon leaving the program;
- 25 xiii. Land that was farmed prior to being enrolled in CRP being eligible for
26 crop insurance upon contract expiration;
- 27 xiv. In times of extended drought conditions or weather disasters,
28 authorization of haying or grazing on CRP acres to livestock producers
29 based on need, with CRP acres being used to replenish feed supplies.
30 Haying and grazing of CRP by a producer in a disaster declared county
31 should not be restricted to land in the disaster-declared county or state.
32 The FSA farmer-elected county committees should be given the authority

1 to set the date of harvest in order to maximize the feed value of hay and
2 forage. These regulations should be in place so the procedures are known
3 in advance. The maximum landowner income from the haying and
4 grazing should not exceed the annual CRP contract amount from that
5 farm;

6 xv. No further reductions in total acres enrolled in CRP;

7 xvi. The CRP Transition Incentives Program (TIP) that allows CRP payments
8 to continue to landowners that transfer the land to beginning, veteran
9 and/or socially disadvantaged farmers;

10 xvii. TIP should require the base acres be reattached to the tract they were
11 removed from;

12 xviii. Planting property to shelterbelts or other conservation measures being
13 encouraged through reduced property taxes on those acres. Producers
14 who destroy shelterbelts or wooded areas should establish the same
15 number of acres of new trees for a minimum of 10 years;

16 xix. An expedited process to adopt rules and regulations to re-enroll or to
17 extend CRP contracts; and

18 xx. Allowing approved CRP conservation cover crops to be used for biomass
19 production in areas where needed until the biomass industry evolves to a
20 more economically viable level. CRP payments would be paid on these
21 acres in years where biomass is harvested.

22 **3. NATIONAL BUFFER STRIP INITIATIVE**

23 The mission of the National Buffer Strip Initiative is to support development and
24 adoption of agricultural conservation systems in all U.S. watersheds.

25 We support:

26 i. Development of new markets for products of perennial systems, such as
27 biofuels and feedstock crops; and

28 ii. Enterprise research to evaluate and develop new plant material
29 selections along with associated production, harvesting and processing
30 technologies to discover and develop new uses for products of perennial
31 systems.

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

1 We support:

- 2 i. Full funding and implementation of the Conservation Stewardship
3 Program;
- 4 ii. CSP acreage levels included in the 2008 Farm Bill;
- 5 iii. Implementation of the CSP in a manner which recognizes conservation
6 practices appropriate to different climatic regions and provides for such
7 agricultural production practices to be adequately scored by the
8 Conservation Management Tool (CMT);
- 9 iv. Allowing new conservation enhancements made to land in an existing
10 CSP contract to count as credit on subsequent CSP contracts as a way of
11 rewarding early-adapters; and
- 12 v. Consistent interpretation of the rules and guidance documents among all
13 NRCS offices.

14 **5. SODBUSTER AND SWAMPBUSTER PROVISIONS**

15 We support:

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

26 **6. WETLANDS**

27 We support:

- 28 i. Producers being provided full opportunity to participate in the
29 development and review of a single, coordinated approach to wetlands
30 protection. Requiring recertification of wetlands at 5-year intervals
31 creates a moving target for producers in compliance efforts;

- 1 ii. Making the NRCS and FSA the lead agencies in wetlands delineation on
2 agricultural land, but oppose the use of special interest groups making
3 wetland determinations;
- 4 iii. Any and all wetlands determinations throughout the United States
5 relying on the presence of all three of the following mandatory wetland
6 criteria simultaneously appearing on the same site year round:
7 a. Hydrology,
8 b. A predominance of hydric soil, and
9 c. A prevalence of hydrophytic vegetation;
- 10 iv. The federal government consulting with the state and local governments
11 to develop a unified, mutually agreeable management program to protect
12 our nation’s wetlands;
- 13 v. Wetlands management programs balancing wetland values and the
14 needs of the various states and their political subdivisions and individual
15 property rights;
- 16 vi. Any leaseholder, renter or owner being compensated equitably for the
17 taking of lands through the classification of wetlands;
- 18 vii. The final interagency manual being revised with greater consideration
19 for the food and fiber producers of the United States;
- 20 viii. Wetlands of less than one acre not falling under any jurisdiction of state
21 or federal agencies;
- 22 ix. When dealing with farmland, primary consideration being given to the
23 economic and environmental impact on agriculture;
- 24 x. In cases where adjacent landowners are not affected, landowners being
25 able to move water within the contiguous boundaries of their own
26 property without regulation, interference, or easements;
- 27 xi. Water outside the boundary of a wetland being considered sheetwater
28 and not subject to jurisdiction by the state or federal agencies;
- 29 xii. NRCS and FSA cooperating with state and local agencies on wetland
30 mitigation;
- 31 xiii. No net gain of wetland acres;

- 1 xiv. 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 xv. 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. PREDATOR AND RODENT CONTROL**

11 We support:

- 12 1. Restoring the original intent of the 1931 Animal Damage Control Act (ADC),
13 which mandates the federal government protect the livestock industry from
14 predatory loss. To the extent that an adequate ADC program is not available
15 to farmers, we recommend that a federally financed indemnity program be
16 instituted to pay for crop and livestock losses;
17 2. Judicious use of control practices being continued on federal and state lands
18 to control coyotes, feral hogs and other damaging species. Control practices
19 on private lands must be done with landowners' permission;
20 3. Farmers and ranchers being allowed to defend against predatory animals,
21 including those on the endangered species list, on their land by using the
22 most effective, safe, economical and humane means; and
23 4. U.S. Fish and Wildlife Service assuming full responsibility for any livestock
24 losses resulting from the reintroduction of non-domesticated animals.

25 We oppose the reintroduction of predatory animals.

26 **V. ENDANGERED SPECIES**

27 We support:

- 28 1. All impacted industries and individuals being compensated for actual annual
29 losses as a result of critical habitat designation;
30 2. Federal policy establishing meaningful incentives for landowners in the
31 business of farming and ranching who provide habitat for endangered
32 species;

- 1 3. Requiring federal agencies to continue cooperative public/private efforts
2 designed to increase the population of candidate species since such efforts
3 have proven successful;
- 4 4. Candidate conservation agreements as a tool to lessen impacts to agriculture
5 producers from candidate species that are warranted-but-precluded or
6 listed; and
- 7 5. Amending the law by specifying that no species may be listed as endangered
8 or threatened and no critical habitat may be so designated unless the
9 following conditions exist:
 - 10 i. Site-specific studies have been done that find the species actually
11 occupies or has occupied within the last 15 years, habitat that is
12 declared critical;
 - 13 ii. Cultural and economic impact studies have been done which
14 determine what impact the declaring habitat or listing of species will
15 have on rural economies and rural cultures;
 - 16 iii. Treaty law has been observed by the development of mutual
17 agreements between federal agencies and tribes and other
18 indigenous peoples protected by treaties;
 - 19 iv. Hearings are held within a 50-mile radius of the proposed critical
20 habitat, with all public land permittees provided written notice; and
 - 21 v. Managing any species that are threatened or listed under the
22 Endangered Species Act (ESA) to prevent detrimental effects on
23 working agricultural crops, lands and livestock.

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

26 **W. ARMY CORPS OF ENGINEERS**

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

30 **X. NUCLEAR, RADIOACTIVE AND TOXIC WASTE**

31 We support:

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

7 **Y. SURFACE MINING**

8 With proper enforcement of the law, energy and other resources can be provided
9 without permanently damaging one of the nation’s most important resources, namely
10 agricultural land.

11 We support:

- 12 1. Strong enforcement of the Surface Mining Control and Reclamation Act
13 including hard rock;
- 14 2. Ensuring that land stripped to recover underground resources is returned to
15 its original or better condition;
- 16 3. Public involvement in the monitoring and enforcement of the surface mining
17 law;
- 18 4. Mandatory public disclosure of chemicals used in the mining process; and
19 Adequate bonding for post-mining reclamation.

