



# FB HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE I: COMMODITIES

#### WHY DO FARMERS NEED A SAFETY NET?

Sound farm policy ensures American agriculture remains viable and U.S. consumers continue to have stable and abundant food production. It is in our best national interest to be able to feed and clothe ourselves independent of other nations. **Over 21 million Americans work in agriculture** or related industries and they all rely on the farmers and ranchers who are the first link in the food supply chain. Without farm policy, American producers would be left at the mercy of foreign governments, which often distort agricultural markets, and extreme weather that could wipe out their livelihood. As a result, consumers would wind up paying more money for food. **Farm policy isn't written solely for farmers, it is written for everyone who eats.**

#### IS SPENDING MONEY ON FARM POLICY A GOOD INVESTMENT?

In FY 2017 commodity policy and crop insurance expenditures combined totaled 0.26% of all federal expenditures. **That's right, for every \$100 paid by taxpayers, only 26 cents assists farmers and ranchers.** In exchange for that investment, agriculture and its related industries provide 21.4 million jobs, and contribute 5.5% of U.S. gross domestic product. Additionally, U.S. consumers get a great deal. On average, **Americans spend just 6.3% of their disposable income on food;** most of the rest of the world spends around 25%, with residents in some countries spending in excess of 50% of their income on food.

#### WHY IS RISK IN AGRICULTURE DIFFERENT THAN RISKS FACED BY OTHER BUSINESSES?

All businesses face certain risks, but none as extreme as those faced by farmers and ranchers. Global agricultural markets are some of the most distorted due to the subsidies, foreign tariffs, and trade barriers of other nations. **Farmers typically borrow more each year than the average family does in a lifetime** and at any moment an untimely storm can wipe out their sole source of income. While many farms have substantial assets that critics claim make producers "wealthy," **over 65% of farms have greater than 80% of their wealth invested directly in their business,** whereas less than 10% of non-farm businesses have the same level of investment.

#### WHY DO CRITICS CLAIM FARM POLICY ONLY BENEFITS LARGE FARMERS?

Critics use the way USDA defines a "farm" to confuse the facts. Per the definition, a "farm" is any place that produced and sold (or could have sold) \$1,000 or more of agricultural products in any given year (for context, this is roughly equivalent to 1.5 acres of corn). This definition brings millions of "farms" into the equation that most people wouldn't actually consider a farm. **The reality is only 15% of farms are those that receive their primary or sole source of income from agriculture, but they produce 88% of all food and fiber.** Farm policy is meant to assist those that make their living providing Americans with the safest, most abundant and most affordable food in the world.

#### HOW DOES U.S. FARM POLICY COMPARE TO OTHER COUNTRIES?

**U.S. spending on farm policy is low** as compared to other large agricultural economies. In the latest reporting to the WTO, the U.S. is only spending about one-fifth of the allowable level of support agreed to in the last round of negotiations that went into effect. Meanwhile, our trading partners and countries we compete with in global markets are doubling down on trade distorting subsidies and tariffs. In fact, the USTR has filed a case against the most egregious violator, **China, who was estimated to have spent in excess of \$100 billion in subsidies for corn, rice, and wheat in just one year.** To put that in perspective, that is more than the U.S. is projected to spend on the total farm safety net (including crop insurance) for all commodities over the next 8 years combined.

## **DOES FARM POLICY INCENTIVIZE PLANTING CERTAIN CROPS OR DISTORT PRODUCTION?**

No, since 1996 farmers have had the “freedom to farm” whatever crop the market place demands. Though farm programs are based on the historical production of 22 different covered commodities, assistance is not tied to current production. **Farmers have the ability to plant and grow whatever crop makes the most sense for their business.**

## **ARE FARMERS RECEIVING DUPLICATE BENEFITS FROM COMMODITY POLICY AND CROP INSURANCE?**

No. The two components of the farm safety net, **commodity policy and crop insurance, have distinct differences and are designed to address different types of risk.** Where crop insurance helps farmers manage risk from weather-related losses in production or intra-year price declines, commodity policy is designed to aid producers when prices remain low, well below the cost of production, for an extended period of time and put severe financial strain on farmers. **These two separate policies are intentionally designed to complement – not duplicate – one another.**



# HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE II: CONSERVATION

#### **I'M CURRENTLY ENROLLED IN CSP TO PLANT CROPS, WILL MY CONTRACT BE CANCELLED?**

**No.** The 2018 Farm Bill makes NO CHANGES to current CSP contracts. You can continue your practices and receive payments for the remainder of your contract. After your contract expires, you will continue to be eligible to advance your level of stewardship with one or several EQIP contracts, including newly authorized stewardship contracts. These new contracts will add flexibility and not require whole farm enrollment, allowing you to prioritize cover crops, crop rotations, conservation tillage, irrigation water conservation, grazing systems and other practices in your operation.

#### **I'VE BEEN INTERESTED IN CSP. WILL THERE BE INCENTIVE PAYMENTS FOR MANAGEMENT ACTIVITIES THAT CSP PROVIDED?**

Under the new farm bill, you will continue to be eligible for additional EQIP contracts. However, EQIP will now offer 5-10 year stewardship contracts for incentive payments to address locally-led resource concerns identified in a region of a state. These payments will assist you and other producers in addressing a local concern, yet address the increased economic risk potentially associated with new or innovative conservation approaches.

#### **WHY DOES USDA COMPETE WITH FARMERS FOR PRODUCTIVE LANDS THROUGH THE CRP PROGRAM? WHY IS THE GOVERNMENT PAYING MORE THAN MARKET VALUE?**

The CRP program should continue to protect vulnerable land and address soil, water and wildlife concerns, but it needs to be targeted to the right acres at a reasonable cost. To address this, the 2018 Farm Bill caps rental rates at a maximum of 80% of the NASS county average. Furthermore, there are many acres that have been enrolled for decades, so the bill will further reduce rental rates for each reenrollment. Finally, the bill requires NASS to update rental rates annually.

#### **I NOTICED THE ANNUAL CRP RENTAL PAYMENT, COST-SHARE FOR ESTABLISHING THE COVER, AND INCENTIVE PAYMENTS ARE ALL REDUCED IN THE BILL. WILL THESE CHANGES BE APPLIED TO MY EXISTING CRP CONTRACT?**

Absolutely not. The new policy will apply to enrollments after the date of enactment. All existing contracts will continue under the terms in place at time of enrollment.

#### **I HEAR A LOT ABOUT IMPAIRED WATERWAYS LIKE THE ALGAL BLOOMS NEAR TOLEDO, OHIO AND I WORRY ABOUT CLEAN DRINKING WATER? WHAT DOES THE FARM BILL DO FOR WATER QUALITY?**

Water quality is a concern for all citizens, urban and rural. The 2018 Farm Bill ensures that at least 10% of all working lands funds go to addressing water quality, especially where the water source

serves as the drinking water supply for communities. Furthermore, this farm bill authorizes tools to allow areas of a state, such as northern Ohio, to identify water quality as their top concern and direct EQIP stewardship payments to producers adopting innovative practices. This farm bill directly funds RCPP to streamline regional conservation efforts, adds protection of sources of drinking water as an eligible activity, and adds CRP as a covered practice for buffer strips.

