



Farm Bill 2018

Priorities for Thriving Farms and a Healthy Environment



AFT's mission:
Protect farmland,
promote
sound farming
practices, and
keep farmers on
the land.

AFT's 2018 Farm Bill priorities seek to advance U.S. farm policy by protecting farmland as a strategic national resource; promoting sound environmental stewardship; and helping the next generation of farmers gain access to the land.

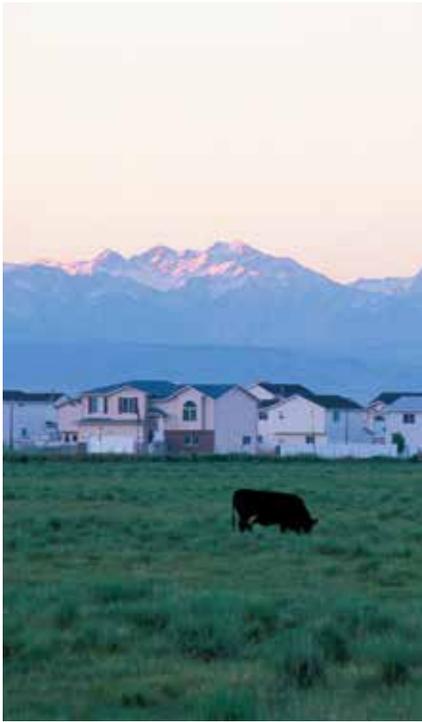
PROTECT FARMLAND

Agricultural Conservation Easement Program—Agricultural Land Easements (ACEP-ALE)

Permanent farmland protection through ACEP-ALE has multiple public benefits. It protects farms and ranches that support the vitality and economic viability of rural communities. It preserves wildlife habitat and natural resources on agricultural land. And by removing developers from the competition for land, it helps make farmland more affordable for the next generation of farmers. Ensuring the adequate funding and streamlining of ACEP are of paramount importance during this Farm Bill cycle.

1. Fund ACEP at a minimum of \$500 million per year.

Under the current Farm Bill, ACEP funding is set to drop to \$250 million in FY18; the high point in this Farm Bill is \$500 million, which occurs in FY17. By contrast, under the previous Farm Bill, the average yearly funding for the programs now contained in ACEP was \$732 million per year. Without an increase in funding in the next Farm Bill, the USDA Natural Resources Conservation Service (NRCS) estimates that only seven percent of ACEP applications will be accepted.



2. Improve ACEP-ALE program efficiency.

AFT believes there is a need to streamline ALE, which would save time and money for the federal government and create an easier and timelier process for a broad variety of farmers and ranchers with differing production needs around the country.

- Allow certified entities the flexibility to use their own deed terms as long as statutory requirements are met.
- Remove the ALE plan from the terms of the permanent easement and do not require conservation practices other than those necessitated by conservation compliance.
- Clarify that the Secretary's contingent right of enforcement does not extend to a right of inspection unless the easement holder fails to provide inspection reports in a timely manner.

3. Protect the most at-risk farmland and ranchland.

ACEP-ALE is a conservation program meant to protect farmland as a natural resource. In order to protect the most at-risk farmland, changes to the program should allow greater participation by removing the matching funds requirement, allowing an AGI exemption and letting NGOs complete buy-protect-sell transactions.

- Eliminate the matching funds requirement to open access to the program to additional states where matching conservation funding is not currently readily available.
- Add an AGI exemption for ACEP-ALE projects so that highly valuable agricultural land may be protected regardless of owner.
- Allow NGOs to undertake buy-protect-sell transactions, whereby they can quickly purchase, protect and resell at a lower price farmland and ranchland that would otherwise be at risk of development.

4. Protect the future viability of agricultural land under easement.

Successful farmers need to adapt to changing markets, which often means diversifying their operations. ACEP-ALE should allow farmers to pursue new opportunities that keep their eased farmland in operation, so long as these opportunities do not go against the conservation values in the easement.

- Clarify that non-agricultural uses that do not negatively impact the agricultural operations or conservation values of the property (e.g. a bed and breakfast operated out of a permitted structure) are allowed.
- Allow the owners of protected farmland to participate in ecosystem markets.
- Allow effective ongoing administration of the easement terms.
- Explicitly allow mineral development if it does not hurt conservation values.

PROMOTE SOUND FARMING PRACTICES

Conservation Title Funding

Voluntary conservation is vitally important to farmers and ranchers who want to be good stewards of their land. A full toolbox of well-funded conservation programs (which often leverage matching funds from farmers themselves) is necessary to help farmers avoid the need for environmental regulations.

1. Maintain the overall funding level for the conservation title.

- Ensure that overall funding for the conservation title is not cut.
- Achieve relative balance in conservation funds for working lands and land retirement programs.

Regional Conservation Partnership Program (RCPP)

AFT supports the innovative, landscape-scale conservation model of RCPP, and sees additional room to quantify benefits and test innovative strategies like pay-for-performance within the program. AFT believes that improvements to RCPP in the Farm Bill could help NRCS and conservation partners quantify outcomes associated with conservation practices, providing the evidence that the public, Congress, farmers, and the conservation community need to see that the voluntary conservation approach works.

1. Increase the financial and technical assistance for RCPP.

2. Define outcomes in RCPP.

The RCPP Announcement for Program Funding (APF) references the quantification of environmental, social and economic outcomes, but does not define these outcomes or give examples. This leaves project leaders unsure of what they could accomplish besides “more conservation on the ground.”

- Incorporate into the statute definitions for “conservation outcomes” or more specifically, “environmental, social and economic outcomes.”