20 **ARTICLE VIII – ENERGY AND THE FAMILY FARM**

21 **A. ENERGY OBJECTIVES**

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

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

- 28 1. Making the development of renewable sources of energy our number one
29 priority in reducing our dependence on fossil fuels;
- 30 2. Ambitious mandates for renewable energy production;
- 31 3. Equitable distribution and efficient development of energy while assuring
32 appropriate production of food and fiber;

- 1 4. Incentives for environmentally safe domestic exploration, drilling and
2 development to assure a reasonable degree of self-sufficiency and to mitigate
3 all negative economic consequences incurred by farmers, fishers, and fishing
4 businesses by such exploration and subsequent drilling resulting from said
5 exploration;
- 6 5. A balance of energy needs with a sustainable environment;
- 7 6. Concern for the survival of independent oil producers through the
8 elimination of the oil depletion allowance on all but domestic production;
- 9 7. Opposition to federal deregulation of the electric utilities industry;
- 10 8. Supporting the establishment of a stand-alone Energy Efficiency Resource
11 Standard that will achieve, by the end of 2020, electricity savings of 15
12 percent and natural gas savings of 10 percent (using 2010 levels as the
13 baseline), including savings from new building codes and equipment
14 efficiency standards;
- 15 9. The right of farmers and property owners to feed back into the commercial
16 energy grid at equitable rates. Farmers should be encouraged to utilize both
17 agricultural crops and agricultural byproducts in the production of energy;
- 18 10. Country-of-origin labeling for fuels, requiring the secretary of energy to
19 implement country-of-origin disclosure requirements with respect to fuels;
- 20 11. The impacts on our rural economy of eliminating existing power plants
21 before they achieve their maximum intended lifecycle while transitioning to
22 a clean power economy;
- 23 12. Acceleration of development of fusion energy technology; and
- 24 13. Ability of states using mass-based and rate-based emissions reduction
25 standards to trade carbon emissions.

26 **B. DISTRIBUTION**

27 **1. PETROLEUM SUPPLY**

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

- 30 i. The U.S. government to ensure a necessary level of refining capacity to
31 process the crude oil that would be available in a petroleum-supply
32 emergency;

- 1 ii. Crude oil at competitive prices to be made available during an emergency
- 2 to refineries so the resulting petroleum products will be provided to the
- 3 agricultural sector;
- 4 iii. Strategic Petroleum Reserve supplies being allocated to cooperative and
- 5 other independent domestic refineries at equitable prices at the early
- 6 stages of any supply disruption;
- 7 iv. The reserve being used only in shortfall of stock, not price, to avoid price
- 8 manipulation;
- 9 v. The creation of reserves in other fuel sources, including ethanol; and
- 10 vi. The support of the Corporate Average Fuel Efficiency (CAFE) standards.

11 We oppose:

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

16 **2. ELECTRICITY AND DEREGULATION**

17 We support:

- 18 i. Local regulation of power to ensure all U.S. residents have access to
- 19 affordable, high-quality electric service;
- 20 a. We urge the EPA to place more emphasis on preliminary planning
- 21 assessment with the states and tribes expanding the Visibility
- 22 Protection Program through the addition of the regional haze
- 23 concept and to propose a rule that addresses a more reasonable
- 24 and realistic approach to the issues of regional haze.
- 25 b. We encourage the EPA to use actual air quality monitoring data
- 26 and improved computer modeling to determine if a state is in
- 27 compliance with EPA to air quality requirements for Class 1 areas
- 28 such as national parks and other designated natural treasures.
- 29 ii. Federal policy that would provide nonprofit power groups with the
- 30 necessary credit and financial support to set up needed generating and
- 31 transmitting facilities;

- 1 iii. Electric utilities providing rate structures that offer an incentive to
- 2 consumers to use off-peak power;
- 3 iv. The development of wind, solar, and other alternative sources of energy
- 4 in community-based and individually owned systems where viable;
- 5 v. The development of a national electrical grid designed with the capacity
- 6 to carry renewable energy from the production source to the areas
- 7 where it is needed;
- 8 vi. Federal and state electric distribution studies on rural electric
- 9 cooperative (REC) and municipal utility lines and substations to identify
- 10 necessary improvements and available capacity for renewable energy
- 11 production;
- 12 vii. A national Renewable Portfolio Standard (RPS) of 25 percent by 2025
- 13 that includes a strong local ownership component;
- 14 viii. When siting lines “cross country,” citizen input should be a first priority
- 15 in the siting process;
- 16 ix. When new transmission lines and substations are placed, a yearly rental
- 17 payment to the landowner should be established;
- 18 x. The use of the best available clean air technology when using fossil fuels
- 19 to even out the production of electricity from renewable sources. The use
- 20 of fossil fuels, nuclear energy and energy storage in conjunction with
- 21 renewable energy sources is necessary given today’s level of technology
- 22 to produce reliable and affordable electricity; and
- 23 xi. Consideration and mitigation of the negative impacts on our economy of
- 24 eliminating coal-fired power plants before they achieve their maximum
- 25 intended lifecycle.

26 We oppose:

- 27 i. Infringement upon the existing service areas of RECs by investor-owned
- 28 companies;
- 29 ii. Federally mandated restructuring of the electric utilities industry;
- 30 iii. Development of local transmission lines, which do not ensure financing
- 31 for low-voltage upgrades, which will be needed for many community
- 32 energy projects to reach these larger grids;

- 1 iv. NEPA studies on public lands for energy transmission corridors without
- 2 local notification of landowners and local governments at the scoping
- 3 process; and
- 4 v. Granting eminent domain authority to or on behalf of foreign
- 5 corporations, state or federal governments for merchant transmission or
- 6 non-public utility projects, and any new nuclear plants in the United
- 7 States until safety issues are reviewed and confirmed.

8 **3. ECONOMIC ASSISTANCE**

9 We support:

- 10 i. Utilization and adequate funding of the USDA Rural Utilities Service
- 11 (RUS) to provide direct low-interest loans to rural electric cooperatives
- 12 and their members to carry out renewable energy projects and energy
- 13 conservation measures;
- 14 ii. Expanding RUS's role to provide funding for financing renewable energy
- 15 transmission and substations to community-based projects;
- 16 iii. Assistance to landowner associations or groups to conduct renewable
- 17 energy resource assessments and environmental impacts studies;
- 18 iv. Full disclosure of all classifications of subsidies received by private
- 19 utilities; and
- 20 v. Authorizing RUS to restructure existing debt for coal infrastructure
- 21 projects owed by Rural Electric Cooperatives to finance deployment of
- 22 wind and solar generation.

23 **4. PUBLIC OWNERSHIP OF POWER MARKETING ADMINISTRATION AND POWER**

24 **GENERATORS**

25 Public ownership has been an essential element in providing reasonably priced

26 hydroelectric power to rural areas in the United States. Access to federally produced

27 and subsidized power must be guaranteed to new and existing public or cooperative

28 electric utilities. We oppose the sale of Power Marketing Administrations (PMA), the

29 Tennessee Valley Authority (TVA), state or tribally owned dams or other publicly

30 owned power generators.

31 **5. HYDROELECTRIC POWER**

1 NFU recognizes that hydroelectric power is an important renewable energy
2 source.

3 We support:

- 4 i. Continued development of hydroelectric power sites, where they are
5 cost-effective and ecologically and environmentally compatible, and
6 upgrading of current sites for better efficiency;
- 7 ii. Amending the Federal Power Act to provide preference to rural electric
8 cooperatives in the licensing and re-licensing of water power projects;
- 9 iii. Inclusion of small hydro and existing hydro in national renewable energy
10 legislation; and
- 11 iv. Funds received from sale of public water that displaces hydro generation
12 being returned to the generating authority.

13 **6. PIPELINES**

14 We support:

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

31 We oppose:

- 32 i. The classification of a private, foreign-owned pipeline as a public utility;

- 1 ii. The classification of a foreign-owned pipeline as a common carrier unless
- 2 it can be demonstrated that the majority of the transported material is
- 3 from domestic sources and that majority of the transported material is
- 4 for domestic consumption;
- 5 iii. Pipeline construction across farmland without permission of all affected
- 6 landowners; and
- 7 iv. Forcing additional rights of way or leases upon landowners where a lease
- 8 or right of way currently exists, as this would further devalue the land for
- 9 agricultural use.

