



August 21, 2017

The Honorable Pat Roberts
Chairman
U.S. Senate Committee on
Agriculture, Nutrition and Forestry
United States Senate – Kansas
Hart Senate Office Building
Washington, DC 20510

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

The Honorable Mike Conaway
Chairman
House Committee on Agriculture
United States House of Representatives –
Texas – 11th
Rayburn House Office Building
Washington, DC 20515

The Honorable Collin Peterson
Ranking Member
House Committee on Agriculture
United States House of Representatives –
Minnesota – 7th
Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman, Ranking Member Stabenow, Mr. Chairman and Ranking Member Peterson:

Enclosed, please find California's 2018 Farm Bill recommendations for your consideration. As the nation's largest agricultural producer and exporter, California's \$47 billion agricultural industry plays a vital role in our national economy and the health of our citizens. California's 77,500 farms and ranches 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 70 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 while supporting the nutrition for all Americans:

- Robust funding for food and nutrition programs;
- Protection and enhancement of conservation programs;
- Safeguarding marketing and trade programs, including specialty crops;
- Strengthening animal and plant health programs; and,
- Investing in research.



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,



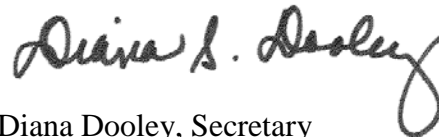
Karen Ross, Secretary
California Department of Food and
Agriculture



Matt Rodriguez, Secretary
California Environmental Protection Agency



John Laird, Secretary
California Natural Resources Agency



Diana Dooley, Secretary
California Health and Human Services
Agency

Enclosures

cc: The Honorable Sonny Perdue, Secretary
United States Department of Agriculture

The Honorable Michael Young, Acting Deputy Secretary of Agriculture
United States Department of Agriculture

California Congressional Delegation

2018 Farm Bill Recommendations

Robust funding for Food and Nutrition Programs

In California, the Supplemental Nutrition Assistance Program (SNAP) provides nearly 4.2 million Californians with benefits. According to some estimates, up to 20 percent of Californians are at risk of food insecurity, including more than two million children. Additionally, more than one million Californians live in “food deserts” where they lack access to supermarkets providing basic food products and are stocked with fresh fruits and vegetables.

California strongly advocates that domestic food assistance programs remain an integral part of the 2018 Farm Bill. 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.

- **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. Additionally, the ability to expand categorical eligibility ensures that we can support families during economic crises, while further promoting savings among low-income households to speed their return to independence.
- SNAP should continue to support work opportunities through an **expansion of Employment and Training programs** that are skills-based and voluntary, and inclusive of subsidized employment.
- The administratively cumbersome three-month time limit on SNAP benefits within a three-year period for adults known as Able-Bodied Adults Without Dependents (ABAWDs), should be repealed.
- **Nutritional education (SNAP-Ed)** is an integral and important part of domestic food assistance programs’ mission to expand access to healthy food, prevent obesity and obesity-related conditions, and improve the health of SNAP participants. It shapes the future food choice behaviors that have long-lasting life impacts beyond immediate hunger.
- Support programs that, coupled with an increase in SNAP allotments, promote healthier eating and food choices.
 - Expand funding for the **Senior Farmers’ Market Nutrition Program**.
 - Continue support for the **Food Insecurity Nutrition Incentive Program (FINI)** and expand incentives to additional healthy foods, including nuts.
 - Continue support for the **Healthy Food Financing Initiative (HFFI)**.
- 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)**.
- Maintain state waiver flexibility in implementing domestic food assistance programs. Every state is unique, and this allows program customization to accommodate those considerations.
- Expand provisions, resources and pilot programs related to school and institution food programs that benefit healthy food choices.

- Further the farm-to-school connection: purchases of fresh fruit and vegetables (Sec 4201 of the 2014 Farm Bill); pilot projects for unprocessed fruit and vegetables (Sec 4202 of the 2014 Farm Bill); and pilot projects for canned, frozen and dried fruits and vegetables (Sec 4214 of the 2014 Farm Bill).

Protection and Enhancement of Conservation Programs

Conservation programs provide multiple benefits while improving agricultural production. The 2018 Farm Bill must remain committed to supporting, developing and embracing robust 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.

- Establish mandatory funding for conservation technical assistance programs to enhance voluntary on-farm implementation.
- Increase the amount of funding available for technical assistance.
- 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)**.
- 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.
- Recognize and incorporate on-farm practices within conservation programs to further address drought, salinity, groundwater recharge, irrigation efficiencies, manure management and carbon sequestration.
- Maintain support for grants, loans and loan guarantees for agricultural-based renewable energy with a specific emphasis on woody biomass (including biomass from 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**.