**OUT HERE IN THE WEST, WE HAVE A SEPARATE SET OF ISSUES. WHAT DOES THIS FARM BILL DO FOR WESTERN FARMERS AND RANCHERS?**

The 2018 Farm Bill makes many changes to help western producers address their specific resource concerns. We retain the requirement that the priority setting for program delivery be driven by the locally-led process. There are expanded flexibilities to work with irrigation districts, associations and acequias to access the programs and deliver water-conserving benefits.

**I SUPPORT WORKING LANDS CONSERVATION OVER LAND RETIREMENT. HOW DOES THIS PROGRAM FUND THESE PROGRAMS?**

While CRP acres are expanded, the new enrollments will be targeted on less productive, environmentally sensitive lands. Those additional acres are paid for with reforms designed to ensure that CRP does not compete for productive, working farm land. Finally, the best features of CSP are being folded into EQIP, significantly expanding EQIP funding to \$3.0 billion per year by 2023.

**I HEAR A LOT ABOUT SOIL HEALTH, COVER CROPS AND PRECISION NUTRIENT APPLICATION. I DON'T HAVE THE RESOURCES TO MAKE THESE KINDS OF CHANGES WITHOUT PLACING MY OPERATION AT FINANCIAL RISK. WILL THE 2018 FARM BILL HELP ME TRY AND POTENTIALLY TRANSITION MY OPERATION TO THIS NEW TECHNOLOGY?**

Yes. There will be new opportunities for flexible on-farm conservation innovation trials to provide incentives for testing and adopting new conservation approaches, locally. We also focus on Conservation Activity Plans with EQIP on precision conservation management planning. In addition, the new stewardship contracting option will be tailored to advance these kinds of management tools incrementally through 5- to 10-year contracts.

**I SUPPORT THE CONSERVATION PROGRAMS, BUT THE APPLICATION PROCESS SEEMS DIFFICULT AND I HEAR HORRORS STORIES ABOUT THE SIZE AND COMPLEXITY OF THE CONTRACTS. ARE YOU DOING ANYTHING TO FIX THIS?**

One of the most significant improvements is the blending of the best parts of CSP into the EQIP stewardship contracts. This will create a one-stop shop for working lands conservation and will allow a contract to be better tailored to the local resource issues and individual producers' objectives. We continue to work with USDA to find opportunities to streamline the application process and reduce the burdensome paperwork that impacts producers and the agency. Finally, the 2018 Farm Bill will do away with the DUNS and SAMs reporting requirements on producers farming as partnerships, corporations, and other entities.

**WE DO NOT HAVE A LOT OF CROPLAND IN MY COUNTY. AS A LIVESTOCK PRODUCER, I'VE IMPROVED MY LEVEL OF STEWARDSHIP BY INSTALLING CONSERVATION PRACTICES AND ADJUSTING OUR MANAGEMENT SYSTEMS THROUGH ENVIRONMENTAL QUALITY**

## **INCENTIVES PROGRAM (EQIP) ASSISTANCE ALLOCATED TO MY COUNTY. WILL REMOVING THE 60% LIVESTOCK SET ASIDE REDIRECT PROGRAM DOLLARS AWAY FROM LIVESTOCK PRODUCERS AND THEIR RESOURCE PROBLEMS?**

**Absolutely not.** The program's objectives will not change and the farm bill continues the process for allocating money to the states to address locally-led concerns and priorities across all agriculture interests, such as livestock in your county. In fact, by stepping up the funding each year, we anticipate increased allocations to the local level, which should result in more funding being available to locally identified livestock priorities over the life of the farm bill.

## **THERE IS A LOT OF EXCITEMENT IN OUR COMMUNITY ABOUT COVER CROPS AND SOIL HEALTH. MOST OF MY FRIENDS AND NEIGHBORS STARTED USING CSP TO INTRODUCE COVER CROPS INTO THEIR CROPPING ROTATIONS OVER SEVERAL YEARS. WITH THE MERGING OF CSP INTO EQIP, WILL HELP FOR COVER CROPS STILL BE AVAILABLE?**

**Yes.** The farm bill recognizes the cross-cutting benefits to cover cropping and precision agriculture technology. This farm bill speaks specifically to traditional EQIP and the new stewardship contracting option providing this assistance to producers. Introducing these practices into an agriculture operation are typically incremental. EQIP will provide incentives through contracts of 5 to 10 years encompassing only those fields you are ready to try. By removing the whole farm component required by CSP, EQIP stewardship payments will be able to provide incentives to more producers across more farms than reached by CSP.



# FB HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE III: TRADE

#### **WHY DOES THIS BILL NOT DOUBLE FUNDING FOR MAP AND FMD, AS MUCH OF INDUSTRY REQUESTED?**

During the June 2017 CBO baseline update, baseline for FMD (\$34.5 million per year) and TASC (\$9 million per year) was permanently eliminated. As a result, simply restoring past levels of funding for FMD and TASC was our top priority (and a huge challenge). The modest increase in overall funding levels further highlights the Committee's recognition of the importance of these programs.

#### **WHY DOES THIS BILL CONTINUE "CORPORATE WELFARE" PROGRAMS LIKE MAP AND FMD?**

U.S. farmers and ranchers face an incredibly uncertain trade landscape, and MAP and FMD work are effective and critical tools to promote U.S. agricultural interests in our export markets. Further, they require leverage significant financial contributions from participating organizations. These programs generate a net return of \$28 in added export revenue for each invested program dollar, and significantly increase demand for U.S. agricultural products within foreign markets. The Committee supports MAP and FMD as critical trade promotion efforts to keep U.S. farmers on pace with foreign competitors. Finally, while it is a common misconception, large corporations are not even eligible to receive MAP and FMD funding.

#### **WHAT IS YOUR POSITION ON THE NEWLY RELEASED FOOD FOR MODERNIZATION ACT (OR CORKER/COONS COMPANION BILL IN THE SENATE)?**

Those bills are too extreme and threaten to erode support for Food for Peace. In recent years, programs like the Emergency Food Security Program (EFSP) and Food for Peace (FFP) have already provided unprecedented levels of flexibility to program administrators. In fact, now less than half of U.S. food assistance is delivered in the form of commodities. Existing food aid programs give implementers access to the variety of tools necessary to address hunger around the globe, whether through cash and vouchers, locally and regionally-procured foods, or U.S.-grown commodities.

#### **WHY DOESN'T THIS BILL IMPLEMENT MORE DRASTIC REFORMS LIKE THOSE ADVOCATED IN OTHER LEGISLATION AND SUPPORTED BY THE AMERICAN FARM BUREAU FEDERATION?**

First, it's worth noting the Farm Bureau has not changed its long-held position that commodities should remain the foundation of U.S. food aid contributions. As far as reforms go, commodities are the right option in many situations, and we support their continued use as a means to deliver U.S. aid to those in need around the world. The 2018 Farm Bill gets the policy right without eroding the American farmer's role.

