Agriculture Policy and The Environment

With a focus on the U.S. Farm Bill
Background: St. Louis Regional Food Study

1. People
2. Health
3. Economy
4. Land
5. What We Grow
6. What We Raise
7. Food Safety Concerns
How Does Agriculture Impact the Environment?

- Floodplains, wetlands, native prairies, and other natural habitats are converted into cropland.

Farm chemicals (such as fertilizers, pesticides, and herbicides) degrade soil and water quality and harm wildlife.

Improper management of livestock manure leak into groundwater (drinking water supply for many) and run off farms into surface waterbodies, harming aquatic ecosystems. If the manure carries diseases it can cause food recalls if used as a fertilizer on cropland.

Major rivers have been channelized in order to facilitate navigation for the transport of commodity crops (to be discussed later).

Factory farms contribute to climate change with the substantial amount of methane released from livestock animals.

Much of our food travels thousands of miles to reach our dinner tables, contributing air pollution from transportation.
How Does Policy Impact Agriculture’s Contribution to Environmental Preservation or Degradation?

Provides financial support for the production of certain crops

Authorizes grants for nonprofit organizations and universities to provide technical assistance for farmers to implement practices and expand their production

Incentivizes certain crop growing practices and animal raising practices

Impacts food prices, which impacts where much of the food in our grocery stores come from

Prioritizes certain land uses, which has led to environmental degradation (such as placing levees in floodplains to allow floodplain land to be put into agricultural production)
Our Broken Food System (And How to Fix It)
What is the Farm Bill?

Multi-year, omnibus bill - governs what will happen over a five year period for an array of federal programs related to agriculture, food, nutrition, and natural resources.

Govern over 200 programs, grants, and initiatives

The most recent farm bill: “The Agricultural Act of 2014”

Budget: $489 billion
**12 Titles in the 2014 Farm Bill**

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Where does most of the funding go?

Supplemental Nutrition Assistance Program (SNAP)
Commodities and Crop Insurance
Mandatory and Discretionary Funding

The Farm Bill pays for mandatory programs, which provide services required by law, using multiyear budget estimates when the law is enacted.

- Example: Supplemental Nutrition Assistance Program

The Farm Bill authorizes discretionary programs for their scope, but their funds are not part of the law. They are subject to appropriations.

- Example: Small Watershed Rehabilitation Program

Distribution of Mandatory Outlays for FY2014-FY2018
Total Pie: $489 billion
Title IV: Nutrition
Mandatory Spending: $390.7 billion

- Supplemental Nutrition Incentives Program (SNAP)
- Commodity Supplemental Food Program (CSFP) - authorizes funding at current levels
- The Emergency Food Assistance Program (TEFAP) - assistance & funding largely to food banks
- Department of Defense Fresh Program (maintains current funding - F&Vs to schools and service institutions)
- Senior Farmers Market Nutrition Program
- Pulse Products Pilot
- Healthy Food Financing (authorized program to administer loans and grants to improve access to healthy foods in food deserts)
- Fresh Fruit and Vegetable Program (maintains current funding, fresh F&Vs to schools with high % of low-income students)
- Community Food Projects (grants for nonprofits to improve community food access)
- Food Insecurity Nutrition Incentives Grants ("Double Up Food Bucks")
- Service and Learning Program for K-12 schools re: agriculture, gardening, nutrition, cooking, where food comes from, and facilitate the connection between schools and area agricultural producers
Mandatory Outlays for FY14-FY18 excluding the Nutrition Title

- Commodity, $23,556,000,000
- Conservation, $28,165,000,000
- Crop Insurance, $41,420,000,000
- Credit, -1,011,000,000
- Trade, $1,782,000,000
- Horticulture, $874,000,000
- Energy, $625,000,000
- Research, $800,000,000
- Rural Development, $218,000,000
- Miscellaneous, $1,544,000,000
- Forestry, $8,000,000
The Farm Bill’s “Farm Safety Net”

**Commodities**
- Pays farmers if market prices for crops drop below certain threshold.
- **Commodity crops** -- wheat, oats, and barley (including wheat, oats, and barley used for haying and grazing), corn, grain sorghum, long grain rice, medium grain rice, pulse crops, soybeans, other oilseeds, and peanuts.

