

February, 23, 2023

The Honorable Debbie Stabenow Chairwoman U.S. Senate Committee on Agriculture, Nutrition and Forestry United States Senate – Michigan Russell Senate Office Building Washington, DC 20510

The Honorable GT Thompson Chairman House Committee on Agriculture U.S. House of Representatives – Pennsylvania Cannon House Office Building Washington, DC 20515 The Honorable John Boozman Ranking Member U.S. Senate Committee on Agriculture, Nutrition and Forestry United States Senate – Arkansas Russell Senate Office Building Washington, DC 20510

The Honorable David Scott Ranking Member U.S. House Committee on Agriculture United States House of Representatives – Georgia Cannon House Office Building Washington, DC 20515

Dear Chairwomen Stabenow, Ranking Member Boozman, Chairman Thompson, and Ranking Member Scott:

Enclosed, please find California's 2023 Farm Bill recommendations for your consideration. As the nation's largest agricultural producer and exporter, California's \$51.1 billion agricultural industry plays a vital role in our national economy and the health of our citizens. California's 70,521 farms and ranches are remarkably productive given their average size: 70% of these farms are less than 100 acres, and 89% are less than 500 acres. California's farmers produce 50 percent of the nation's fruits, nuts and vegetables; twenty percent of the milk; and more than 400 different agricultural commodities. Investment in agriculture is an investment in our nation's future.

California's Farm Bill recommendations represent input from more than 100 diverse stakeholder organizations, five statewide public listening sessions and contributions from state government agencies. Without exception there was strong support for keeping the nutrition title as part of the Farm Bill. These key investment areas identified below and specifically detailed in the attached recommendations support economic opportunities for agriculture and rural communities, and opportunities to improve the health of farmworkers, agricultural communities and the environment while supporting the nutrition for all Americans:

Robust funding for food and nutrition programs;



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- Expanding conservation programs and climate and ecosystem investments;
- Ensuring equity and accessibility;
- Managing risk, including disasters due to climate volatility, by ensuring access to the farm safety net;
- Safeguarding marketing and trade programs, including specialty crops;
- Strengthening national security through animal and plant health programs;
- Investing in research;
- Investing in sustainable pest management to better protect the health of farmworkers, agricultural communities, and the environment;
- Supporting organic agriculture; and,
- Maintaining forest health

Attached to this letter are specific detailed recommendations for the Farm Bill. We respectfully request that you consider California's recommendations for inclusion within the Farm Bill.

Thank you for your consideration. For questions or additional information, please contact Karen Ross, Secretary, California Department of Food and Agriculture, at 916-654-0433.

Sincerely,

Karen Ross, Secretary California Department of Food and Agriculture

Wade Crowfoot, Secretary California Natural Resources Agency

Lourdes Castro Ramirez, Secretary Business, Consumer Services and Housing Agency

Enclosures

cc: The Honorable Tom Vilsack, Secretary United States Department of Agriculture

The Honorable Kevin Shea, Interim Deputy Secretary of Agriculture United States Department of Agriculture

California Congressional Delegation



Yana Garcia, Secretary California Environmental Protection Agency

Mark Ghaly Secretary California Health and Human Services Agency

#### Robust funding for Food and Nutrition Programs

In California, the Supplemental Nutrition Assistance Program (SNAP, known in the state as CalFresh) provides nearly 5.01 million Californians with food benefits. SNAP plays an important role in mitigating poverty in California and also serves as a fiscal stimulus. During the COVID-19 pandemic, there were federal changes that expanded access to SNAP in vital ways. With the forthcoming end of the federal Public Health Emergency, many of these pandemic changes are scheduled to end. We encourage enshrining these changes in the 2023 Farm Bill.

California strongly advocates that domestic food assistance programs remain an integral part of the 2023 Farm Bill to address the "hunger cliff" for millions of households. Any budget or policy changes should continue the structure of the SNAP, so it stays responsive to economic changes and adequately supports Californians in need.