#### **WHY DOESN'T THIS BILL ELIMINATE CARGO PREFERENCE TO FEED MORE PEOPLE?**

Cargo preference boils down to jurisdiction. We have heard discussions of increasing the cargo preference requirement to 100 percent and seen other proposals to eliminate it completely. At the end of the day, we don't believe the farm bill is the right vehicle for changes to cargo preference laws.

## **WHY DOESN'T THIS BILL INCREASE FLEXIBILITY TO FEED MORE PEOPLE?**

Cash versus commodity usage is already at a near 50/50 split. This demonstrates the significant flexibilities provided in the farm bill, which allow each food assistance tool to work as intended to feed hungry people around the world. Food security means national security, and there is no substitute for the diplomacy achieved by providing food in the form of American commodities, labeled as a gift of the American people, to those in need.



# HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE IV: NUTRITION

#### GENERAL

#### **ARE YOU JUST RAIDING SNAP TO FUND FARM PROGRAMS?**

No. In fact, there are zero net cuts to the nutrition title. We are plowing any money made from modifications back into nutrition programs to make improvements.

**Context:** From the onset we've committed to getting the policy right – it's not been about setting a savings number and molding the policy to meet that. It's about improving policy and modernizing the program to help lift people out of poverty.

#### **SHOULDN'T WE LEAVE MORE DISCRETION TO THE STATES THROUGH BLOCK GRANTING?**

Block-granting may work for other programs, but in SNAP, it would not allow the program to be responsive as it is now.

**Context:** Block grants allow for fixed federal expenditures that are not adjusted for inflation nor rise and fall with economic cycles or ebb and flow of participation. These grants come with little direction or provision, thus allowing states to get creative in how the money is spent. In some cases, i.e. TANF, the majority of the funding is not spent on the cash assistance as it originally was intended to do.

#### **IS A PILOT OF THE HARVEST BOX, WHICH WAS INCLUDED IN THE PRESIDENT'S BUDGET PROPOSAL, INCLUDED IN YOUR BILL?**

No.

#### **WHAT DO YOU SAY TO THOSE WHO BELIEVE THIS BILL SPENDS TOO MUCH MONEY ACROSS THIS TITLE?**

For the better part of three years, we promised that this was about getting the policy right, not about the bottom line. We believe when you prioritize good policy and reinvest in people who want to improve their own lot in life – there may not be savings in the front end, but there will be long-term savings as individuals lift themselves out of poverty.

#### **ARE SNAP BENEFITS SUFFICIENT IN THEIR CURRENT FORM? I HAVE HEARD THEY DON'T COVER THE COST OF MOST FAMILIES' FOOD EXPENSES.**

Nothing in our bill will reduce benefits for current SNAP recipients.

**Context:** SNAP benefits are based on household gross and net income levels. The more income the household has, the smaller the benefit from the federal government. As the program's name suggests – the benefits are meant to supplement a family's income to help cover food costs. SNAP households are expected to spend about 30% of their own net income on food.



## **PROGRAM INTEGRITY**

### **SNAP HAS ONE OF THE LOWEST ERROR RATES OF ANY GOVERNMENT PROGRAM. WHY ARE YOU CONCERNED ABOUT FRAUD AND ABUSE IN THE SYSTEM?**

Currently, the tolerance level for errors is \$37. Meaning that an error in benefits of up to \$37 doesn't even count as an error. While many programs have error rates, none have thresholds for errors. By lowering that threshold to \$0, we are simply asking that the Secretary calculate the actual error rate. And it's important to note that USDA has not issued an error rate since FY14. This change will help provide an accurate readout of state performance and will help inform policy in the future.

**Context:** We've made a number of improvements to SNAP over the last several farm bills to improve the program's integrity and make it more efficient and effective. This change is to the calculation of error rates only to monitor program accuracy. The threshold for states to seek to recover funds for payments in error will remain at \$125 or the level determined cost effective.

### **WON'T ELIMINATING BROAD BASE CATEGORICAL ELIGIBILITY (BBCE) PREVENT NEEDY FAMILIES FROM ACCESSING SNAP?**

**No.** If a household qualifies to receive either cash assistance or a service like transit assistance or child care, this isn't going to impact them. We need to ensure individuals actually qualify. Remember, anyone that meets the modernized asset and income requirements will qualify for SNAP benefits.

**Context:** BBCE makes individuals eligible for SNAP because they qualify for a non-cash TANF or state-funded benefit, including through the distribution of brochures, resource guides, or hotline numbers. We are limiting categorical eligibility to low-income households that are determined eligible for cash assistance or ongoing and substantial assistance or services (e.g. child care, transit, and counseling). In many cases, current recipients may still be eligible – they will just need to apply through the normal process and meet the modernized asset limits we are proposing – all of which will be adjusted for inflation moving forward.

### **WHY ARE YOU SERVING THE LIHEAP CONNECTION TO SNAP? WON'T IT HIT FAMILIES DURING WINTER MONTHS ESPECIALLY HARD? WITHOUT THE LIHEAP STANDARD UTILITY ALLOWANCE THEY WILL HAVE THEIR BENEFITS SLASHED.**

First, our proposal does nothing to LIHEAP. Our proposal will not affect households receiving traditional LIHEAP assistance or any household that can demonstrate a utility cost. We are requiring households, other than elderly households, to demonstrate they have incurred actual utility costs to receive the state-determined Standard Utility Allowance. What we are saying is that getting a LIHEAP payment doesn't automatically increase your SNAP benefit.

**Context:** Receipt of LIHEAP benefits is intended to serve as a reasonable proxy for the actual utility costs that a household incurs. As a result, in lieu of demonstrating actual utility costs, receipt of LIHEAP benefits may be used to trigger the higher standard utility allowance (SUA), and thereby increase the SNAP deductions for which households are eligible. This results in a higher benefit for those households. The 2014 Farm Bill required that to receive the Standard Utility Allowance, households must receive a LIHEAP payment (or other energy assistance payment) greater than \$20 annually. This modification was intended to prevent the issuance of nominal LIHEAP payments in order to automatically qualify SNAP households for the SUA. States continue to take advantage of

this link, some by simply increasing LIHEAP benefits to \$20.01, thereby allowing residents to continue receiving higher SNAP benefits

**THERE ARE LOTS OF BAD ACTORS TAKING ADVANTAGE OF THE SYSTEM. WE SHOULD BE PRESERVING THESE BENEFITS FOR THOSE WHO REALLY NEED THEM RATHER THAN SUBSIDIZING THOSE BUYING AND SELLING ILLEGAL SUBSTANCES. WHY DON'T WE MANDATE DRUG TESTING AMONG ALL RECIPIENTS?**

Everyone agrees that we need to weed out the bad actors. But drug testing comes at significant cost to the taxpayer. Additionally, States are not permitted to create additional conditions for eligibility.