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.

- Continue robust support for the **Specialty Crop Block Grant Program (SCBGP)** and maintain state flexibility in implementation of the program to enhance the competitiveness of local farmers. The administrative burden for SCBGP applicants has reduced the effectiveness and intent of the program.

- Eliminate the Multistate Projects mandate from the Farm Bill – the SCBGP allows for multistate collaboration without the mandate.
- 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 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. More movement creates a greater threat from the introduction of invasive species and diseases. The Farm Bill should continue support for our robust network of plant and animal health protections.

- 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. From 1990 to 2010 the annual rate of detection of new invertebrate species in California increased, on average, by nine new species a year, which is a 50 percent increase over the previous 20 year period. It is estimated that invasive species cost California more than \$6 billion per year.
- Fund a new **Animal Pest and Disease Disaster Prevention and Response Program** (modelled after the highly successful plant pest and disease management and disaster prevention programs), to be administered by the Animal and Plant Health Inspection Service (APHIS)
 - Provide funding for the **National Animal Health Laboratory Network (NAHLN)** at \$30 million annually to support early detections, rapid response and appropriate recovery of high-consequence animal diseases.
 - Institute an **Antimicrobial Use and Stewardship Program** to combat antimicrobial resistance through education and research at \$50 million annually.
 - Establish a **Foot and Mouth Disease Vaccine Bank** to provide for resiliency in the nation’s livestock sector. Foot and Mouth Disease (FMD) is highly contagious viral disease, and the U.S. has antigens for only 10 of the 23 strains currently in existence around the globe. California ranks fourth nationally in total livestock receipts.
 - Develop and fund an **Indemnification Program for National Animal Health** that compensates producers as part of a federal/state regulatory response to highly infectious diseases outbreaks.

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.

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. The five-year 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.
- 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 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.

Investing in Research

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.

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

- Support infrastructure investments (estimated at \$10 billion) at Land-grant Universities to address deferred maintenance at the nation’s agricultural research facilities.
- Expand research funding to address drought, a changing climate and weather extremes facing California producers.
- 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.

Maintaining Forest Health

The health of our forests and trees is vitally important to California. Unfortunately, in recent years the state has suffered unprecedented rates of tree mortality. Some estimates put the number of dead trees at more than 102 million. The consequences of this die-off include: fires, increased vulnerability to plant diseases and invasive pests. The Farm Bill should bolster forest health and supporting healthy forest ecosystems.

- Establish competitive grant programs for states to address tree mortality in urban and non-urban forests to improve forest health reduce wildfire threats and prevent the spread of invasive pests.
- Restore mandatory funding and maintain the **Healthy Forests Reserve Program**.

Managing Risk – the Farm Safety Net

Like other industries, farmers and ranchers are subject to unpredictable factors beyond their control – drought, weather events, and market instability to name a few. California’s historic drought serves as an unfortunate example of this volatility. The state’s five-year drought cost California’s agricultural economy more than \$5.2 billion. Water shortages during the period caused fallowing of more than one million acres and the loss of nearly 40,000 agricultural jobs. 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 Protection Program (MPP)** to 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.

Supporting Organic Agriculture

Topping values of \$2.2 billion, California organic production plays a pivotal role in helping drive growth of organic farming in the United States. California's nearly 687,000 acres account for 40% 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.
- Maintain funding for **National Organic Certification Cost-Share Program**, and 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.

Enhancing Local Food and Direct Marketing

The direct marketing of agricultural products through farmers markets benefits the agricultural community and consumers. The Farm Bill should continue funding for the **Farmers' Market and Local Food Promotion Program** to further promote producer-to-consumer opportunities.

- Maintain and enhance 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.
- Continue **Produce Safety Education** and include farmworkers as a targeted audience.
- Support increasing access to healthy foods through pilots and initiatives that promote the development of urban agriculture.
- Expand credit and loan programs to address regional and local food issues (food hubs, food deserts, urban agriculture, etc.).

Supporting Beginning Farmers and Ranchers, Socially Disadvantaged Producers and Limited Resource Partners

As global food demands continue to increase, the 2018 Farm Bill should make a vested effort to recruit a new generation of farmers. Farm Bill programs that support our socially disadvantaged, beginning, veteran and limited resource farmers/ranchers are instrumental in maintaining and growing our thriving agricultural economy. Currently, Farm Bill programs provide upwards of \$30 million in financial incentives, outreach and technical assistance to those individuals who have not historically taken up farming as an occupation, or lack the resources to start their own operations.

- 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. Support credit programs to beginning and socially disadvantaged farmers, minority 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**.
- Maintain and enhance the **Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers** and provide additional resources to accommodate translations, peer learning networks and farmer field days.