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

11 **1. PRIORITIES**

12 NFU should promote, expand, and ensure localized farmer ownership to the

13 fullest degree possible in renewable/alternative energy development including

14 wind, solar, biofuels and other technologies. Policies that can achieve this goal are

15 feed-in tariffs, incentives and mandates for locally owned facilities. We support the

16 efforts of “host” communities and municipalities to accurately calculate the income-

17 generating capacity of potential renewable energy projects, regardless of ownership

18 type, and to establish feeds, property tax provisions, or impact assessments to

19 ensure that a reasonable amount of the economic benefits are shared by all of the

20 local communities and residents without deterring smaller-scale, distributed,

21 community-based and individually owned projects.

22 NFU should lead efforts to educate family farmers, ranchers and rural

23 communities about how to adapt to the effects of climate change on their own

24 respective operations, as well as the enormous economic benefits that renewable

25 energy brings to our rural areas.

26 We support:

- 27 i. Expanded research and development dollars and full funding for
- 28 renewable energy programs and technology;
- 29 ii. The development and promotion of renewable energy sources
- 30 appropriate to their location and directed toward developing self-
- 31 sufficient units suitable for farm, home, small industry and business use;

- 1 iii. Farmer-owned cooperatives pursuing the development and marketing of
- 2 renewable energy;
- 3 iv. Adequate funding levels for feasibility studies under the Rural Energy for
- 4 America Program should be reinstated and cover all pre-development
- 5 activities involved, including thorough wildlife studies by public
- 6 agencies;
- 7 v. Incentives for local development and ownership of renewable energy
- 8 production;
- 9 vi. Development of new markets for cellulosic products from perennial
- 10 systems;
- 11 vii. Enterprise research to evaluate and develop new plant material
- 12 selections along with associated production, harvesting and processing
- 13 technologies to discover and develop new uses for products of perennial
- 14 systems;
- 15 viii. Research and development on utilizing biomass for energy of all forms;
- 16 ix. The Biomass Crop Assistance Program and other such programs;
- 17 x. Economic assistance for family farmers to make agriculture more self-
- 18 sufficient through increased application of alternative forms of energy
- 19 and energy efficiency;
- 20 xi. Reversing the trend toward concentration of the ownership or control of
- 21 sources, production and distribution of energy;
- 22 xii. Targeting funds to encourage diversified, community-based and
- 23 individually owned energy systems that create jobs and new wealth in
- 24 rural areas of our country;
- 25 xiii. Eliminating the importation of foreign sources of biofuels;
- 26 xiv. An import fee on non-renewable foreign-produced energy, to fund the
- 27 development of domestic renewable energy;
- 28 xv. Creation of a Strategic Biofuels Feedstock Reserve;
- 29 xvi. A program to tackle the lack of infrastructure in the expansion of
- 30 renewable energy. We support many increases in research and
- 31 development, particularly in the areas of:
- 32 a. Pipelines designated or altered for the transport of biofuels;

- 1 b. Solidifying the railroads in this country to move renewable fuels
2 to each coast;
- 3 c. Expanded use of flex/blender pumps;
- 4 d. Establishing E85 filling stations/pumps; and
- 5 e. Expanding and creating a network of transmission lines
6 throughout the country to aid in the movement of renewable
7 energy from sources such as wind and solar;
- 8 xvii. Extension and expansion of renewable energy tax credits, incentives and
9 loan guarantee programs including a permanent renewable energy
10 production tax credit (PTC) that includes nonprofit organizations as
11 qualifying entities;
- 12 xviii. The use of production tax credits to provide long-term financial
13 incentives for wind and solar energy development; Encourage local
14 ownership of wind turbine manufacturing, development and operations;
- 15 xix. Biodiesel and ethanol blenders' tax credits and the cellulosic production
16 tax credits and loan guarantees;
- 17 xx. Policies to create greater domestic production of biofuel facilities and
18 other renewable energy components;
- 19 xxi. Fully funding the BioPreferred Program, as well as ensuring the federal
20 government is a leader in procuring these products;
- 21 xxii. Expanded energy conservation research and development as well as
22 implementation of programs that encourage the conservation of energy
23 inputs by the agricultural and food sectors;
- 24 xxiii. Working with landowners and other groups to develop a landowner's bill
25 of rights for renewable energy;
- 26 xxiv. Research and development on the production of fuels and fertilizers from
27 renewable electricity;
- 28 xxv. Expanding the utilization of anaerobic digesters;
- 29 xxvi. Funding for research and technical advancement of energy storage
30 systems allowing for reliable and consistent availability of renewable
31 energy;

- 1 xxvii. The government purchasing and using flex-fuel vehicles and fueling them
2 with renewable fuels;
- 3 xxviii. A national net metering standard for systems up to 100kW in order to
4 help expand the use of smaller wind and solar energy systems;
- 5 xxix. The Community Based Energy Development (CBED) ownership model
6 created in Minnesota and Nebraska; and
- 7 xxx. Renewable energy projects tied to the creation of supply chain
8 businesses in the surrounding rural communities.

9 We oppose:

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

14 **2. ETHANOL**

15 We support:

- 16 i. An ethanol program to include:
- 17 a. Renewable resources that should be established through low-
18 interest federal loans to farmer-owned cooperatives;
- 19 b. Further federal legislation to provide for conversion of farm
20 products and byproducts into ethanol emphasizing on-farm and
21 local cooperative site development;
- 22 c. State legislation granting tax credits on each gallon of ethanol-
23 enhanced fuel sold within each state;
- 24 d. Promotion of research on usage and marketing of dry distillers'
25 grain for feed and other value-added uses;
- 26 e. An aggressive and ambitious cellulosic program, geared to rapidly
27 developing necessary technology, to compliment traditional
28 ethanol supplies of motor fuel;
- 29 f. Expansion of available gasoline blends to E30 or higher, as
30 supported by scientific data, and the EPA and all government
31 regulators immediately reversing statements and regulations
32 prohibiting, restricting, or implying it is illegal, unsafe, or harmful

1 for non-flexible fuel vehicles to use and operate on gasoline-
2 ethanol blends up to and including E30, or higher blends as
3 supported by research and data, which are delivered through
4 blender pumps;

5 g. Flexibility for new fuel systems to accommodate advances in
6 ethanol blend utilization technology; and

7 h. Research and production of engines designed to run solely on
8 ethanol.

9 ii. The extension of the ethanol fuel tax incentive to include the ethanol
10 portion of ethyl tertiary butyl ether (ETBE);

11 iii. Allowing ETBE refiners the ability to claim the ethanol excise tax
12 exemption at the blend point;

13 iv. The use of ethanol as a fuel additive for gasoline formulations to enhance
14 octane levels, with an expanded role of replacing aromatics, in
15 accordance with the Clean Air Act;

16 v. Urging all vehicle manufacturers to actively produce and market flex-fuel
17 options in all market classes; and

18 We oppose:

19 i. Any future efforts to eliminate ethanol tax incentives;

20 ii. Liability protection for MTBE producers; and

21 iii. Any further use of methyl tertiary butyl ether (MTBE) in gasoline.

22 **3. RENEWABLE FUEL STANDARD**

23 We support:

24 i. Expanding the Renewable Fuel Standard (RFS) to set an ambitious
25 mandate for production of biofuels to make up one-third of the nation's
26 fuel supply as soon as possible, consistent with grain availability for
27 livestock production;

28 ii. Separate mandates of production for each form of biofuel, including
29 cellulosic ethanol and biodiesel;

30 iii. Full implementation of RFS legislation that will:

31 a. Supply clean-burning renewable fuels to reduce air pollution;

32 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. Retailers providing higher blends of biodiesel fuels to their customers and urge marinas to offer biodegradable biodiesel fuels to their customers;
- ii. Increased research funding to demonstrate the effectiveness of biodiesel;
- iii. Research and development of oilseed crops and animal byproducts for use as biodiesel alternative fuels;
- iv. DOE developing a rapid commercialization program for biodiesel;
- v. 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
- vi. 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

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

3 **6. WIND ENERGY**

4 We support:

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

17 **7. SOLAR ENERGY**

18 We support:

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

29 **8. RENEWABLE ENERGY STORAGE**

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

32 **9. COOPERATIVE DEMONSTRATIONS**

1 We support:

- 2 i. Consumer-owned utilities uniting to develop and demonstrate the
3 economic feasibility of renewable and other alternate energy systems.
4 The economic viability of those cooperative utilities must be taken into
5 consideration;
- 6 ii. Cooperatives providing consumers price incentives for using ethanol- or
7 biodiesel enhanced fuels;
- 8 iii. Continued federal funding for the Great Plains Synfuels Plant; and
- 9 iv. Placing alternative marketing devices for alternative fuels such as
10 E85/biodiesel and flex/blender pumps at every cooperative retailer in
11 the nation.