**Context:** While States are not permitted to create additional conditions for eligibility, drug testing has been allowed and tested in multiple states. For example, before the court imposed an injunction stopping drug testing in Florida, just 2.6% (108) of over 4,000 applicants tested positive for illegal substance use in a period of six months. Florida paid \$118,140 in testing, as well as \$307,833 in legal fees for the appeals and combined settlements. In a six month period, Florida paid just shy of \$1 million for 108 drug tests, significantly more than the total cost of benefits for those individuals.

**DON'T WE NEED BIGGER REFORMS TO SNAP TO PREVENT FRAUD, WASTE AND ABUSE?**

While SNAP is effective at helping those who need it most, there is still room for improvement to reduce the almost \$700M in annual program abuses. As a result, we propose to correct the error rate threshold for overpayments/underpayments, allow for all States to prevent duplicative benefit issuance, and a host of other reforms that hold program administrators and where appropriate, recipients, accountable.

**PROGRAM MODERNIZATION**

**DOES THIS BILL DO ANYTHING TO ADDRESS THE MILITARY FAMILIES WHO ARE NOT CURRENTLY ELIGIBLE FOR SNAP BECAUSE OF THE CURRENT FORMULA COUNTS THEIR HOUSING VOUCHER AGAINST THEIR ELIGIBILITY?**

**Yes.** Chairman Conaway, who is also a member of the House Armed Services Committee, pledged to address this issue in the farm bill and he has. By allowing an exclusion of a portion of the basic allowance for housing, active duty military families who may need SNAP are not necessarily at a higher income threshold at eligibility determination.

**Context:** Military families who qualify for assistance through the Women and Infant Children, or WIC, program apply using the income on which they are taxed. But SNAP applicants must apply using their total income regardless of taxes. For military families, that means basic allowance for housing is considered part of the SNAP application but not part of WIC -- and can mean families who qualify for one do not qualify for the other.

**DOES THIS BILL HURT RETAILERS BY REQUIRING THEM TO PUBLICLY REPORT TRANSACTION DATA?**

**No.** We are asking FNS to collect data - a sample of data at that - to better understand what is being purchased. The identity of retailers and consumers is protected. SNAP is a taxpayer-funded program. Therefore, we have an obligation to clearly understand purchase patterns across the nation.

This basic information will help us improve program design and will inform future nutrition policy decisions, i.e. access and nutrition education.

**Context:** For situational awareness, a November 30, 2016, U.S. District Court for the District of South Dakota ruling pertaining to whether annual SNAP retailer redemption data should be disclosed to the public found in favor the plaintiff, Argus Leader Media (Argus). The case is ongoing, with additional oral arguments heard by the Eight Circuit March 14, 2018. Final decision pending.

## **WHY ARE YOU TRACKING PARTICIPANT DATA? WITH ALL THESE BREACHES, YOU ARE SUBJECTING OVER 40M PEOPLE TO DATA AND IDENTITY THEFT.**

In the Committee’s thorough review of SNAP, no one has been able to provide comprehensive data on how long individuals stay on SNAP. That data simply doesn’t exist. How can we continue to inform policy, and improve upon it, without knowing the full breadth of the people served by SNAP?

### **WORKFORCE SOLUTIONS**

## **SNAP ALREADY HAS WORK REQUIREMENTS IN PLACE. DOESN’T ADDING THESE ADDITIONAL REQUIREMENTS JUST PLACE MORE BURDENS ON STATES?**

Sure, there are work requirements, but the current system for administering work requirements is confusing, outdated, and riddled with a series of loopholes that create disincentives for people to work. Our proposal is simple, if you are a work-capable adult on SNAP (ages 18-59), we want to help you find work to support your household. And to do that we’re going to equip states with the tools and resources to provide participants with the skills, job search skills, PC skills, certifications and education, and workplace etiquette guidance needed to succeed in today’s economy.

**Context:** Across the aisle, we hear that our workforce solution should not be a one-size-fits-all; this proposal is the furthest thing from that. We provide the states with a significant investment, tools and options to move people forward This isn’t about putting additional burdens on states, it is about helping SNAP recipients climb the economic ladder and close the skills gap.

## **WE SHOULDN’T BE KICKING SNAP RECIPIENTS OFF AND EXPECT THEM TO FEND FOR THEMSELVES. ISN’T THIS JUST AN ATTEMPT TO SAVE MONEY?**

Let me be clear – NO ONE is kicked off SNAP under our work proposal. Anyone who is eligible to receive SNAP and is subject to the work requirement, and is not working or participating in a work program, is guaranteed a spot through E&T. We know you can’t just tell people to go get a job – you need to help them. That’s why we’re committing a significant investment in E&T to equip states with additional resources to create the needed employment and training positions for those work-eligible adults who want new job opportunities, but need help.

## **ISN’T THE COMMITTEE AWARE THAT SNAP IS A NUTRITION PROGRAM AND NOT A JOBS PROGRAM?**

We are aware SNAP is a vital lifeline for many Americans in need and we are committed to improving it while giving people a chance to improve their station in life.

## **SHOULD USDA REALLY BE IN THE BUSINESS OF RUNNING A JOBS**

## PROGRAM?

We want to shift the anti-poverty conversation in this country from one purely focused on benefits to one about helping someone improve their future. We have an opportunity in this farm bill to commit significant resources to recipients who deserve a fighting chance at improving their future.

**Context:** Work requirements have been a part of SNAP since 1971, and have strengthened and weakened under different administrations.

## ISN'T PROPOSING TO KICK SOMEONE OFF THE SNAP ROLLS FOR ONE YEAR AFTER THEY FAIL TO COMPLY WITH WORK REQUIREMENTS DRACONIAN?

Let me be clear – NO ONE is kicked off SNAP under this proposal. Individuals must be held accountable for their actions, and the current work requirements are not enforced, productive, or backed with significant investment. Yes, our bill makes strict changes to work requirement compliance, but our bill implements this change while investing in the individuals who need employment and training. Our bill puts our money where our mouth is. If someone does not want to take advantage of the opportunity, then they are self-selecting to move through the disqualification process. Finally, the disqualification only kicks in after an individual has exhausted their appeal rights.

**Context:** Current disqualification policies run the gamut from one month to eternity, based on infraction, and could include the whole household. This proposal impacts only the work requirement-eligible individual, and standardizes to avoid the litany of State flexibility.

## MOST OF THE PEOPLE ON SNAP ARE CHILDREN, DISABLED AND THE SENIORS. WHY ARE YOU DOING THIS?

Nothing will change for the elderly, disabled or children.

## SNAP PARTICIPATION IS DECLINING. YOUR BILL TALKS ABOUT PUTTING PEOPLE BACK TO WORK AND GETTING THEM OFF THE GOVERNMENT ROLLS, WELL THAT'S ALREADY HAPPENING - ARE THESE ADDITIONAL HOOPS REALLY NECESSARY?

Put simply, if jobs are available and the economy is booming, then we don't see a problem in investing in folks to help them prepare to take advantage of the opportunity.