**Crop Insurance**
- Pays farmers if suffer loss or damage to an insured crop.

**Together**: 14% of Farm Bill funding, 66% of non-nutrition farm bill funding.
Title I: Commodities
Mandatory Funding: $23.6 billion

Price Loss Coverage Program
Agricultural Risk Coverage Program
Marketing Assistance Loan Program

Dairy Programs: Dairy Margin Protection Program, Dairy Forward Pricing Program, Dairy Indemnity Program, Dairy Promotion and Research Program, Dairy Product Donation Program,

Sugar Program

Supplemental Agricultural Disaster Assistance Programs: Livestock Forage Program, Livestock Indemnity Program (LIP), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP), Tree Assistance Program (TAP)
Supplemental Coverage Option

Expands Crop Insurance for Fruit and Vegetable Producers

Revenue Protection Coverage Program for Cotton and Peanut Producers

Improves Crop Insurance for Beginning Farmers and Ranchers
Crop Insurance

According to the Environmental Working Group (EWG), two-thirds of crop insured acres are producing corn, cotton, soybeans, and wheat = aka commodity crops.
Acreage in The Foodshed Designated to Commodity Crops
<table>
<thead>
<tr>
<th>2012 DATA BY AG SYSTEM CATEGORY</th>
<th>MO Foodshed Counties</th>
<th>IL Foodshed Counties</th>
<th>Total Foodshed Reported Acres</th>
<th>Percentage of Total Reported Acreage</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL ANIMAL FEED CROPS ACRES HARVESTED</td>
<td>1,313,485</td>
<td>3,459,641</td>
<td>4,773,126</td>
<td>52.25%</td>
</tr>
<tr>
<td>TOTAL PROCESSED FOOD CROPS ACRES HARVESTED</td>
<td>997,208</td>
<td>3,347,065</td>
<td>4,344,273</td>
<td>47.55%</td>
</tr>
<tr>
<td>VEGETABLE TOTALS, IN THE OPEN - ACRES HARVESTED</td>
<td>1,032</td>
<td>4,359</td>
<td>5,391</td>
<td>0.06%</td>
</tr>
<tr>
<td>ORCHARDS - ACRES BEARING &amp; NON-BEARING (noncitrus fruit, citrus fruit, tree nuts)</td>
<td>2,042</td>
<td>2,857</td>
<td>4,899</td>
<td>0.05%</td>
</tr>
<tr>
<td>TOTAL NON FOOD, IN THE OPEN, ACRES IN PROD.</td>
<td>1,594</td>
<td>1,361</td>
<td>2,955</td>
<td>0.03%</td>
</tr>
<tr>
<td>SOD - ACRES HARVESTED</td>
<td>858</td>
<td>0</td>
<td>858</td>
<td>0.01%</td>
</tr>
<tr>
<td>TOBACCO - ACRES HARVESTED</td>
<td>0</td>
<td>149</td>
<td>149</td>
<td>0.00%</td>
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We Grow Predominantly Corn and Soy

<table>
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<tr>
<th>2012 Food System Crop Acreage - used for processed food and livestock feed</th>
<th>9,117,399</th>
</tr>
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<tr>
<td>2012 Corn and Soy Acreage in STL Foodshed:</td>
<td>7,685,988</td>
</tr>
<tr>
<td>2012 Corn and Soy as a Percentage of Total Reported Acres for Individual Crops:</td>
<td>84.13%</td>
</tr>
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</table>
How many farmers have crop insurance? How much are they paid?

In 2011, there were 486,867 policyholders.

Top 20% received a total of $5.38 billion in payments. Average payment: $55K.