- **Improve SNAP benefit adequacy** by addressing inflation by conducting a regular review of the Thrifty Food Plan.
  - Expand program access for communities in high cost of living regions. Remove the national index for eligibility requirements and move to a regional index that is more reflective of costs facing recipients residing in states that have a cost of living above the national average.
  - Retain Broad-Based Categorical Eligibility (BBCE). This is a vital component of SNAP. It allows California families with low incomes and modest assets, who still face hunger and food insecurity, to be eligible for benefits.
- Increase equitable SNAP program access by eliminating or simplifying exclusionary policies for unique populations:
  - Repeal the three-month time limit on SNAP benefits within a three-year period for Able-Bodied Adults Without Dependents (ABAWDs).
  - Repeal the five-year bar prohibiting SNAP to immigrants.
  - End the prohibition on dual enrollment in Food Distribution Program on Indian Reservations (FDPIR) and SNAP for Native Americans.
  - Reduce program access barriers for college students by making the temporary COVID-19 administrative flexibilities permanent.
- Nutritional education (SNAP-Ed) is an integral and important part of domestic food assistance programs' mission to expand access to healthy food and shape the future food choice behaviors that have long-lasting life impacts beyond immediate hunger.
- Support and increase investments in nutrition and food assistance programs to address national food insecurity, strengthen local/regional food systems and support the overall health of individuals. These programs, coupled with an increase in SNAP allotments, promote healthier eating and food choices.
  - Expand funding for the Senior Farmers' Market Nutrition Program.
  - Continue and increase support for the Gus Schumacher Nutrition Incentive **Program (GusNIP)** and expand incentives to more healthy foods, including nuts.
  - Equally prioritize funding projects that sustains robust and developed projects.
  - Continue support for the Healthy Food Financing Initiative (HFFI).

- Maintain mandatory funding for the **Farmers' Market and Local Food Promotion Program** and increase support for local food systems through loans/grants supporting infrastructure, small food cooperatives and farm-to-school activities.
- Expand support for The Emergency Food Assistance Program (TEFAP) by increasing funds to address food purchasing, storage, and distribution.
- Enhance the Commodity Supplemental Food Program (CSFP) by allowing more product flexibility within the prescribed food box to better accommodate product shortages and ensure timely distribution of food.
- **Expand** purchases of specialty crop commodities to continue to provide wholesome, high quality food to schools, food banks and households and communities throughout the country through the **Commodity Procurement Program**.
- Expand support for the three commodity food programs that provide emergency food to people in need through food banks, congregations, Tribal Organizations, and other community organizations: the Emergency Food Assistance Program (EFAP), the Commodity Supplemental Food Program (CSFP), and the Food Distribution Program on Indian Reservations (FDPIR).
- Expand the Restaurant Meals Program (RMP) to allow the purchase of hot and prepared food at authorized retailers to increase accessibility for RMP eligible household members.
- Further the farm-to-school connection through purchases of fresh fruit and vegetables and dairy products, pilot projects for unprocessed fruit and vegetables, and pilot projects for canned, frozen and dried fruits and vegetables.
- Maintain state waiver flexibility in implementing domestic food assistance programs. Every state is unique, and this allows program customization to accommodate those considerations.
- Enable states to leverage SNAP data to ensure that individuals and families are enrolled in all eligible public benefits programs to help weather financial distress and ensure that they are supported and set on a path to financial resilience.

## **Expanding Conservation Programs and Climate Investments**

Conservation programs and climate investments provide multiple public benefits while improving agricultural production. The 2023 Farm Bill must remain committed to supporting, developing, and embracing robust climate smart agriculture and conservation practices. California farmers and ranchers will continue to utilize the tools provided in the Farm Bill to maintain the health and quality of their operations, while also improving the environment around them.

- Invest to support implementation of the voluntary agreements achieved in 2022 among California and federal agencies and public water districts to restore habitat and improve environmental flows in the Sacramento and San Joaquin rivers and their tributaries.
- Incentivize water district system efficiency improvements and individual producer on-farm efficiency improvement activities, with an emphasis on Colorado River Basin irrigation districts.