## DON'T SNAP RECIPIENTS WHO CAN WORK ALREADY WORK?

There are work requirements and we recognize people do work. And for those working 20 or more hours per week who may still need help from SNAP, they can have the peace of mind that their benefits will be maintained.

**Context:** Most who say that "most people on SNAP do work" are only relying on survey data. This is why it is imperative to enact legislation that permits the collection of recipient data.

## HOW IS WHAT YOU ARE DOING DIFFERENT THAN THE SOUTHERLAND AMENDMENT THAT WAS OFFERED IN 2013?

Southerland's amendment gave states a perverse incentive to remove people from the rolls by guaranteeing money to the state based on the accumulated SNAP benefit dollars saved. There was no investment in recipients, whole households could be disqualified, and insufficient options were

provided for beneficiaries. Simply put, this is nothing like the Southerland amendment, and anyone who says differently does not know the history of the provision nor do they understand this proposal.

**Context:** We are not incentivizing states to remove people, and instead are investing significantly in employment and training opportunities as well as beneficiaries. Another stark difference is that this bill will not penalize an entire household for the actions of the work-capable adult(s).

## **IS THIS PROPOSAL GOING TO KICK 8 MILLION PEOPLE OFF OF SNAP?**

**No.** No one is forced off of SNAP due to the work requirement.

**Context:** No one will be removed from the SNAP rolls due to the work requirement. Those who are removed will either be removed due to ineligibility because of increased earnings, or they have self-selected not to participate in a funded E&T slot, thus putting themselves through the disqualification process.

## **IS THE PROPOSED INVESTMENT IN EMPLOYMENT AND TRAINING ADEQUATE?**

This investment (\$1 billion per year) will leverage and enhance existing programs to guarantee E&T services for all individuals subject to the requirement. We are effectively tripling the per-person investment, and it will afford individuals with case management and targeted services. These changes don't build bureaucracy, they serve people more effectively.

## **HOW CAN YOU IMPLEMENT AN UNFUNDED MANDATE? THIS MAKES THE ADDED BUREAUCRACY OF YOUR WORK REQUIREMENT WORSE. PLAIN AND SIMPLE, IT'S UNFAIR.**

To the contrary, this proposal is fully funded. This bill includes a historic increase in E&T funding, more than tripling the amount invested in each participant (including current participants). We are proposing a two-year transition period for states to beef-up their services, staff, and contracts in order to offer the minimum level of services and opportunities to recipients. We are also stair-stepping funding to ensure states are provided with the additional resources necessary. Some have argued that this proposal creates state bureaucracy. The fact is these are vital services, and states have the flexibility and tools needed to invest in the people E&T seeks to serve. We are not interested in telling recipients they are not worth the investment.

## **IF SOMEONE IS SUBJECT TO YOUR REQUIREMENT, WHAT DO THEY HAVE TO DO TO REMAIN ELIGIBLE?**

We require 20 hours per week of participation in a combination of work, participation in a work program (e.g. WIOA), or participation in SNAP E&T. And get this, we are making sure that no matter what, states have E&T slots readily available to those eligible.

## **PROMOTING HEALTHY FOODS**

## **WE HAVE AN OBESITY PROBLEM IN AMERICA. WHY SHOULD THE GOVERNMENT BE IN THE BUSINESS OF SUBSIDIZING SUGARY BEVERAGES AND OTHER UNHEALTHY ITEMS?**

We agree that more can be done to incentivize healthy purchases and that's why our proposal continues a popular incentive program and also establishes retailer-funded pilot projects that further explore incentives, allowing them to what's best for their business and their consumers. As we aim

to break the cycle of dependence, we must encourage receipts to make smart, healthy choices – but ultimately recognize that these are just that – choices.

## **DOES THIS BILL SLASH FUNDING FOR NUTRITION EDUCATION?**

**No.** Our nutrition education proposal pairs the merits of two current programs, SNAP-Ed and the Expanded Food and Nutrition Education Program, or EFNEP, all the while recognizing the great work of our land grant universities and front line operators. This proposal eliminates duplication, allows for SNAP recipients to still receive the important education necessary to inform nutrition decisions and habits, and allows for more extensive data to be collected and analyzed.

**Context:** Currently, SNAP-Ed receives \$421M per year in mandatory funding, EFNEP receives \$68M in discretionary funding. The reformed nutrition education program will be provided \$485M mandatory and \$65M discretionary.

The logo features a vertical stack of four green icons: a tractor, a leafy branch, an apple, and a tree. To the right of these icons are the letters 'F' and 'B' in a large, bold, brown font. Further to the right, the text 'HOUSE AGRICULTURE COMMITTEE' is written in a bold, green, sans-serif font, and 'FARM BILL: QUESTION & ANSWER' is written in a bold, brown, sans-serif font below it.

# HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE V: CREDIT

#### WHAT PROGRAMS IN THE CREDIT TITLE ASSIST BEGINNING FARMERS AND RANCHERS?

The 2018 Farm Bill authorizes lending programs that address the challenges faced by beginning farmers and ranchers, such as the Beginning Farmer and Rancher Program; while adding flexibility to the loan eligibility requirements for the farm ownership loans.

The flexibility creates more opportunity for military or educational experience to fulfil a portion of the requirement for 3-year farming or ranching experience to becoming an eligible borrower.


#### WHY IS THE 1,000 ACREAGE LIMITATION ON LOANS ELIGIBLE FOR PURCHASE BY FARMER MAC BEING ALTERED?

Over the 30 years since Farmer Mac's inception, U.S. agriculture has undergone substantial structural changes. A variety of factors including the adoption of new pesticides and seed varieties, more efficient equipment, other technological improvements, and scale economies have allowed farmers to produce more efficiently. In turn, this has allowed farmers to increase the scale of their operations.

Data from the Census of Agriculture also show the midpoint size of crop farms has more than doubled since the 1980s, growing from 589 acres in 1982 to more than 1,200 acres in 2012. As a result, there has been a decline in the percent of acreage on farms operating less than 1,000 acres and the majority of all cropland is now located on farms operating more than 1,000 acres.

#### DOES THE BILL GIVE FARM CREDIT SYSTEM EXPANDED AUTHORITIES?

**No.** The bill does give their regulator, the Farm Credit Administration (FCA), expanded oversight authority by updating their civil enforcement authorities against bad actors within the Farm Credit System.



# HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE VI: RURAL DEVELOPMENT

#### **HOW DOES THE 2018 FARM BILL BRING MORE PRIVATE CAPITAL INTO RURAL AMERICA?**

The 2018 Farm Bill expands the use of loan guarantees, which allows rural lenders to make loans to rural communities and institutions and then sell them to interested investors across the financial system. Rural lenders are then able to make additional loans with the proceeds from the sales to those investors. By leveraging loan guarantees, the 2018 Farm Bill will grow the pie of private dollars available for investment in rural communities.