Remaining 80% received a total of $1.97 billion. Average payment: $5K.
One Positive Change to Crop Insurance

The 2014 Farm Bill requires producers to comply with conservation measures in order to receive premium support!
Title II: Conservation
Mandatory Funding: $28.2 billion

- Conservation Reserve Program
- Conservation Stewardship Program
- Environmental Quality Incentives Program
- Agricultural Conservation Easement Program
- Regional Conservation Partnership Program
- Conservation of Private Grazing Land Program
- Grassroots source water protection program
- Voluntary Public Access and Habitat Incentive Program
- Small Watershed Rehabilitation Program
- Water for at-risk desert terminal lakes program
- Soil and Water Conservation Program
- Conservation Security Program
FY2015 Budget for all Conservation programs, Farm Bill & Non-Farm Bill

2015 Conservation Budget
Total = $6.2 Billion

- Conservation Reserve Program: 32%
- Conservation Stewardship Program: 23%
- Agricultural Conservation Easement Program: 13%
- EQIP: 22%
- Discretionary Programs: 7%
- All Other Mandatory Programs: 3%

Conservation Reserve Program (CRP)

The USDA’s Farm Service Agency (FSA) pays the farmer a yearly rental payment for taking environmentally sensitive land out of production for 10-15 years and planting species that will improve environmental quality.

Environmental Quality Incentives Program (EQIP)

USDA’s Natural Resources Conservation Service (NRCS) provides financial and technical assistance to agricultural producers to plan and implement conservation practices on agricultural land and non-industrial private forestland.

Contracts can be up to ten years in length. Payment rates vary based on the practice implemented.

NRCS encourages farmers to address priority resource concerns by paying them to:

- maintain and improve their existing conservation activities
- adopt additional conservation activities

Payments are based on the performance of their conservation activities. Contracts are five years.

UNR cotton planted into a cover crop of black oats. Narrower rows promote canopy closure in just 33 days, helping to reduce erosion and control weeds.

Title X: Specialty Crops and Horticulture
Mandatory Funding: $874 million

- The Farmers Market and Local Food Promotion Program
- Specialty Crop Research Initiative
- Specialty Crop Block Grants
- National Organic Program
- Organic Research and Extension Initiative ($100 million over 5 years)
- Organic Certification Cost Share Funding
- Consolidates: National Clean Plant Network and the Pest and Disease Management and Disaster Prevention Program
Farmers Market Promotion Program (FMPP)

purpose “is to increase domestic consumption of, and access to, locally and regionally produced agricultural products, and to develop new market opportunities for farm and ranch operations serving local markets by [supporting the creation of or expansion of] domestic farmers markets, roadside stands, community-supported agriculture programs, agritourism activities, and other direct producer-to-consumer market opportunities."

Title X: Specialty Crops and Horticulture

“The **Local Food Promotion Program (LFPP)** offers grant funds with a 25% match to support the development and expansion of local and regional food business enterprises to increase domestic consumption of, and access to, locally and regionally produced agricultural products, and to develop new market opportunities for farm and ranch operations serving local markets.”

There are **planning grants** and **implementation grants**.

In Summary

The majority of the farmers that benefit from farm bill funding are not growing real food.

There are conservation programs to help farmers take care of their land, but the amount of money is significantly less than the amount of money available from the farm safety net programs.

The farm safety net programs subsidize commodity crops (which are not healthy food) and ensure farmers growing these crops can bounce back when they experience crop loss or damage.

Meanwhile, the small-scale farmers that grow real food and take care of their land have minimal government support (874 million in Horticulture and 28.2 billion in Conservation versus 23.6 billion in Commodities and 41.4 billion in Crop Insurance).

International ag policy influences what we grow, too. These policies often make a pepper from Chile cheaper than a pepper from Missouri.
What Can We Do to Change the Food System?

**Vote with your wallet** - 3 times a day you have the opportunity to make an impact - buy local food from farmers who take care of their land.

**Advocate** - Educate your friends. Then encourage them to vote with their wallet and to support initiatives at state and local level that support a better food system.

**Call your elected officials** and tell them to vote in favor of policies that support sustainable agriculture, healthy nutrition, and production of fruits and vegetables.
1. Buy local food. **Ask questions** to verify the food you’re purchasing is truly local.

2. Eat at restaurants that use local ingredients. Not sure where to go? Ask restaurants where they source their food.
   - Also see Slow Food St. Louis and Green Dining Alliance websites.