- Support landscape-level applications for forest management and high-altitude meadow restoration to provide positive benefits to annual water supply conditions, particularly in the Colorado River Basin.
- Increase funding for working lands programs: Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), Agricultural Management Assistance (AMA) and easement programs, such as the Agricultural Conservation Easement Program (ACEP). Additional funding and resources are needed to address program backlogs and priorities.
- Establish mandatory funding for conservation technical assistance programs to enhance voluntary on-farm implementation. Increase the amount of funding available for technical assistance overall.
- Enhance flexibility in conservation program delivery and implementation through targeted partnerships with state and local communities to address areas of local concern, such as **Regional Conservation Partnership Program (RCPP)** and **Conservation Innovation Grants (CIG).**
- Recognize and incorporate on-farm practices within conservation programs to further address drought, salinity, groundwater recharge, irrigation efficiencies, manure management, pollinator declines and carbon sequestration. Food safety and conservation programs on the farm must be co-managed.
- Maintain support for grants, loans, and loan guarantees for agricultural-based renewable energy with a specific emphasis on woody biomass (including biomass from rice hulls, fruit and nut orchards) and methane digesters.
- Extend and renew mandatory funding for the **Rural Energy for America Program** and the **Biomass Crop Assistance Program**.
- Authorize the Partnerships for Climate Smart Commodities program to continue to incentivize greenhouse gas emissions reducing projects on agricultural land and collect meaningful, validated data to help inform practices incentivized under EQIP and other programs.

# Ensuring Equity and Accessibility – Support Beginning and Historically Underserved Farmers and Ranchers

Global food demands are growing at a time that 40% of California farmland is expected to transition to new ownership in the next 15 years. In order to ensure that this land stays in agriculture, the 2023 Farm Bill should make a vested effort to recruit and support a new generation of farmers. It is crucial that the Farm Bill support programs that enable outcomes such as equitable land access and educational opportunities that benefit our historically underserved, beginning, veteran and limited resource farmers/ranchers as they are instrumental in maintaining and growing our thriving agricultural economy.

- Maintain and enhance the **Beginning Farmers and Ranchers Development Program**, providing opportunities and resources for individuals entering the agricultural sector.
- Promote targeting of farm loan programs to encourage further growth within the agricultural sector and encourage new farmers.

- Increase opportunities for equitable land access by incentivizing farm transition planning and improving access to credit for beginning and socially disadvantaged farmers; Black, Indigenous and People of Color; and women farmers and ranchers, and others.
- Maintain crop insurance provisions for **Beginning Farmers and Ranchers** as well as Conservation Compliance requirements.
- Maintain and enhance the Competitive Grants Program for Hispanic Agricultural Workers and Youth.
- Enhance the **Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers** and provide additional resources to accommodate translations, dedicated regional expertise, peer learning networks and farmer field days.
- Fund education and technical assistance to small, historically underserved farmers to transition to sustainable pest management systems.

### Maintaining Risk – Ensure Access to the Farm Safety Net

Farmers and ranchers in California are on the front lines of climate change. Their operations, livelihoods, and employees are disproportionately subject to unpredictable factors beyond their control, particularly severe and ongoing drought, catastrophic wildfires, extreme heat events, floods, and market instability to name a few. The state's current drought is predicted to cost California's agricultural economy \$3.4 billion and has impacted 34,128 jobs. The combination of drought and long-term groundwater deficit has currently resulted in 752,000 acres of fallowed land. Drought followed by flooding, a result from this winter's atmospheric rivers, illustrate the broad-scale disruption from volatile weather events, with a spectrum of impacts including loss of life and property damage.

Despite this, our farmers and ranchers continued to persist and adapt. To mitigate risk, the Farm Bill should provide a stronger, more robust safety net to provide support when the next unexpected calamity arrives.

- Maintain enrollment choice for producers within Commodity Programs and allow for payments within the year that support is provided.
- Improve the **Price Loss Coverage (PLC) Program** to cover higher costs of production for California producers.
- Improve **Dairy Margin Coverage (DMC) Program** to expand the dairy eligibility cap and account for regional feed cost versus a national feed price formula.
- Maintain **Supplemental Agricultural Disaster Assistance Programs** and enhance program eligibility for drought conditions specifically within the Livestock Indemnity Program.
- Permanently authorize the Noninsured Crop Disaster Assistance Program (NAP) and incorporate as part of the Supplemental Agricultural Disaster Assistance Programs.
- Maintain and enhance the **Supplemental Coverage Option (SCO)** for a variety of specialty crops and maintain the **NAP**.
- Continue emphasis on **Research and Development Priorities**, specifically the **Whole Farm Diversified Risk Management Insurance Plan**.