#### **WHY DOES THE 2018 FARM BILL MAKE CHANGES TO THE DEFINITION OF RURAL?**

The 2018 Farm Bill does NOT make changes to the definition of rural. The definition of rural has always been communities under 50,000 people.

However, certain programs have historically had the size of eligible communities capped. One popular program is the Community Facilities Program, which has a cap of 20,000 people for eligible communities.

For guaranteed loans under three specific programs, the Community Facilities, Water and Waste and Broadband programs, the 2018 Farm Bill will remove the population caps and make EVERY rural community eligible.

This change DOES NOT CHANGE THE CAPS for any grant programs or direct lending programs at USDA. Grants and direct lending under the Community Facilities, Water and Waste and Broadband programs will remain unchanged, to ensure that resources under these programs remain committed to the most rural communities.

#### **WHY DOES THE 2018 FARM BILL ALLOW THE SECRETARY TO CHARGE FEES FOR CERTAIN GUARANTEED LENDING PROGRAMS?**

The 2018 Farm Bill increases the population size and therefore the number of communities that can qualify for guaranteed loans under these programs: the Community Facilities program, the Water and Waste program, and the Broadband program. By expanding the size and number of communities eligible for guaranteed loans under these programs, we must ensure a commensurate increase in the resources available.

By allowing the Secretary to charge applicants fees, the 2018 Farm Bill is reducing the cost to the government of providing loan guarantees and expanding the amount of lending that can be done. Ultimately, it is the Committee's goal that these programs be supported entirely by fees and not by the taxpayer.

#### **USDA'S BROADBAND PROGRAM IS BROKEN. IT FINANCED A**



## **BROADBAND NETWORK IN MY COMMUNITY THAT IS ALREADY OBSOLETE. WHY SHOULD WE GIVE THEM MORE MONEY?**

The 2018 Farm Bill makes significant changes to the way USDA approves broadband projects. Rather than requiring that a project be able to provide service at today's minimum standard, this legislation requires projects to be able to provide useful service speeds throughout the duration of their loan. If an applicant accepts a 25-year loan, the applicant will be required to provide broadband-quality service for 25 years.

## **HOW DOES THE NEW DENSITY-BASED GRANT PROGRAM WORK?**

The 2018 Farm Bill creates a new grant program to leverage the existing loan program in Title I, II, and VI of the Rural Electrification Act. Borrowers with projects that meet the qualifications for loans under those programs will be able to access additional grant funds if their project meets certain additional density limitations.

Assistance is scaled so that projects which serve less dense areas receive greater support. It is designed to ensure that the most rural areas, which are the hardest to serve, will receive the assistance needed to build new broadband networks.

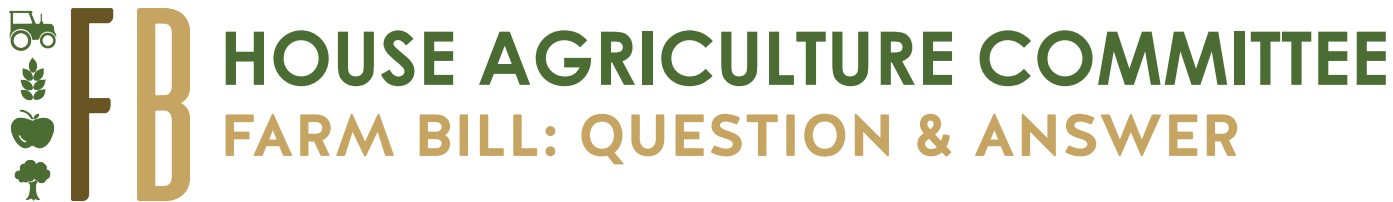
The program also includes strong prohibitions on overbuilding existing networks providing broadband-quality service and requirements protecting existing RUS borrowers.

## **WHY HAS THE ENERGY TITLE BEEN ELIMINATED?**

The title has been eliminated, however, the bill retains the proven energy authorities within the new Infrastructure and Economic Development Title. Nearly all of the programs are administered by the same agency and all work toward the same goals of creating jobs and infrastructure.

## **WHY IS THE MANDATORY FUNDING FOR ENERGY AND RURAL DEVELOPMENT PROGRAMS ELIMINATED?**

The 2014 Farm Bill provided over \$1 billion in mandatory funding for several energy and rural development programs; however, this was nearly all one time funding. While the REAP program may have had baseline, its functions are duplicative of programs in other titles, like EQIP. To write a baseline neutral farm bill, these programs could only be funded by cutting other programs. Our Members had to prioritize and make tough decisions.



# HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE VII: RESEARCH

#### **WHAT DOES THE 2018 FARM BILL DO FOR THE FOUNDATION FOR FOOD AND AGRICULTURE RESEARCH (FFAR)?**

The 2014 Farm Bill provided a one-time, immediate transfer of \$200 million for the creation of FFAR. This was a one-time investment intended to help stand up FFAR, and was not provided a long-term, sustained federal appropriation. FFAR was created in permanent law and does not require reauthorization, so the Foundation can continue its mission to spur private investment in agricultural research.

#### **WHAT DOES THE 2018 FARM BILL DO FOR THE INFRASTRUCTURE AND DEFERRED MAINTENANCE ISSUES AT OUR NATION'S RESEARCH INSTITUTIONS?**

In early 2017, the House Agriculture Committee hosted a hearing to consider the infrastructure challenges in rural America. A major highlight of the hearing was the focus on deferred maintenance challenges at our universities and other research institutions. Taking into consideration the policies proposed by research stakeholders, the 2018 Farm Bill creates the framework for further investment in the repair and maintenance of buildings and scientific equipment specifically at colleges of agriculture and Agricultural Research Service facilities. In the event that Congress is able to fund additional infrastructure investment, the 2018 Farm Bill creates the framework for those dollars to immediately be put to best use addressing the most pressing challenges.

#### **WHAT DOES THE 2018 FARM BILL DO TO ENCOURAGE ADDITIONAL RESEARCH IN MECHANIZATION FOR THE SPECIALTY CROPS INDUSTRY?**

This farm bill clarifies priority language within the Specialty Crop Research Initiative and the Agriculture and Food Research Initiative to provide the framework for funding innovative research projects addressing mechanization. For SCRI, the specialty crops committee provides a review and ranking for merit, relevance, and impact. The committee can ensure the newly-refined mechanization priority is given due consideration as well, leaving funding decisions in the hands of the stakeholders who are most impacted.

#### **WHY DOES THE 2018 FARM BILL MAINTAIN THE FUNDING RESERVATION WITHIN THE SPECIALTY CROP RESEARCH INITIATIVE FOR THE CITRUS DISEASE RESEARCH AND EXTENSION INITIATIVE?**

Huanglongbing (citrus greening) remains a serious threat to domestic citrus production. Despite significant federal, state, and industry investment, there is currently no known cure for an infected tree. The disease continues to spread to citrus trees in Florida, Texas, Arizona, and California. Florida's crop reports indicate that citrus greening has been the primary cause of a 60% decrease in citrus production over the past 10 years. USDA's most recent economic estimates place the 2017 citrus crop yield at 81 million boxes, compared to 204 million boxes in 2007. Additional investment in this critical research program is necessary to continue the research community's endeavor to address this disease and save the domestic citrus industry.



# HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE VIII: FORESTRY

#### HOW DOES THE FARM BILL PREVENT WILDFIRES?

For decades, our forests have become increasingly overgrown without fire or thinning to reduce fuel loads. Additionally, people have continued to build homes and businesses in and around the forest, putting property and life at risk. As a result, when fire occurs it must be stamped out quickly, preventing the natural thinning process. However, this results in more intense fires when they are not contained. The farm bill gives the Forest Service the tools to actively manage fuel loads to create resilient, fire resistant forests.

#### DOES A CATEGORICAL EXCLUSION (CE) ALLOW THE FOREST SERVICE TO IGNORE OTHER ENVIRONMENTAL LAWS?

**No.** All environmental laws apply. The area in question still has to be surveyed for archaeological resources, endangered plant and animal species and comply with the Forest Plan (e.g., Forest Plan will generally require that the project be a certain distance from a stream).

#### IS THE PUBLIC NOTIFIED OF A CATEGORICAL DECISION?

**Yes.** National Forests post proposed NEPA projects including CE's on a "Schedule of Proposed Action" (SOPA) calendar.

#### HOW WOULD THE CE'S IN THE FARM BILL SPEED UP PROJECT IMPLEMENTATION?

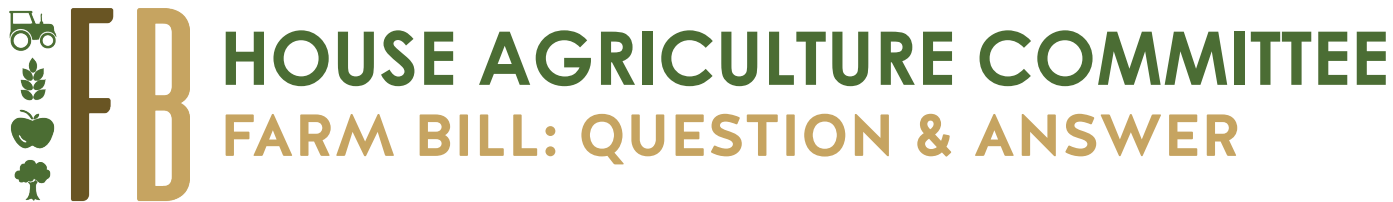
Vegetation management CE's generally take between seven and eight months to complete. The average EA takes 18 months and the average EIS takes 2 ½ years.

#### THE 2018 FARM BILL INCLUDES 6,000 ACRE CE'S—DOES THIS MEAN A 6,000 ACRE CLEARCUT?

**No.** When the Forest Service does a project, it looks at a large area and breaks down the area into separate 'harvest units.' The total acreage of individual harvest units added together would be 6,000 acres or less. Within each harvest unit, the Forest Service would need to meet Forest Plan standards and guidelines which require a certain level of residual stand and/or seed source from standing trees. The 2014 Farm Bill authorized a 3,000 acre CE where treatments are needed to address insect and disease infestations and still meet Plan standards and other requirements.

#### WHAT DOES THIS DO FOR PRIVATE FORESTRY LANDS?

The 2018 Farm Bill authorizes a variety of programs to help landowners actively manage their forest for the best natural resource results and promotes cooperation with state and local land managers. The farm bill also authorizes investments in infrastructure to create markets for forest products.



# HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE IX: HORTICULTURE

#### **THE HOUSE ALREADY PASSED PRIA-4. WHY DOES THE FARM BILL INCLUDE PRIA REAUTHORIZATION AGAIN?**

The House passed PRIA-4 reauthorization in 2017 by a unanimous vote. This is a program that has always been bipartisan, and is widely supported by producers, pesticide registrants, and NGOs alike. This time, however, several Senators decided to take PRIA-4 hostage in order to force debate on unrelated issues. The 2018 Farm Bill includes PRIA-4 reauthorization to again ask the Senate to break the impasse and act on this important legislation.

#### **WHY IS IT IMPORTANT TO ADDRESS THE ENDANGERED SPECIES ACT WITH REGARD TO CONSULTATIONS FOR PESTICIDE REGISTRATION?**

The current ESA consultation process is broken. This regulatory uncertainty is impacting the crop protection industry's ability to provide products that contribute to agricultural productivity. EPA already evaluates the potential effects of a pesticide on all "non-target" species, including endangered species, through the FIFRA registration process. Under FIFRA, before approving a pesticide's use, EPA must ensure that the proposed use does not cause "any unreasonable adverse effects on the environment (including fish, wildlife and 'non-target' plants)." Applicants for a pesticide registration must submit EPA-required scientific studies to EPA so that the Agency can thoroughly evaluate the pesticide's potential environmental impacts. EPA also considers other available data and can require additional data to ensure its registration decisions are scientifically sound.

Activist-initiated litigation has been ongoing for almost 15 years, and there is no end in sight. These lawsuits have a chilling effect on the introduction of new, more modern pesticide products. Further, ESA litigation has diverted the severely restricted resources of both EPA and the Services away from conservation efforts that would be more beneficial to the protection and recovery of threatened and endangered species and critical habitat.

An improved ESA consultation process is needed to make the best use of limited government resources, and to increase transparency and public trust in the risk assessment processes.

#### **WHY DOES THE 2018 FARM BILL ADDRESS AN OSHA DEFINITION?**

While this regulatory issue is in the jurisdiction of the House Education and the Workforce Committee, clarifying the definition of an agricultural retailer will ensure that small producers and retailers maintain the retail exemption from OSHA's Process Safety Management standard.

#### **DOES THE 2018 FARM BILL MAINTAIN THE PLANT PEST AND DISEASE MANAGEMENT PROGRAM AND THE NATIONAL CLEAN PLANT NETWORK (SEC. 10007 OF THE 2014 FARM BILL)?**

The changes made in the 2014 Farm Bill to the Plant Pest and Disease Management Program and the National Clean Plant Network (commonly referred to as 10007) made the program permanent.

Therefore, the program and the mandatory funding remain in effect and do not need to be reauthorized.

## **DOES THE FARM BILL MAINTAIN THE SPECIALTY CROP BLOCK GRANT PROGRAM?**

The changes made in the 2014 Farm Bill to the Specialty Crop Block Grant Program made the mandatory funding authorization permanent; therefore, the program does not need to be reauthorized. The farm bill does clarify language within the program regarding performance evaluations.