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

13 We support:

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

19 **1. FUEL STORAGE TANKS**

20 We support:

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

29 **2. WASTE PRODUCTS**

30 We support:

- 31 i. Recycling as a socially responsible activity;

- 1 ii. Federal assistance to help establish an effective recycling system
- 2 throughout the country for agricultural, post-consumer and industrial
- 3 waste;
- 4 iii. Only the environmentally safe use of solid wastes in the production of
- 5 energy; and
- 6 iv. Composting of food and organic fiber waste, and the opening of markets
- 7 for the sale and distribution of the composted products, especially for
- 8 schools and other public institutions.

9 **3. HYDRAULIC FRACTURING AND WASTEWATER INJECTION**

10 We support:

- 11 i. Holding energy companies that use the hydraulic fracturing process and
- 12 wastewater injection well owners liable for any and all expenses
- 13 resulting from environmental damage, earthquakes and health impacts
- 14 incurred as a result of the activity and handling of wastewater and other
- 15 byproducts associated with the extraction process;
- 16 ii. A complete Environmental Impact Statement (EIS), with assessments of
- 17 health and economic impacts, baseline water quality and quantity and
- 18 the effect of a diversion of water that may currently be assigned to
- 19 agricultural, private and municipal use or under contracted obligations;
- 20 iii. Local oversight and regulation of the fracking process and wastewater
- 21 disposal;
- 22 iv. Mandatory disclosure of the chemicals, including percentages, used in
- 23 fracking drilling fluids and wastewater injection. Such chemicals must be
- 24 identified as environmentally safe before use or injection;
- 25 v. Mandatory monitoring of possible groundwater contamination and
- 26 oversight of wastewater injection wells; and
- 27 vi. Compliance with the Federal Right to Know Act (Emergency Planning
- 28 and Community Right to Know Act). Oil and gas well operators must
- 29 report all hazardous chemicals in use or stored at drilling sites to the
- 30 State Emergency Response Commission (SERC). The SERC shall maintain
- 31 a current database with this information that is easily accessible to first
- 32 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. Three 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. All long-term credit programs, permanent and long-term improvements,
13 multipurpose conservation, dam and watershed projects, public buildings,
14 highways and inland waterways, be placed in a “capital budget,” distinct
15 from the annual operation budget;
- 16 4. Farmers’ assessments or trust fund revenues not being used for deficit
17 reductions;
- 18 5. Congress demonstrating fiscal responsibility by the mandatory review of all
19 currently implemented legislation, and new legislation containing
20 mandatory sunset clauses to ensure timely review;
- 21 6. Programs that fail to meet their intended objectives to be reviewed and
22 restructured or terminated; and
- 23 7. Not punishing the farm bill baseline budget for savings generated through
24 the safety net.

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; and
- 30 4. Dynamic scoring.

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

32 We support:

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

9 **C. BANK REGULATION**

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

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

16 We support:

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

28 **D. CREDIT UNIONS**

29 We support:

- 30 1. Maintaining the National Credit Union Share Insurance Fund as a separate
31 and independent agency from other federal deposit insurance systems;

- 1 2. The credit union movement in its efforts to combat the anti-competitive
2 regulatory tactics undertaken by other segments of the financial services
3 industry; and
- 4 3. The right of all Americans to choose how and where they deposit their
5 earnings and transact their personal financial business.

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

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

11 We support:

- 12 1. Estate tax relief for family-owned farms, ranches and small businesses in
13 order to facilitate the transfer of those enterprises to the next generation;
- 14 2. Creating policy that taxes agriculture estates based on production value and
15 not on potential development value so long as the estate and its property
16 remain in agriculture production;
- 17 3. Permanently maintaining the federal estate tax exemption per individual at
18 \$11 million, \$22 million per couple, indexed for inflation, with an additional
19 \$5 million exemption if the estate continues to be operated by a family
20 member or transfers to a beginning farmer;
- 21 4. Simplifying the exemption qualification rules and requirements; and
- 22 5. Implementing graduated rates with a base rate of 35 percent.

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

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

26 We support:

- 27 1. A study on the impact of IRS Tax Code 1031 Exchanges (Starker Exchange)
28 on farmland values;
- 29 2. The return to a stricter interpretation of like kind property exchanges, i.e.
30 agricultural land for agricultural land;
- 31 3. Allowing livestock and equipment to be included in like kind property
32 exchanges; and

- 1 4. Allowing property owners a minimum of 18 months to identify and complete
2 a 1031 exchange if the property was lost through eminent domain (*also see*
3 *Article VI.Q – Eminent Domain*).

4 **G. INCOME TAX REFORMS**

5 We support:

- 6 1. A more progressive tax structure and oppose a flat tax;
- 7 2. A simplified tax code;
- 8 3. The full deductibility for the individual payment of premiums for health,
9 disability and long-term care. Premiums on life insurance benefits up to
10 \$500,000, or as required to be carried by creditors, should also be
11 deductible;
- 12 4. A limited refundable federal income tax credit equal to all or a percentage of
13 the state and local real estate taxes paid by farmers and ranchers on
14 farmland utilized for commercial agriculture production;
- 15 5. Income from a farm sale being put into a tax-deferred individual retirement
16 account (IRA);
- 17 6. Annual gift tax limits of \$25,000 per individual;
- 18 7. The concept of family savings accounts, the saver's credit for low-income
19 families with net incomes of \$40,000 or less, and other state and federal
20 programs known as an Individual Deposit Account (IDA) that are targeted at
21 low-income savers;
- 22 8. Permanent tax legislation for deductions of expenses accrued on the farm
23 and ranch under section 179 of the tax code of no less than \$500,000;
- 24 9. Tax expensing tools that allow family farmers to elect to deduct part or all of
25 the cost of qualifying farm assets in the year they are placed in service. Such
26 tools include adequately high limits of the accelerated depreciation
27 deduction and bonus depreciation deductions;
- 28 10. Deferring the tax consequences of a forced liquidation of livestock if it is due
29 to severe weather conditions or other causes and if the animals are replaced
30 within a 5-year time frame; and
- 31 11. Equitable deductions for farmers who sell to co-ops.

1 **H. TAXATION**

2 We support:

- 3 1. Legislation that would hold multinational and off-shore corporations
- 4 responsible for their full tax burden, including user fees to cover the cost of
- 5 import inspections;
- 6 2. Closing tax loopholes for corporations and individuals to balance the tax
- 7 burden for funding the federal government;
- 8 3. The right of state governments to tax production of nonrenewable resources
- 9 such as coal, oil, natural gas and minerals;
- 10 4. Reforming U.S. capital gains tax laws to allow tax-free conversion of farm
- 11 assets in exchange for investments in all categories available to the general
- 12 public and other business entities;
- 13 5. A \$500,000 capital gains exemption tax on farm real estate sales;
- 14 6. Studying the inclusion of a federal mechanism to equalize the effects of
- 15 foreign consumption taxes on trade; and
- 16 7. An expansion to Internal Revenue Code Section 280E that would allow
- 17 businesses compliant with state laws to claim deductions and credits
- 18 associated with the production and sale of medical and industrial cannabis.

19 We oppose:

- 20 1. Multinational corporations moving to tax havens to avoid tax liabilities;
- 21 2. Legislation and court action that would prohibit states from taxing
- 22 multinational corporations based on the volume of business done in the
- 23 state;
- 24 3. Any taxation for the use of the internet;
- 25 4. Enactment of a national sales tax;
- 26 5. Unfunded federal mandates being imposed on state and local jurisdictions;
- 27 6. Efforts to prohibit the cash method of income and expense accounting; and
- 28 7. A Border Adjustment Tax (BAT).