- Continue crop insurance for organic crops and include enhanced coverage for organic feed stocks.
- Provide reduced premiums or other substantive crop insurance program incentive for farmers who are partnering in regulatory programs and/or undertaking voluntary steps to meet regulatory goals to mitigate the spread of Broomrape species.

## Safeguarding Marketing and Trade Programs, including Specialty Crops

As the largest agricultural producer and exporter in the nation, securing the competitiveness of America's farmers and ranchers domestically and internationally is in the best interest of California. Federal support of market development and competitiveness programs enhances the ability of farmers and ranchers to compete on a level playing field. The Farm Bill should continue to safeguard marketing and trade programs to ensure an equitable marketplace for the nation's farmers and ranchers.

- Increase funding for the **Specialty Crop Block Grant Program (SCBGP)** and provide a clear and transparent process for USDA to consider new commodities for inclusion in the program. Maintain state flexibility in implementation of the program to enhance the competitiveness of local farmers.
- Increase Market Access Program funding to \$400 million annually and Foreign Market **Development Program** to \$69 million annually with the increase phased in at \$46.9 million over the five years.
- Maintain Emerging Markets Program, and Technical Assistance for Specialty Crops allowing international market development and expansion for America's agricultural sector.

Continue funding for food aid programs vital to combatting global hunger and malnutrition.

These include **McGovern-Dole, Food for Progress**, and **Bill Emerson Humanitarian Trust** that support global sustainable food production and promote agricultural trade, benefiting California's farmers and ranchers.

## Strengthening National Security through Animal and Plant Health Programs

California's vast trade networks and distinct climate make it an ideal location for goods entering and leaving the country. However, more movement creates a greater threat from the introduction of invasive species and diseases. From 1990 to 2010 the annual rate of detection of new invertebrate species in California increased, on average, by ten new species a year, which is more than a 50 percent increase over the previous 20 year period. It is estimated that invasive species cost California more than \$6 billion per year.

As California produces nearly 50% of the produce consumed nationally, this is more than an idle threat. Investing in pest prevention as well as animal and plant health programs is an investment in the resilience of the US food system and our national security.

- **Support the pest prevention and exclusion system** including coordination across Federal, Tribal, State, and County programs to enhance biosecurity measures that effectively prevent and eradicate invasive species while protecting agricultural crops, ecosystems, and natural and cultural resources. Preventing and excluding pests reduces the need to use pesticides to control pest pressures and supports sustainable pest management.
  - Maintain mandatory funding for the **Plant Pest and Disease Management and Disaster Prevention Program** and increase the funding to \$100 million.
  - Increase funding for the National Clean Plant Network to \$10 million annually.
  - Enhance pest detection programs to accommodate the growth of exports to markets where there is increased regulatory scrutiny and enforcement.
  - Authorize \$10 million for detector dog teams to expand the program into additional market sectors and authorize \$100 million to develop new facilities in areas experiencing dramatic increases in threat introduction, like California.
- Increase mandatory funding for Animal Disease Prevention and Management administered by the Animal and Plant Health Inspection Services (APHIS):
  - Provide \$50 million annually for the National Animal Health Laboratory Network (NAHLN) to support early detections, rapid response, and appropriate recovery of high-consequence animal diseases.
  - Continue mandatory funding for the National Animal Vaccine and Veterinary Countermeasures Bank at a level sufficient to address the greatest threats to the domestic food supply including concurrent threats from foot and mouth disease, African swine fever and highly pathogenic avian influenza.
  - Continue mandatory funding for the highly successful **National Animal Disease Preparedness and Response Program** which funds projects that leverage diverse public, academic and private resources, and knowledge to better protect animal, public and environmental health from catastrophic animal disease introductions.
  - Develop and fund an **Indemnification Program for National Animal Health** that is immediately available to compensate cooperating producers as part of a federal/state regulatory response to highly infectious diseases outbreaks thereby speeding response and recovery.