## **WHY DOES THIS FARM BILL CONTINUE TO FUND COMMODITIES AT THE EXPENSE OF SPECIALTY CROPS?**

That is a common misconception. In fact, it is baffling when farm bill detractors question the commitment to specialty crops, implying our country lacks a national food policy because we treat specialty crops differently than traditional commodities. Over the years, our committee has worked closely with producers to develop programs tailored to meet the needs of specialty crops. We recognize that the challenges of a citrus producer in California look much different than those of a cotton farmer in West Texas, and we believe our agricultural policies should reflect those differences. So the notion that we don't invest in specialty crops simply isn't based in fact. A few examples of specialty crop programs maintained and enhanced through this farm bill include: the Specialty Crop Block Grant Program, the Specialty Crop Research Initiative, the Market Access Program, and the Food Insecurity Nutrition Incentive (FINI) Grant Program. In addition, significant strides have been made over the past several years in expanding crop insurance coverage to a variety of specialty crops, including the Whole Farm Revenue Protection policy that was developed with specialty crop producers in mind.



# HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE X: CROP INSURANCE

#### WHAT CROPS AND COMMODITIES ARE COVERED BY CROP INSURANCE?

Individual yield or revenue policies are available for over 100 different crops, additionally Whole Farm Revenue Protection is available to insure revenue from all crops and livestock produced on a farm. Essentially, some form of crop insurance is available to all farmers.

#### HOW MUCH OF THE PREMIUM DO FARMERS PAY?

Nationally, in 2017 farmers paid almost \$4 billion dollars in premiums for crop insurance policies. Every year, farmers pay significant amounts for insurance policies. The vast majority of these producers do not receive indemnities. In fact, on average less than 20% of policies receive an indemnity in any given year. In addition to the premium, farmers bear the cost of losses in the deductible which can range from 15-50 percent. The portion of the premium paid by the producer increases as the coverage level increases. In other words, if you want a higher coverage level, you have to pay a higher share of the cost.

#### WHO WOULD BE THE FIRST TO BE IMPACTED BY MEANS TESTING?

Arbitrary means tests would likely impact all producers by eventually causing increased premiums. However, depending on the level of the means test, the first who would be disproportionately affected by means testing would be producers of high-value crops, like specialty crops and ornamentals, dairy and livestock operations, and large traditional crop producers. Excluding these farmers will detrimentally impact the risk pool and cause premiums to rise for all farmers remaining in insurance. Further, excluding higher net worth landowners from insurance eligibility simply means they will transfer more risk to their tenants.

#### HOW DOES CROP INSURANCE ASSIST BEGINNING FARMERS?

Farming requires a significant up-front investment. Often, beginning farmers have to borrow most of the necessary capital to get started, and lenders typically require crop insurance for highly leveraged borrowers. In order to help new and beginning farmers and ranchers, an additional 10 percentage points of premium assistance is offered for the first 5 years. This helps beginning farmers build the equity they need to be successful in the long run. The 2018 Farm Bill extends this discount to 10 years for Whole Farm Revenue Protection since these policies require 4 years of production history before they can be purchased, leaving 6 years for the farmer to avail themselves of the discount for that policy.

#### DOES CROP INSURANCE INHIBIT THE PLANTING OF COVER CROPS?


**No.** RMA has recently clarified guidelines for producers on how to effectively utilize cover crops without impacting insurance availability. This additional clarity aids producers who integrate cover cropping into their farming operations, which can improve productivity and strengthen conservation.

#### DOES CROP INSURANCE ENCOURAGE FARMERS TO FARM ENVIRONMENTALLY SENSITIVE LANDS?

**No.** The 2014 Farm Bill reestablished the linkage between conservation regulations and crop insurance, and there is no premium assistance available for producers who are out of compliance with conservation regulations.

## **WHAT CHANGES ARE BEING MADE TO CROP INSURANCE TO PREVENT THE NEED FOR *AD HOC* DISASTER ASSISTANCE?**

As we saw in 2017, Mother Nature can wreak havoc on producers and decimate billions of dollars' worth of crops. Unfortunately, the hurricanes that caused so much devastation last year hit citrus, where producers are not able to afford higher levels of coverage and are typically only insured at 27.5% of the crop value. As a result, additional disaster aid was needed in this instance. The 2018 Farm Bill addresses this inequity, requiring RMA to do research and development on an insurance policy for producers impacted by tropical storms and hurricanes.



# HOUSE AGRICULTURE COMMITTEE

## FARM BILL: QUESTION & ANSWER

### TITLE XI: MISCELLANEOUS

#### **WHAT IS FMD AND WHY SHOULD WE BE CONCERNED ABOUT IT NOW?**

FMD is a highly contagious, viral disease that affects cloven-hoofed livestock species. Although the last U.S. outbreak was in 1929, FMD still circulates throughout the world, with outbreaks occurring as recently as 2010 in Japan, 2010-11 in Korea and 2001 in the United Kingdom. In the case of Great Britain, millions of animals were killed at a loss of \$34.5 billion. Losses in Japan and Korea were significantly less, largely due to the availability of vaccine and its use in controlling the outbreak. If an outbreak were to occur in the U.S., the ability to control the spread quickly would be essential to maintaining important export markets.

#### **DOES APHIS HAVE THE ABILITY TO TRACK LIVESTOCK THROUGHOUT THE UNITED STATES?**

**Yes.** APHIS is confident in the progress they have made in livestock traceability and believe they have the capability to appropriately identify and trace diseased and at-risk animals in the event of the outbreak of a disease like FMD. APHIS continues to work with industry to work with stakeholders to fine-tune such capabilities.

#### **I HEAR THAT THE VACCINE BANK MIGHT BE ESTABLISHED IN A FOREIGN COUNTRY. WHY IS THAT?**

Due to the risk of an accidental release of the virus, current law does not permit live FMD virus to be held in the United States other than at the federal Plum Island Animal Disease Center. A number of accidental releases of FMD virus from high-security facilities around the world underscores the wisdom of such a law. Partially due to this law, the few companies currently producing FMD vaccine are headquartered outside of the U.S. Nevertheless, the 2018 Farm Bill is silent on the required location of the vaccine bank, leaving that decision to the Secretary and his team of experts.

#### **I KNOW PEDV AND AI HAVE BEEN DEVASTATING TO THE LIVESTOCK INDUSTRY, BUT APHIS ALWAYS SEEMS TO DO A FINE JOB. WHY DO WE NEED ADDITIONAL PROGRAMS?**

That's true. APHIS, along with its state partners, has done a good job of responding to disease outbreaks, but we can always do better. Lessons learned from recent outbreaks of animal disease underscore that point. Being able to stop the spread of disease – lessening the trade impact and reducing the number of animals needing to be disposed of during an outbreak – would be a significant improvement. The 2018 Farm Bill provides critical funding to give APHIS the resources to develop a more forward-looking approach of heading off potentially devastating animal pests and diseases in the first place.

#### **WHAT DIFFERENCE DOES IT MAKE IF WE VACCINATE FOR DISEASES LIKE FMD? DOESN'T "STAMPING OUT" WORK JUST FINE?**

Stamping out will always be part of APHIS's strategy. However, the considerable expansion and



concentration of susceptible livestock populations in recent decades, as well as the heightened awareness of environmental and societal considerations, makes stamping out impracticable for medium- or large-sized outbreaks. A vaccination strategy avoids the environmental cost of disposing of millions of animals and lessens the economic loss of livestock to farms and ranches.