29 **I. TAX CREDIT**

30 A properly designed tax credit can encourage new enterprises in rural communities,

31 be a stimulus for encouraging new family farms and family fishing businesses and be an

32 opportunity for retiring farmers to sell their operations to beginning family farmers.

1 We support:

- 2 1. A tax credit, targeted to the seller of farm land, who sells to a beginning or
3 young farmer;
- 4 2. Credit being extended to a sale of land or a small business from one
5 generation to the next;
- 6 3. Continuation of the investment tax credit;
- 7 4. A federal tax credit for approved conservation practices for non-deductible
8 expenses;
- 9 5. An investment in tax credit allowance to farmer-owned cooperatives that
10 build facilities in rural America. The investment tax credit should be
11 required to be allocated back to the patron-members of the co-op; and
- 12 6. A tax credit for renewable energy.

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

16 **J. COMMODITY FUTURES**

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

- 19 1. Oversight and authorization jurisdiction for the Commodity Futures Trading
20 Commission (CFTC) being maintained by the Senate and House Agriculture
21 Committees; efforts to merge the CFTC with the Securities and Exchange
22 Commission (SEC) should be defeated;
- 23 2. Increased farm owner-operator representation on exchange boards,
24 specifically on those committees responsible for rulemaking relating to new
25 agricultural commodity contracts;
- 26 3. Establishing appropriate contract and aggregate position limits for all
27 commodities in all price discovery markets with input from agricultural
28 producers and commercial market users;
- 29 4. The collection and publishing of data on the total value of index funds and
30 other passively held long-only positions in all markets;
- 31 5. Requiring over-the-counter (OTC) trades be cleared by a CFTC-regulated
32 clearing organization and reported publicly;

- 1 6. Increased transparency between domestic and foreign boards of trade;
- 2 7. Clearly defining hedgers and the hedger exemption to only include those
- 3 with a legitimate commercial interest in the physical commodity; and
- 4 8. Studying and developing new research revenue streams such as an
- 5 assessment on agricultural commodity futures contracts.

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

9 Accordingly, CFTC should:

- 10 1. Guard against insider trading by individuals or firms;
- 11 2. Examine and investigate the role of increasing market power of funds, the
- 12 connections between funds and large commercial interests, the ability of
- 13 these organizations to exchange information and the effects on the
- 14 commodities market;
- 15 3. Ensure there are an adequate number of delivery points for hedging
- 16 participants;
- 17 4. Work in cooperation with other federal and state securities enforcement
- 18 agencies to investigate and prosecute violators of the Commodities Exchange
- 19 Act;
- 20 5. Monitor with special vigilance any market movements that indicate a
- 21 deliberate accumulation of excessive speculative positions that exceeds the
- 22 limited number of positions an individual speculator may hold and to
- 23 exercise, when necessary, the emergency powers granted by the Act;
- 24 6. Monitor and guard against proposals by the commodity futures exchanges
- 25 impacting trading rules and trading limits that would increase market
- 26 volatility to the detriment of agricultural producers;
- 27 7. Continue to monitor off-exchange-traded agricultural options and ensure
- 28 they are operated in a manner that benefits family farmers;
- 29 8. Monitor activity on so-called “dark markets;” and
- 30 9. Have a minimum of three of the five commissioners with agricultural
- 31 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;

- 1 12. The approval, funding and construction of water projects and waste systems
- 2 for rural communities and Indian reservations, and the restoration of
- 3 funding for water and wastewater programs through RUS
- 4 13. The development of farmer-owned cooperative facilities;
- 5 14. Increased funding of loans and grants to rural communities for advanced
- 6 telecommunications, including high-speed broadband to improve schools,
- 7 medical facilities, judicial systems and other essential services;
- 8 15. Increased funding for loans and grants for rural essential services
- 9 infrastructure;
- 10 16. RUS, Rural Business-Cooperative Service (RBS), and Rural Housing Service
- 11 (RHS) using local investment revolving funds, grants and technical
- 12 assistance;
- 13 17. The Resource Conservation and Development (RC&D) program to encourage
- 14 and improve the capability of volunteers, locally elected officials and civic
- 15 leaders; and
- 16 18. Incentives for rural business opportunities for veterans.

17 We oppose rural development grants that encourage the establishment or
18 expansion of larger non-family farms or open ocean aquaculture.

19 **B. TRANSPORTATION**

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

24 We support federal transportation policy that:

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

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

10 We oppose:

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

17 **1. U.S. HIGHWAY TRUST FUND**

18 Money raised by highway excise taxes and interest earned on such revenues

19 accumulates in the Highway Trust Fund and can only be used for highway purposes,

20 with the exception that Congress has allowed part of such funds to be diverted to

21 mass transit construction and subsidies. We support using a portion of the trust

22 fund to repair county and rural bridges that are structurally deficient.

23 **2. TRUCK TRANSPORTATION**

24 NFU believes that regulation of the trucking industry should focus on high

25 quality, energy-efficient and reliable service for rural areas. Honest competition

26 should be encouraged and rates should be regulated to prevent unfair practices by

27 trucking companies.

28 We support:

- 29 i. Trucking industry regulations that permit cooperative-owned trucks to
- 30 haul up to 30 percent of non-member, general merchandise;
- 31 ii. Review of backhaul restrictions on trucking, while maintaining an
- 32 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; and
- 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.

15 We oppose:

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

17 research on the unintended consequences is conducted and resolved.

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

19 members of NAFTA.

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

21 exempt from mileage limitations, commercial driver’s licenses, and commercial

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

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

24 **3. RAIL TRANSPORTATION**

25 **i. Rail Service**

26 Federal rail transportation policy should recognize that deregulation of

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

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

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

30 of the country. Federal policy must provide for government regulation in

31 instances where there is no rail competition.

1 We support:

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

- 1 f. Provisions to assure continued local control over the movement and
2 storage of farm commodities;
- 3 g. Federal legislation that would create rural transportation
4 cooperatives and finance programs, patterned after the rural electric
5 cooperative program, for railroad cooperatives seeking to preserve
6 rail service in rural areas;
- 7 h. Careful consideration of proposals to create utility corridors or
8 federalize the railroad beds, thereby improving railroad efficiency
9 and promoting more competition among conventional and
10 alternative railroads;
- 11 i. "Unit train" loading that provides for pooling of grain shipments and
12 is not limited to one-stop terminal loading, in addition to stricter
13 regulations and better enforcement of laws to require companies to
14 provide proportionately equal service to elevators in the allocation of
15 rail cars;
- 16 j. Rate regulations that incorporate provisions to protect smaller
17 shippers from rate discrimination;
- 18 k. Continued regulation of freight rates and commodities shipped by
19 rail;
- 20 l. Statutory provisions to govern mergers or reorganizations of railroad
21 lines facing financial difficulty to assure that such mergers do not
22 destroy competition or necessary service;
- 23 m. Allowing adjacent landowners or existing businesses leasing the
24 property to be given first option to purchase abandoned railway
25 rights-of-way, including mineral acres, at fair appraisal value;
- 26 n. Legislation to prevent companies or railroad property owners from
27 charging unreasonable prices for railroad property and lease sites;
- 28 o. A moratorium on all rail-line abandonments;
- 29 p. Prohibition of railroad companies from forming holding companies
30 or subsidiaries for the purpose of hiding assets originally received
31 from land grants; and
- 32 q. The expansion of high-speed rail, including in rural areas.

1 We oppose any merger between major railroad carriers.

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

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

7 **iii. Safety**

8 We support:

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

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

24 We support:

- 25 1. Adequate funding to improve our inland waterway transportation system,
26 including funding to repair our system of locks. We are particularly
27 concerned with needed lock renovation on the Mississippi River;
- 28 2. The lowest possible user fee for the use of locks on inland rivers;
- 29 3. Keeping the Great Lakes shipping channels, including the St. Lawrence
30 Seaway and the twin ports of Duluth and Superior, open while such lanes are
31 navigable, to maximize this nation's export capabilities;

- 1 4. Restricting the management of our nation’s port system to U.S.-owned and –
- 2 based companies;
- 3 5. Congress repealing the Jones Act; and
- 4 6. Efforts to deepen and maintain ports in the U.S., especially those that load
- 5 agricultural commodities.

