Federal Funding and Financing for Farmers

Presented by:
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National Sustainable Agriculture Coalition (NSAC)

Hosted by:
Food Animal Concerns Trust (FACT)
Introductions

Food Animal Concerns Trust (FACT) is a national nonprofit organization that advocates for the safe and humane production of meat, milk, and eggs.

FACT’s Fund-a-Farmer Project awards grants and facilitates peer-to-peer farmer education to increase the number of animals that are raised humanely.
Our Presenter

Ferd Hoefner
Senior Strategic Advisor
National Sustainable Agriculture Coalition (NSAC)
How NSAC Works

FARMERS & STAKEHOLDERS
Share their experiences, ideas, challenges related to federal policy, programs, rules with local groups

MEMBER GROUPS
Collect input from farmers & stakeholders as well as their own experiences, bring asks to NSAC

NSAC
Helps members: identify top priority sustainable food & farm policy issues nationwide, set campaign strategies, campaign to win!

CONGRESS & FED AGENCIES
NSAC brings – directly and thru members – priority asks to Congress and agencies like USDA to improve federal food & farm policy
What is your focus?

- Conservation
- Markets
- Risk Management
- Infrastructure and Operating Expenses
- Land
Conservation

Soil, Water, Wildlife, Profitability

- I want to improve the quality of my soil
- I want to reduce water usage
- I want to improve wildlife and/or pollinator habitat on my farm
Rewarding farmers and ranchers for advanced conservation efforts on land in agricultural production.

- Natural Resource Conservation Service
- Financial & technical assistance
- Whole farm; comprehensive; priority concerns
- Active management of ongoing activities
- New enhancements and bundles
- Payment rates
- Renewals and continual improvement
Conservation for a better future – Rick Story, NRCS’ Conservation Farmer of the Year

Grassfed cattle in pastureland. Photo Credit: USDA
Markets

New products & markets, local & direct, food safety, advertising

- I want: to develop a new product or a business plan from my farm’s raw output

- I want: to market my products in a new way (e.g., organic, grass-fed)

- I want: to adopt new food safety practices in order to access new markets
Helping farmers add value to what they grow through processing and marketing

- **Rural Business & Cooperative Service**
- **Processing** processing (e.g., milled grains, cheese); product differentiation (e.g., organic, grass-fed); commodity segregation (e.g., non-GMO, no-rBGH); local food marketing; and mid-tier value chains
- **Planning grants; Working Capital grants**
- **Matching requirement**
Investing in farmer ingenuity – Valerie and Clay Oliver - Oliver Oil Company

Valerie and Clay Oliver. Photo Credit: NYT
Helping produce farmers certify on-farm food safety practices to access new markets and demonstrate conformance to regulatory expectations.

- Agricultural Marketing Service
- Voluntary on-farm food safety audits
- Food safety training and certification
- Produce GAP Harmonized Audit
- USDA GAP&GHP Audit Program
- Average Cost - $750
- Group GAP
Risk Management

*Insurance, disaster, & crop loss*

- I want to insure my crops and/or animals against losses

- I want basic protection, but traditional crop insurance isn’t an option for me

- I want to insure my entire farm and/or diversified operation
Helping highly diversified farms manage risk.

- Risk Management Agency
- Whole farm - revenue – crops & livestock
- Every state, every county
- 80% premium subsidy
- Diversification bonus up to 7 commodities
- 50-85 coverage options
- Market costs
Infrastructure and Operating Expenses

*Tractors, business plans, seeds, storage, season extension*

- I want to purchase needed farm equipment
- I want to cover my farm’s expenses until I am paid for my crops
- I want to invest in buildings and equipment to help me process, store, or deliver my product
Farm Storage Facility Loans

Helping farmers build or upgrade on-farm storage and packing facilities.

- **Farm Service Agency**
- **Food storage prior to marketing**
  - Packing sheds and walk-in coolers
  - Graders, sorters, conveyers, washers, and dryers
  - Portable storage and mobile refrigeration
- **Low interest financing**
- **Down payment**
What Are you Hoping to Do? Examples:

Land

*Buy, sell, lease, and transition*

- I want to buy farmland
- I want to lease farmland
- I want to sell or transition my farmland to a beginning or minority farmer
Helping farmers build or upgrade on-farm storage and packing facilities.

- **Farm Service Agency (FSA)**
- **Beginning farmers + SDFR**
- **Partnership between farmer, FSA, & private lender** – 5%/45%/50%
- **FSA portion** – 20 yrs; -4% below normal rate; $667,000
- **95% guarantee**
Down Payment Loan

NATIONAL SUSTAINABLE AGRICULTURE COALITION
Other Programs

- Environmental Quality Incentives Program
- Conservation Reserve Program
- CRP - Transition Incentives Program
- Organic Certification Cost Share Program
- Noninsured Crop Disaster Assistance Program
- Sustainable Agriculture Research and Education Program – producer grants
- Microloans
- Rural Energy for America Program
What’s in the 2014 Farm Bill?

- **Title 1: Commodities**
  - Ex. Price Loss Coverage

- **Title 2: Conservation**
  - Ex. EQIP; CSP;

- **Title 3: Trade**
  - Ex. International Food Aid

- **Title 4: Nutrition**
  - Ex. Food Stamps

- **Title 5: Credit**
  - Ex. Farm Loans

- **Title 6: Rural Development**
  - Value Added Grants

- **Title 7: Research & Extension**
  - Ex. Sustainable Agriculture Research and Education Program

- **Title 8: Forestry**
  - Ex. Healthy Forests Reserve Program

- **Title 9: Energy**
  - Ex. Rural Energy for America

- **Title 10: Specialty Crops & Horticulture**
  - Ex. NOCCSP

- **Title 11: Crop Insurance**
  - Ex. WFRP

- **Title 12: Miscellaneous**
  - Ex. Outreach to Minority and Veteran Farmers and Ranchers
How the Pie Got Sliced!

2014 Farm Bill Spending Overview

- Nutrition: 80%
- Commodities: 5%
- Crop Insurance: 8%
- Conservation: 6%
- Other: 1%

Source: Congressional Research Service
2018 Farm Bill Prognosis
Stay in Touch with NSAC!

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Twitter: @sustainableag
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Thank You! Any Questions?