## Investing in Research and Extension

Research is vital to a thriving agricultural economy, combating disease, ensuring access to safe food and improved nutrition, and responding to a changing climate. While farmers, ranchers and agricultural enterprises spend hundreds of millions in research dollars, it is critical that the Farm Bill expands USDA's participation in research and continues support for the University of California, California's world-class land grant university, and California State University agricultural research programs.

- Extend mandatory Farm Bill funding for competitive grant programs: Specialty Crop Research Initiative; the Emergency Citrus Disease Research and Extension Program; the Organic Agricultural Research and Extension Initiative; and Beginning Farmer and Rancher Development Program.
- Extend funding for the Foundation for Food and Agriculture Research.

- Expand research funding to address drought, a changing climate (including methane reduction strategies from sources such as enteric fermentation) and weather extremes facing California producers.
- Fund research for pesticide alternatives, including technology solutions that reduce or eliminate the need for the use of pesticides.
  - Support resources and technical assistance that galvanize the adoption of sustainable pest management practices and technologies including education and technical assistance to growers as well as innovation hubs that expedite development of new pest management technologies.
  - Prioritize genomics research to enhance diagnostics capacity and predictive modeling that increases state pest detection and exclusion capacity.
  - Fund research on pest forecasting to help states prepare for new invasives before their introduction. This will allow for early detection and rapid response programs to reduce the likelihood of pest establishment, reduce pesticide usage, and avoid quarantines.
- Support further federal funding for food safety research, education, and training to assist local and regional processing capacity.
  - Support federal grant cost-share funding for the purchase and/or upgrade of food safety equipment for small farm/ranch producers, including historically underserved farmers, in urban and rural communities.
- Funding to support and expand University research and extension support to address specific producer needs, such as commodity specific research, organic and organic transition, and produce safety, in order to help support local needs through outreach and education.
- A focused research, extension and education initiative on automation, agricultural technology, innovation, and workforce development to address ongoing farm labor shortages must be undertaken to maintain the production of specialty crops in the U.S.
- Given the ongoing advancements within the national agricultural landscape, a research focus on automation and agricultural technology should be integrated across all agricultural research platforms.

If significant increases in national research funding do not occur, 'formula funding' and 'competitive funding' should prioritize agricultural research efficiency.

## Supporting Organic Agriculture

Topping values of \$4.09 billion, California organic production plays a pivotal role in helping drive growth of organic farming in the United States. California's nearly 2.2 million acres account for 36% of organic agriculture grown in the United States. The Farm Bill should retain funding for national organic programs, including research, data collection, conservation practices, certification, and crop insurance.

- Increase funding for the **National Organic Program** relative to the growth of the organic industry to ensure organic integrity.
- Increase funding for National Organic Certification Cost-Share Program, back to 2014 Farm Bill Award of a maximum of 75% or \$750.00 (to offset cost), whichever is the least amount.

- Maintain funding for the **Organic Research and Promotion Program** as well as include specific provisions/grants to states to provide organic enforcement.
- Maintain funding for **Organic Production and Market Data Initiatives**, including price data collection on produce and dairy.

#### Supporting our Rural Communities

While California's population is more urbanized than that of the United States in general, California has a significant rural land mass with a rural population spread throughout many counties. These rural areas are highly dependent upon natural resource based industries, i.e., logging, fishing, farming, and ranching. Despite agriculture's success story, the state's rural areas have experienced higher unemployment rates, lower household incomes and lower education attainment, and increasing rates of eviction, housing insecurity, and homelessness.

Lack of broadband connectivity and high-speed internet access is a significant issue for rural businesses, community service districts, health care providers, education and workforce development and public safety. California's progress towards 100 per cent zero-emission vehicles by 2035 is dependent on expanding charging capacity in rural areas where the electric grids need to be upgraded. Recent drought also showed how vulnerable rural communities are due to the lack of capital and technical assistance for safe drinking water systems and wastewater treatment. USDA Rural Development funding combined with state financial assistance helped bring water to those communities. Farm Bill rural development programs are a critical component of addressing the state's equity gap.