6 We oppose:

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

11 **D. AIR TRANSPORTATION**

12 We support:

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

22 We oppose airline fees imposed at airports, after ticket purchase, such as a

23 surcharge for checked luggage.

24 **E. RURAL UTILITIES**

25 We support:

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

32 We oppose termination or privatization of RUS.

1 **1. TELEPHONE SERVICES**

2 We support:

- 3 i. The Universal Service Fund;
- 4 ii. Continued access, maintenance and improvement to landline (including
- 5 metal wire) telephone service;
- 6 iii. Reduced regulatory burdens for rural telephone providers; and
- 7 iv. Enhanced 911 telephone services in rural areas.

8 **2. ELECTRIC SERVICES**

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

10 electric cooperatives.

11 We oppose encroachment on rural electric cooperative service areas by private

12 and municipal power companies.

13 **3. TELECOMMUNICATIONS**

14 Access to information, education and entertainment programming in an

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

16 We support:

- 17 i. A ban on cross-ownership of media that results in higher telephone and
- 18 subscription television rates;
- 19 ii. The continuation of the e-rate program;
- 20 iii. The development of cooperative cable television systems to serve both
- 21 rural and urban sectors;
- 22 iv. Adoption of FCC policies that encourage sound technical standards for
- 23 rural radio and television service;
- 24 v. Legislation to allow citizens to participate in boards and committees via
- 25 the use of telecommunications;
- 26 vi. Greater transparency in billing for telecommunications services; and
- 27 vii. Congress reinstating the Fairness Doctrine.

28 We oppose:

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

1 **4. RURAL ACCESS TO TECHNOLOGY AND INFORMATION**

2 We support:

- 3 i. Efforts to ensure competitively priced, high-speed broadband and
- 4 wireless access to the internet for rural America, at download speeds of
- 5 25 megabits per second (mbps) or higher;
- 6 ii. Collaborative efforts that leverage internet-based technology and use the
- 7 internet to improve communications;
- 8 iii. Net neutrality; and
- 9 iv. The further advancement of the cell tower and fiber optic networks to
- 10 cover all rural communities to support:
- 11 a. New technology in agriculture,
- 12 b. Faster, more improved emergency services, and
- 13 c. Access to emerging technologies.

14 **F. SMALL BUSINESS DEVELOPMENT**

15 **1. INDUSTRIAL DEVELOPMENT BONDS**

16 We support:

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

24 **2. SMALL BUSINESS POLICY**

25 We support:

- 26 i. Federal policy that protects small businesses from predatory
- 27 encroachment by monopolistic big business;
- 28 ii. Small businesses being given a fair opportunity to bid on government
- 29 contracts;
- 30 iii. Continuation of the Small Business Administration (SBA);
- 31 iv. Small-business loan funds being available through the SBA to meet
- 32 credit-worthy applications; and

1 v. Regulations and paperwork to be administered in ways that do not place
2 an undue burden on small businesses.

3 **3. ENTERPRISE FACILITATION**

4 We encourage family farmers, ranchers and small boat fishers and their local
5 communities to utilize various USDA Rural Development technical assistance and
6 funding programs through the National Sustainable Agriculture Information Service,
7 Rural Cooperative Development Grants (RCDG), Value-Added Producer Grants
8 (VAPG), the Agricultural Marketing Resource Center (AgMRC), Agricultural
9 Innovation Centers (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;

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

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

9 **2. PRESCRIPTION DRUGS**

10 We support:

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

24 **3. MEDICARE AND MEDICAID**

25 We support:

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

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

8 We oppose:

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

15 **4. VETERANS’ RIGHTS**

16 We support:

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

30 **B. EDUCATION**

31 We support:

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

- 1 15. Ensuring all adults have the opportunity to participate throughout life in
- 2 meaningful educational and vocational training programs;
- 3 16. The federal Qualified Zone Academy Bonds (QZAB) program;
- 4 17. Farmers Union members monitoring the implementation of the Vocational
- 5 Education Act in their local schools and state vocational technical programs
- 6 to be sure that the interests of agriculture are met;
- 7 18. Involvement in local, state and national 4-H, FFA, and other vocational
- 8 education organizations;
- 9 19. Unemployed workers having the opportunity for retraining and upgrading
- 10 their skills as part of their unemployment benefits;
- 11 20. The continuation of federal or state-funded retraining programs for
- 12 displaced farmers and ranchers and their spouses;
- 13 21. Teaching animal welfare, as opposed to animal rights;
- 14 22. Adequate funding for public education;
- 15 23. Schools that have developed courses in entrepreneurship as a means of
- 16 encouraging young people to stay in their rural communities;
- 17 24. Encouraging rural schools to explore all educational possibilities to enhance
- 18 the curriculum, such as distance-learning courses, which serve as an
- 19 alternative to school consolidation or closure;
- 20 25. The development and retention of remote learning centers to provide a
- 21 broader range of educational opportunities;
- 22 26. Consumer and regulator education on the benefits of healthy soils in relation
- 23 to our physical health, particularly as related to the Food Safety
- 24 Modernization Act (FSMA);
- 25 27. Funding of the Every Student Succeeds Act (ESSA) while providing more
- 26 flexibility to state and local education agencies in implementation;
- 27 28. Funding for the Career and Technical Education Act (Perkins Act) at the
- 28 secondary and post-secondary level and drivers' education programs; and
- 29 29. The development and expansion of school garden programs.

30 We oppose:

- 31 1. Mandatory consolidation of rural schools;

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

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

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

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

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

9 **2. NATIONAL INSTITUTE OF FOOD AND AGRICULTURE**

10 The National Institute of Food and Agriculture (NIFA) was established with the

11 mandate to help the public learn about and apply to everyday activities, the latest

12 technology and management knowledge. This valuable rural information delivery

13 system’s role must be reassessed and strengthened to meet the demands of a

14 rapidly changing, highly sophisticated technology delivery system now available in

15 this country.

16 We support:

- 17 i. Land-grant universities re-envisioning agricultural extension training so
- 18 that it respects and utilizes the experience of farmers and ranchers and
- 19 the significant role this experience plays in the science of agriculture;
- 20 ii. Farmers and ranchers being part of the research team;
- 21 iii. Extension training respecting and utilizing the agricultural practices of
- 22 traditional native peoples and acknowledge the significant role these
- 23 practices play in sustainable agriculture;
- 24 iv. Education, research, and support of small, diverse farms as well as larger
- 25 farms;
- 26 v. Agricultural extension educators mentoring low- and moderate-income
- 27 families to improve agricultural economies by adding value to
- 28 agricultural products; and
- 29 vi. No funds utilized by NIFA being used to carry out political or lobbying
- 30 activities.

31 **C. SOCIAL SECURITY**

32 We support:

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

14 We oppose:

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

20 **D. PEOPLE WITH DISABILITIES**

21 We support:

- 22 1. Public and private programs aimed at providing development, therapy and
- 23 rehabilitation of Americans with developmental, physical and mental
- 24 challenges; and
- 25 2. Equal and gainful employment for individuals with disabilities and the
- 26 development of special supports for farmers who are disabled and who want
- 27 to continue to farm.

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

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

30 healthy, competitive, full-employment economy.

31 We support:

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

10 **F. IMMIGRATION POLICY**

11 We believe the growing consequences of a broken immigration system must be
12 addressed in a bipartisan effort that considers the following principles:

- 13 1. Our immigration system must be flexible enough to address the needs of
14 businesses while protecting the interests of workers;
- 15 2. Immigration is a federal issue that should be addressed at the federal level.
16 We therefore oppose programs such as E-Verify at the state level only;
- 17 3. We support adoption of a mandatory E-Verify program only in conjunction
18 with a coherent and viably effective agricultural worker program. The E-
19 Verify system must allow communication among federal agencies for
20 determining status in order to protect the integrity of the worker and of the
21 employer;
- 22 4. We support development and improvements to immigration programs,
23 including the H-2A program, to help the agricultural community by allowing
24 a more flexible and reliable visa program; An effective visa system
25 responsive to geographic proximity and economic and cultural factors, which
26 acknowledge the beneficial contributions immigrants make as workers,
27 taxpayers and consumers;
- 28 5. As strong families are critical to developing successful individuals and
29 cohesive communities, our immigration policies should prioritize keeping
30 families together to most enable supportive home environments for all
31 children;

- 1 6. Our immigration enforcement strategy should focus on public safety and
2 consider consequences to businesses, workers and consumers. Furthermore,
3 our broader immigration reform effort should include a path to reliably and
4 affordably determine who is permitted to work, ensuring an adequate labor
5 force for a growing economy;
- 6 7. Immigrants are part of both our rural and urban communities. We recognize
7 the critical role immigration has played in our nation’s history and economy;
- 8 8. Immigration policies must provide a sensible path for those who are here
9 without legal status, are of good character, pay taxes and are committed to
10 becoming fully participating members of our society. The legalization of
11 undocumented workers may occur after paying appropriate fines and
12 incurring penalties for illegal entry; and
- 13 9. Encouraging any people seeking permanent residence in the United States to
14 apply for citizenship with all the rights and responsibilities that accompany
15 it.