3. Provide guidance on outcomes quantification in RCPP.

The RCPP APF references the quantification of environmental, social and economic outcomes but does not provide information on the methods or tools for project leaders to consider using in their project, or how to report the quantified outcomes back to the agency.

- Direct the Secretary of Agriculture to provide guidance on measuring outcomes, along with reporting criteria for these outcomes, to the RCPP project leaders. Methods and tools for measuring outcomes can be disseminated through an information clearinghouse.

4. Provide guidance on reporting on outcomes in RCPP.

The current statute requires biannual reporting on administrative metrics (e.g. number of practices implemented) rather than the environmental, social and economic outcomes of those practices.

- Direct the Secretary of Agriculture to report to Congress on the progress that RCPP and its project partners are having in achieving, quantifying and reporting on environmental, social and economic outcomes.

5. Allow for innovative payment methods to achieve conservation goals.

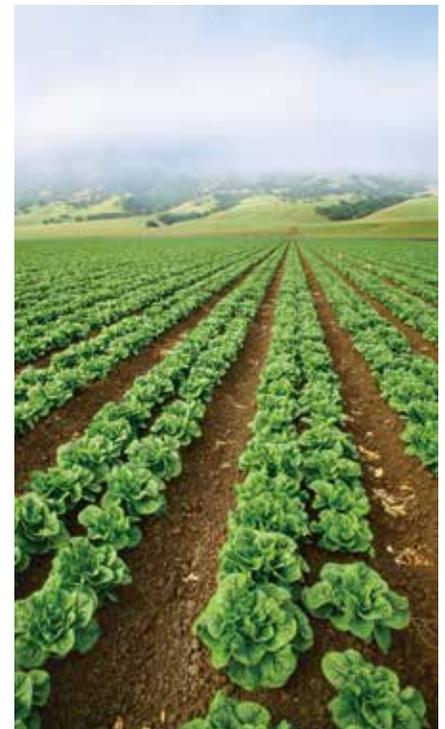
RCPP statute allows multistate water resource agencies to enter into alternative funding arrangements, but does not specify the use of pay-for-performance as an alternative funding arrangement.

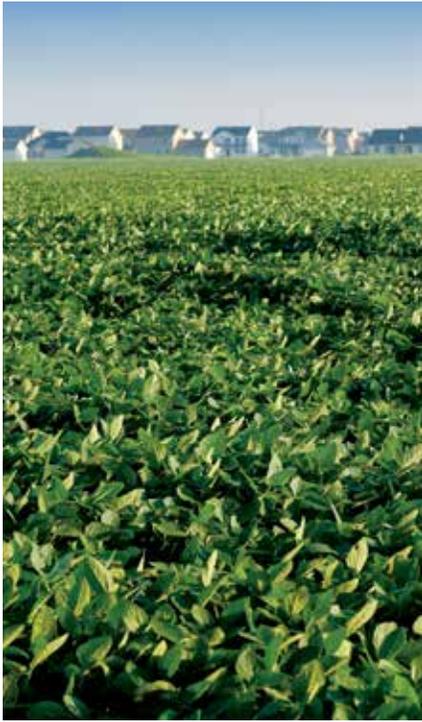
- Expand the definition of “alternative funding arrangements” to include private investment, pay-for-performance, environmental markets, and other innovative approaches.

Conservation Compliance & Crop Insurance

The 2014 Farm Bill saw a major step forward for conservation in the re-linking of conservation compliance and crop insurance. AFT strongly believes that this should remain in place.

1. Keep crop insurance premium subsidies subject to conservation compliance requirements.





Ecosystem Service Markets

Ecosystem service markets have many potential benefits, including encouraging farmers to adopt conservation practices, providing a new source of on-farm income, and harnessing private investment.

1. Encourage the use of market-based policies to achieve conservation goals.

- Modify Section 1245 USC 3845 on Environmental Service Markets to expand the priority focus to include water and habitat markets, and to identify funding for the Office of Environmental Markets.
- Request a report from USDA to Congress on the potential for environmental markets and other pay-for-performance approaches to achieve environmental outcomes at lower costs and assess success of existing markets.

KEEP FARMERS ON THE LAND

Next Generation of Farmers

Since AFT's founding in 1980, the average age of farmers has risen from 50 to 58, while the number of beginning farmers decreased 20 percent between 2007 and 2012. To deal with the increasing age and decreasing number of farmers, it is imperative that this Farm Bill focus on two major challenges for the next generation of farmers: land access and farm viability.

1. Promote land access for beginning farmers.

Land access is often cited as one of the most pressing challenges facing the next generation of farmers. ACEP-ALE plays an important role in farmland affordability by removing developers as competition when farmland is made available for sale.

- Fund ACEP at a minimum of \$500 million per year.
- Allow buy-protect-sell within ACEP-ALE.
- Increase the limitation on farm ownership loans to \$500,000 (indexed to inflation).
- Create a loan prequalification process at Farm Service Agency so that beginning farmers can more quickly obtain loans when they find a suitable property.

2. Promote farm viability for beginning farmers.

In addition to land access, the next generation of farmers must have viable businesses to continue in the profession. Funding for training and technical assistance and for supporting existing farm viability programs is needed to help beginning farmers and ranchers improve their production and business skills. Improving local food infrastructure such as farmers markets, regional food hubs and value-added production enterprises is also important; according to a 2016 study, farmers engaged in direct-to-consumer marketing were between six and 10 percentage points more likely to have surviving businesses than farmers who were not.

- Provide mandatory, increased funding for the Beginning Farmer and Rancher Development Program.
- Introduce a grant to support farm viability programs.
- Provide mandatory, increased funding for the Farmers Market and Local Food Promotion Program.