3. Challenge your child’s school cafeteria to source locally and to begin a school garden

4. Join a community supported agriculture (CSA)
10 Ways to Be a Part of the Movement

6. Read labels and buy food products grown with environmental stewardship

7. Start growing your own food at a community garden or in your own backyard.

8. Cook with your kids

9. Educate and entertain with documentaries - ex: Forks over Knives, Inhabit, or Cowspiracy

10. Become a member of MCE and support our Food and Farm Program
Title III: Trade
Mandatory Funding: $1.78 billion

Agricultural Trade Promotion
- Export Credit Guarantee Program
- Market Access Program
- Foreign Market Development Program
- Emergency Markets and Facility Guarantee Loan Program
- Technical Assistance for Specialty Crops
- Global Crop Diversity Trust

International Food Aid Programs
- Speeds Emergency Food Aid Response
- Farmer to Farmer
- McGovern-Dole
- Local and Regional Food Aid Procurement
- Food Aid Quality
- Bill Emerson Humanitarian Trust
Title XII: Miscellaneous
Mandatory Funding: $1.54 billion

- Outreach for Socially Disadvantaged Farmers
- Reauthorizes the Office of Advocacy and Outreach to increase viability and profitability of small farms and ranches, and beginning and socially disadvantaged farmers and ranchers.
- Agricultural Center and Employments Grants Program
- Military Veterans Agricultural Liaison
- Directs USDA to maintain an Office of Tribal Relations
- National Animal Health Laboratory Network (NAHLN)
- Trichinae Certification Program and National Aquatic Health Plan
- Sheep Production and Marketing Grant Program
- Pilot Program to Eradicate Feral Swine
Title VII: Research
Mandatory Funding: $800 million

- Foundation for Food and Agriculture Research
- Agriculture and Food Research Initiative (AFRI)
- University Research - research at land-grant universities
- Nat’l Agricultural Research, Extension, Education and Economics (NAREEE) Advisory Board
- Policy Research Centers - grants and cooperative agreements with policy research centers
- Capacity Building Grants for Non-Land Grant Colleges of Agriculture (NLGCA) Institutions
- Beginning Farmer and Rancher Development Program
Title IX: Energy
Mandatory Funding: $625 million

- Rural Energy for America Program (REAP)
- The Biomass Crop Assistance Program (BCAP)
- BioPreferred Program
- Federal Government Procurement Preference Program
- Biorefinery Assistance Program
- Bioenergy Program for Advanced Biofuels
- Biomass Research and Development Initiative (BRDI)
- Community Wood Energy Program
Title VI: Rural Development
Mandatory Funding: $218 million

Rural Business Development Programs
- Rural Business Development Grants Program
- Rural Cooperative Development Grants Program
- Value-Added Agricultural Market Development Program
- Business and Industry Direct and Guaranteed Loan Program

Infrastructure Improvement Programs
- Broadband Program
- Distance Learning and Telemedicine - grants and loan funding for equipment and infrastructure improvements
- Water, Waste Disposal and Wastewater Facility Grants and Loans
- Rural Water and Wastewater Circuit Rider Program
- Rural Energy Savings Program

Community Development Programs
- Strategic Economic and Community Development
- Technical Assistance for Community Facilities Projects (through Community Facilities Loan and Grant Program)
- Appropriate Technology Transfer for Rural Areas (competitive grant funds to provide producers with information on reducing input costs, conserving energy, and expanding markets through use of sustainable farming practices)
Title VIII: Forestry

Mandatory Funding: $8 million

- Healthy Forest Reserve Program
- Forest Legacy Program and Forest Stewardship
- International Forestry Program - encourages trade of legally harvested timber and supports domestic production by working to prevent invasive species from entering the country
- Stewardship End-Result Contracting - supports forest restoration work in areas without strong wood markets
- Good Neighbor Authority - USFS can delegate to State Foresters the implementation of certain projects
Title V: Credit

Mandatory Funding: -$1 billion

- Beginning Farmer and Rancher Individual Development Accounts Pilot Program
- Contract Land Sales Program (guarantees loans to retiring farmers who sell their land to beginning or socially disadvantaged farmers)
- Down Payment Loan Program (allows young farmers without money to make starting investments/down payments on a farm or ranch)
- Expands eligibility of youth loans to urban areas
- Outreach to local/regional food producers
- Microloans - small dollar operating loans to eligible borrowers
- Conservation Loan and Loan Guarantee Program - loans to borrowers to build conservation structures or establish conservation practices
- State Agricultural Mediation Program