16 We also support:

- 17 1. The DREAM Act;
- 18 2. A fast track toward U.S. citizenship for those immigrants of upstanding
19 character who seek citizenship and serve with honor in a branch of the U.S.
20 military service; and
- 21 3. A pathway to citizenship or legal residency for undocumented agricultural
22 workers that does not restrict their employment to any specific farm or
23 group of farms.

24 We oppose the indentured servitude of a captive workforce.

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

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

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

32 We support:

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

10 **H. FOOD AND NUTRITION PROGRAMS**

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

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

16 We support:

- 17 i. Reauthorization and full funding of federal nutrition programs under
18 USDA;
- 19 ii. Expansion of nutrition programs to include farm-to-school, WIC and
20 Senior Farmers Market Nutrition Programs, programs that allow SNAP
21 and other federal nutrition program beneficiaries to double their benefits
22 at farmers markets, and others;
- 23 iii. Congress continuing federal responsibility for nutrition programs;
- 24 iv. Maintaining federal standards as well as the USDA's authority for
25 commodity donations to nutrition programs;
- 26 v. Requiring comprehensive and unbiased research precede any official
27 dietary advice regarding the relationship between diet and health;
- 28 vi. The United States Dietary Guidelines to utilize the abundant and
29 thorough evidence suggesting that Americans should consume a
30 balanced diet rich in nutrients which includes lean meats and dairy
31 products;

- 1 vii. All federally funded nutrition programs following the U.S. Dietary
- 2 Guidelines;
- 3 viii. Periodic reviews of federally funded nutrition programs to assess their
- 4 effectiveness; and
- 5 ix. Expansion of nutrition feeding programs for the elderly, including the
- 6 distribution of excess commodities when available.

7 We oppose:

- 8 i. The privatization of the administration of federally-funded nutrition
- 9 programs;
- 10 ii. The shifting of nutrition programs to state block grants; and
- 11 iii. Separating nutrition title programs from the Farm Bill.

12 **2. FOOD ASSISTANCE PROGRAMS**

13 We support:

- 14 i. The Food Stamp Act of 1964;
- 15 ii. The Supplemental Nutrition Assistance Program (SNAP);
- 16 iii. Outreach efforts to extend services to the increasing number of hungry
- 17 people who should be served, particularly in rural areas where access is
- 18 a problem;
- 19 iv. Exclusion of farm loans as income in determining eligibility for SNAP;
- 20 v. Continued development of the Electronic Benefits Transfer (EBT)
- 21 Program;
- 22 vi. Prohibiting efforts to substitute cash payment for SNAP;
- 23 vii. Programs which allow SNAP users to purchase food directly from
- 24 farmers markets, community supported agriculture (CSAs) and local
- 25 producers;
- 26 viii. Commodity distribution programs such as The Emergency Food
- 27 Assistance Program (TEFAP), the Commodity Supplemental Food
- 28 Program (CSFP) and child feeding programs;
- 29 ix. USDA making healthy surplus foods readily available to food banks and
- 30 emergency kitchens, bearing the cost of transportation and storage; and
- 31 x. Federal law that requires commodities distributed for nutrition
- 32 programs be domestically produced.

1 **3. CHILD NUTRITION PROGRAMS**

2 We support:

- 3 i. Full funding and expansion of the child nutrition programs such as the
- 4 School Lunch Program, School Breakfast Program, Child and Adult Care
- 5 Food Program (CACFP), Summer Food Service Program, the farm-to-
- 6 school program, WIC, Community Eligibility Program (CEP) and other
- 7 USDA nutrition assistance programs;
- 8 ii. Congress to redirect USDA to support a school meal program at the
- 9 federal level that provides flexibility and reduces the federal regulations
- 10 while encouraging a healthy diet, the use of local foods and local food
- 11 preparation;
- 12 iii. Free lunches under the School Lunch Program for all elementary and
- 13 middle school students;
- 14 iv. The Special Milk Program for children;
- 15 v. Congress to strengthen and expand farm-to-school programs by
- 16 supporting an increase of annual mandatory funding for the USDA Farm
- 17 to School Grant Program. We support expansion of the USDA Farm to
- 18 School Grant Program to include preschools, summer food service
- 19 program sites, and before and after school programs. We encourage farm
- 20 to school partnership to increase consumption of nutritious and/or
- 21 traditional foods while also supporting farmers and ranchers;
- 22 vi. Increased emphasis on the use of locally produced foods in all
- 23 government nutrition programs; and
- 24 vii. The removal of soda sales in public schools during lunch hours.

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

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

- 1 v. The development of fairly administered Good Agricultural Practices
2 (GAPs) for field-grown vegetable crops which support the biodiversity of
3 farming operations and which do not discriminate against smaller
4 operations. These GAPs should be administered by the USDA, in
5 cooperation with state departments of agriculture. Further, it should be
6 recognized that the most effective method of preventing foodborne
7 illnesses is for rigorous measures instituted at the time that field-grown
8 crops enter processing, packaging and subsequent transportation and
9 storage;
- 10 vi. Permitting states to implement food safety regulations more stringent
11 than comparable federal regulations where states deem consumer health
12 and safety to be at risk or when individual agricultural producers strive
13 to set a higher bar for the safety of food products destined for specialty
14 or export markets;
- 15 vii. National food safety policies that can and should protect consumers
16 without limiting farmers, ranchers or small food processors who sell into
17 local and regional markets. Regulations should be size- and risk-
18 appropriate;
- 19 viii. FDA ensuring Food Safety Modernization Act (FSMA) rules are science-
20 based, have size-appropriate regulatory flexibility, and do not conflict
21 with the National Organic Program;
- 22 ix. A continued evaluation of the regulations for the FSMA to rationally
23 address the practice of organic, natural and diversified farm operations
24 vital to the local food movement, to scale requirements and fees with an
25 understanding of the differences between corporate and family
26 agriculture, and remove from the regulations the needless elements that
27 serve the purposes of corporate agriculture at the expense of family
28 farms, sovereign nations, growers of local foods, and consumers; and
29 request that Congress provide appropriate funding to support the
30 implementation of FSMA;

- 1 x. Allowing interstate shipment of state-inspected meat that complies with
- 2 federal standards and providing assistance to processors who wish to
- 3 participate in such a program;
- 4 xi. Permitting cross-utilization of meat inspectors and meat graders in all
- 5 federally and state-inspected meat processing plants which meet federal
- 6 inspection standards; and
- 7 xii. When tracking foodborne illnesses, the utilization of the epidemiological
- 8 model as pioneered by the University of Minnesota.

9 **3. INSPECTION OF PERISHABLE COMMODITIES**

10 NFU recognizes the need for integrity and accountability in the federal

11 inspection services. Federal agencies must maintain food inspection credibility

12 without adding to grower or packer costs by implementing the following:

- 13 i. Checks and balances to discover and address infractions that interfere
- 14 with transaction fairness;
- 15 ii. Stiff penalties on violators;
- 16 iii. Improved supervision and auditing; and
- 17 iv. Identification and prosecution of violators.

18 **4. AGRI-TERRORISM**

19 With increased attention and focus on potential agri-terrorism attacks on our

20 nation’s food chain, rural America must be educated, prepared and vigilant of all

21 potential circumstances.