- Reauthorize and increase funding for programs supporting priorities of broadband and communications; rural water and waste water infrastructure; business and community development; and regional development. Include operations and maintenance as covered expenses for water and waste water treatment.
- Include EV infrastructure, particularly charging stations, as eligible projects under the Rural Development Title.
- Clarify "Rural" definition by census tract for funding resource allocation.
- Standardize eligibility determination for all rural development programs at a population limit of 50,000.
- Support infrastructure projects that help provide rural communities and rural households with access to safe, clean, and reliable drinking water.
- California supports continuation of exemptions currently in place for eligible maximum population thresholds associated with the **Rural Housing Service Program**.
- Value Added Producer Grants should be maintained and funded as part of the 2018 Farm Bill.
- Rural Development programs should incorporate career technical training and vocational education for areas of rural America impacted by farm labor loss and automation.
- California encourages programs to support farm worker housing in rural areas through block grants to local governments.
- Ensure the Rural Development Title specifically supports the forest and vegetation management sector, encouraging climate resilient economies. This includes forest and wildfire sector workforce development, loans, and grants for forest/wildfire sector business

development (i.e., purchasing masticators or sawmills) and for high-capital intensive industry, explore establishing government-owned wood processing facilities such as mills or mass timber facilities, that would be leased privately.

- Allow block grants and loans for promoting rural community wildfire resilience. This includes funding for wildfire home hardening, defensible space, and fire hardening infrastructure for safe evacuation such as widening narrow gold-rush era roads and installing fire hydrants in high density rural subdivisions. This could also include smoke resilience including block grants that enable communities to purchase home air filters and establish schools as clean air centers.
- Incentivize the development of affordable housing that is fire safe and climate resilient. Higher density infill housing and adaptive reuse projects along major/wide roadways (converted strip malls, for example) can achieve multiple policy goals at once by increasing the supply of affordable units that are more fire-defensible and enable easy evacuation along main roads.

### Investing in Forrest Health

Climate-smart land management is critical to strengthening California's wildfire resilience protecting public health and safety and achieving carbon neutrality. Unfortunately, in recent years the state has suffered unprecedented rates of tree mortality and devastating wildfires. The Farm Bill should facilitate accelerated climate-smart forest management and support healthy forest ecosystems.

- Support and increase Good Neighbor Authority (GNA) projects to benefit firefighting efforts and multi-state coordination across federal and state jurisdictions by saving time, reducing red tape, and efficiently allocating resources.
  - Authorize counties and tribal partners to retain and expand GNA timber sale revenues and make GNA permanent or extend past the 2023 sunset date for states to retain GNA timber sale revenue.
  - Amend GNA to authorize the construction, repair, and restoration of roads administered by the Bureau of Land Management and expand GNA to all federal land management agencies.
- Maintain the Healthy Forests Reserve Program.
- Increase flexibility and investments in the Forest Legacy Program
- Expand US Forest Service Categorical Exclusion authority from 3,000 to 10,000 acres for fire-prone areas in the western US.
- Ensure each national forest in fire-prone landscapes enters into 20-year woody material supply agreement or master stewardship agreement. Forest Service appropriations need to be 20-years to enable this.
- Increase funding and staffing for the US Forest Service to conduct prescribed fire and invest in local prescribed burn collaboratives.
- Mandate USDA Forest Service to identify new Forest Health targets (beyond "Board Feet Extracted") that will deliver a healthy watershed including stand density, forest hydrology, biodiversity, stable carbon storage and wildfire intensity

#### Miscellaneous

• Hemp In the years following the passage of the 2018 Farm Bill, consumable products containing hemp plant extracts have proliferated. Because federal law currently focuses on delta-9 THC and dry weight of plant material in distinguishing between hemp and cannabis, some hemp products contain significant amounts of intoxicating cannabinoids (including novel forms of THC, such as delta-8 THC and delta-10 THC). The presence of these intoxicating cannabinoids in non-cannabis hemp products creates difficulty for states with strictly regulated cannabis markets, such as California, that have taken great care to prevent youth access, limit intoxicating ingredients, and enforce testing standards in their state cannabis markets. Significant opportunity exists for federal lawmakers to consider similar public health and safety measures – and limitations for intoxicating ingredients – for hemp products.