22 We support:

- 23 i. The Department of Homeland Security (DHS) and USDA immediately
- 24 developing mechanisms to combat agri-terrorism with full funding
- 25 provided by DHS. Such mechanisms should ensure the safety of the
- 26 consumer and agricultural industry;
- 27 ii. Increased cooperation between USDA, DHS, Department of Health and
- 28 Human Services (HHS) and the Federal Emergency Management Agency
- 29 (FEMA) to establish, expand and continue to determine vulnerabilities
- 30 within the agricultural and food industries;
- 31 iii. Establishing a USDA public awareness and education campaign for
- 32 producers;

- 1 iv. Providing federal guidance and funding to states and localities to develop
2 and implement plans for agricultural disease prevention, recovery and
3 response, based upon already established state animal response
4 activities; and
- 5 v. A requirement of representatives of federal, state and county agencies to
6 notify landowners prior to non-emergency access of their private
7 property. Representatives and vehicles used for access should also
8 display appropriate agency signage and identification.

9 **K. FOOD WASTE**

10 We support:

- 11 1. The EPA’s food recovery hierarchy to prioritize actions to prevent and divert
12 food waste;
- 13 2. USDA’s efforts to continue to measure and document food waste;
- 14 3. USDA’s efforts to study techniques for reducing and/or recovering food
15 waste;
- 16 4. Policies that are designed to economically reduce, recover, and recycle food
17 waste; and
- 18 5. The establishment of municipal or regional agricultural composting facilities
19 in order to provide a final opportunity to utilize food waste according to the
20 EPA’s food recovery hierarchy eligible for support under USDA’s
21 conservation programs.

22 **L. WORLD FOOD DAY**

23 NFU urges participation in World Food Day as proclaimed by the United Nations’
24 Food and Agriculture Organization.

25 **M. HOUSING**

26 We support:

- 27 1. Increased support for affordable housing, with allocation of units to rural
28 areas in proportion to need;
- 29 2. Development of housing options for senior citizens and disabled veterans to
30 allow them to continue living in or near their communities and families;
- 31 3. Acceleration of rural, cooperative, farm-labor housing programs, self-help,
32 and building-site programs; and

1 4. Expansion, continuation and full federal commitments to Title V housing
2 programs administered through the Rural Housing Service (RHS) of USDA.

3 **N. LIABILITY INSURANCE**

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

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

10 **O. CONSUMER PROTECTION**

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

13 We support:

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

21 **P. CAMPAIGN FINANCE AND ELECTIONS**

22 **1. CAMPAIGN FINANCE**

23 We support comprehensive campaign finance reform, including:

- 24 i. Public financing;
- 25 ii. Caps on total spending;
- 26 iii. Caps on total contributions;
- 27 iv. Prohibition of unreported soft money;
- 28 v. Full reporting of all types of contributions;
- 29 vi. Eventual elimination of all political action committees;
- 30 vii. Elimination of "527" organizations;

- 1 viii. Legislation overturning the Supreme Court’s decision in the Citizens
2 United v. Federal Election Commission case that allows corporations to
3 make unlimited campaign contributions; and
- 4 ix. Full disclosure of contributors to political issues and candidate
5 campaigns

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

8 **2. ELECTIONS AND ELECTED OFFICIALS**

9 We support:

- 10 i. The federal government’s assistance to local government units to offset
11 the cost of election voting machines that are mandated by the federal
12 government;
- 13 ii. States adopting standards to avoid uncertainty in voting and counting
14 ballots to provide a paper trail that makes reviews and recounts possible
15 for election security;
- 16 iii. Barring TV and radio news reports of national elections and exit polls
17 until all voting stations are closed in the 48 contiguous states;
- 18 iv. Programs that encourage youth involvement in the voting process;
- 19 v. Legislation that states Congress shall pass no law that applies to a citizen
20 of the United States that it does not apply to itself as an institution or to
21 individual senators or representatives, or vice versa, except as it relates
22 to national security issues and/or their personal security;
- 23 vi. Voting, vote counting, and post-election auditing conducted with
24 electronic tabulation equipment must ensure reported results reflect
25 votes cast, and not be reliant on proprietary software inaccessible to
26 bipartisan election oversight;
- 27 vii. Legislation requiring political campaigns and issue-based interest groups
28 to adhere to the “do not call” list. Furthermore, this provision should roll
29 over into a “do not text” list; and
- 30 viii. Broad enforcement of the equal-time rule.

31 We oppose:

- 32 i. Term limitations; and

- 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.

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

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

8 We support:

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

24 **R. POSTAL SERVICE**

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

28 We support:

- 29 1. Raising First Class postage rates consistently and concurrently with bulk
30 mailing or Second Class rates;
31 2. Congress correcting the difficult situation it has imposed on the U.S. Postal
32 Service by requiring excessive advance funding of pension funds;

3. Re-establishment of the Postal Savings Bank; and
4. Appointing a blue-ribbon panel to investigate the expansion and creation of new services offered by the USPS to facilitate economic growth and development in rural and inner-city communities.

We oppose:

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

S. RURAL EMERGENCY SERVICES AND MANAGEMENT PLANNING

Agricultural communities face potential threats and emergencies (i.e. medical, biological, natural and environmental disasters); therefore, we support:

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

T. VOTING DISTRICTS

1. REDISTRICTING

We support:

- i. A nonpartisan redistricting process when voting districts are redrawn;

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

10 We oppose:

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

14 **2. STATE LEGISLATIVE DISTRICTS**

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

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

17 the other body apportioned based upon population.

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

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

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

21 Constitution for the Congress.

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

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

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

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

26 legislatures. Declining rural populations have significantly changed the composition

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

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

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

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

7 **2. FARMERS UNION YOUTH PROGRAMS**

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

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

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

31 Through its education program, the national organization, in conjunction with
32 state Farmers Unions, should continue to develop its beginning farmer leadership

1 programs upon the principles of cooperation, education and legislation to assist
2 those interested in family agriculture and to develop community.

3 **4. ALL-STATES CAMP**

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

10 **5. FARMERS UNION EDUCATION CENTER**

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

- 14 1) Education Focused Groups
- 15 2) Farmers Union Organizations
- 16 3) Affiliated Organizations
- 17 4) Charitable Groups

18 Any monies from the sale shall be held in trust to continue the purpose of the
19 education center, proceeds to be used for education programs at NFU and state
20 associations, and the repurchase of insurance companies.

21 **B. COMMUNICATIONS**

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

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

26 The NFU Legislative Budget Fund is an important source of support for the overall
27 legislative staff effort. Individual Farmers Union members, local and county units,
28 affiliated cooperatives and other interested groups should give increasing support to
29 this cause.

30 **D. POLITICAL EFFECTIVENESS**

31 Political education should be continuous.

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

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

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

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

18 **E. MEMBERSHIP EXPANSION**

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

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

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

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

1 **F. MEMBERSHIP BUDGET INFORMATION**

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

5 **G. FARMERS UNION RELATED SERVICES**

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

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

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

17 **H. COOPERATION WITH RELIGIOUS ORGANIZATIONS**

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

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

23 **I. COOPERATION WITH OTHER ORGANIZATIONS**

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

27 We have worked aggressively to further build alliances and coalitions with diverse
28 interests including commodity, rural interest, consumer, labor, minority,
29 environmental, conservation, sustainable agriculture, health and nutrition, energy and
30 other groups not typically involved in the nation's farm policy debate.

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

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

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

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

Average Crop Revenue Election Program (ACRE) – implemented as a result of the 2008 Farm Bill, ACRE provides an option for farmers to forgo receiving direct and countercyclical payments in exchange for a state-level revenue guarantee. ACRE’s funding expired in 2012

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

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 calf

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

CBOT – Chicago Board of Trade

economic issues to support the Congressional budget process

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., Genex Harvest States was formed in 1998 by a merger between two regional cooperatives, Centx Inc. and Harvest States Cooperative. Genex 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

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.” Current information can be found at

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1002>

]

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

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; the fact of being heterosexual, homosexual, or bisexual

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

Supplemental Revenue Assistance Program (SURE) – the “permanent disaster” program intended to replace ad hoc agricultural disaster assistance legislation

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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