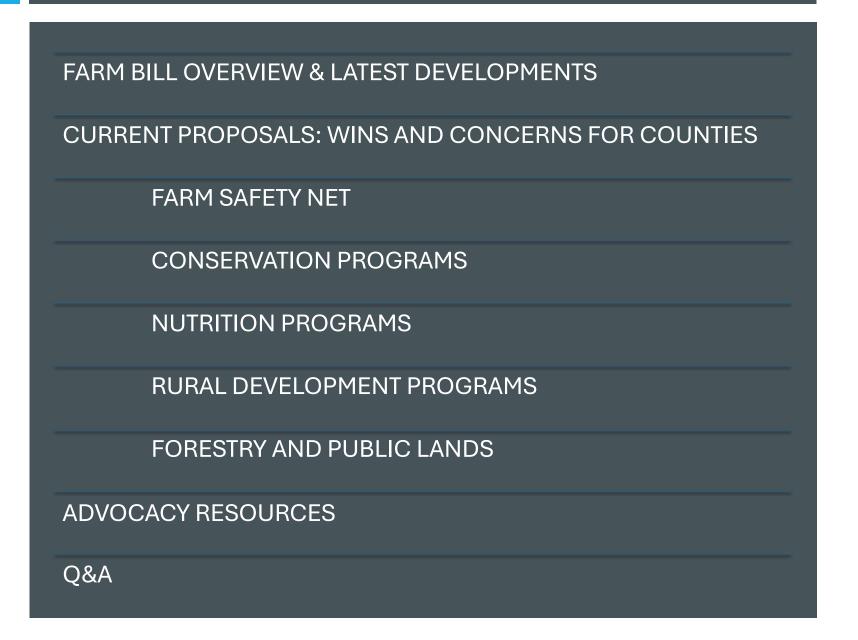
NACo National Membership Call Friday, June 14, 2024

2024 FARM BILL NEGOTIATIONS: SURVEYING THE STATE OF PLAY





MEMBERSHIP CALL AGENDA





THE FARM BILL BY THE NUMBERS

THE FARM BILL:

- Authorizes the federal farm safety net
- Funds affordable food access for lowincome residents
- Provides tools to fight fires, flooding and drought
- Supports new and beginning farmers
- Provides funding and technical assistance for rural water systems
- Supports rural infrastructure, including roads, energy systems, drinking water, and broadband
- Invests in rural community development, including schools, human services, county facilities



140 Million acres enrolled in Farm Bill conservation programs



46 Million jobs provided by U.S. agriculture sector



42.6 Million county residents receive nutrition benefits through the Farm Bill



70 Percent of land area in lower 48 states is eligible for Farm Bill programs



1.89 Million farms across the U.S. benefit from Farm Bill programs



\$16.8 Billion invested in USDA Rural Development programs nationwide in 2023

12 TITLES OF THE 2018 FARM BILL

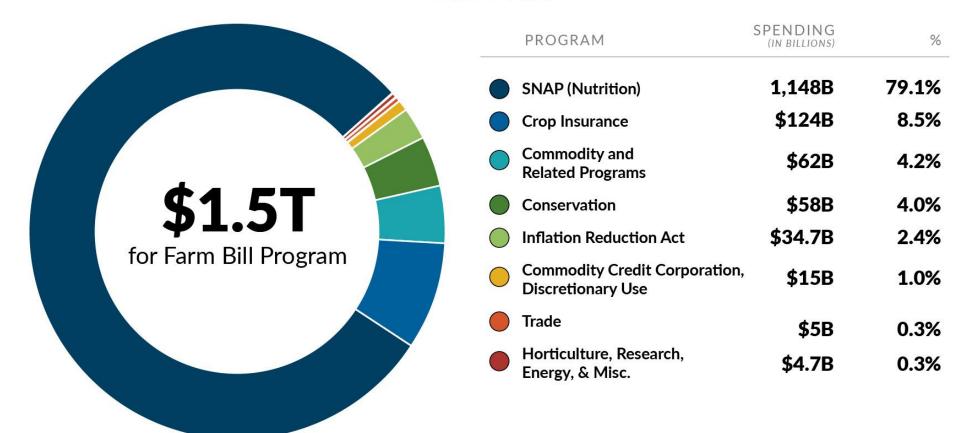




Projected Farm Bill Program Spending



2024-2034



Source: Congressional Budget Office

2024 FARM BILL REAUTHORIZATION: LATEST DEVELOPMENTS

November 2023

• Lawmakers extend the 2018 Farm Bill through September 30, 2024

May 2024

- House Ag Committee releases and advances *Farm*, *Food, and National Security Act of 2024*, 33-21.
- Four Democrats voted for bill in committee despite strong opposition from Dem leadership

May – June 2024

• <u>Senate Ag Committee</u> Majority and Minority release dueling proposals for Farm Bill, but have yet to issue Farm Bill text.



2024 FARM BILL REAUTHORIZATION: LATEST DEVELOPMENTS

Ongoing Policy Debates

- Funding and administration of the Supplemental Nutrition Assistance Program (SNAP)
- Reallocating climate-related conservation program funds from Inflation Reduction Act (IRA) to Farm Bill conservation title
- Limiting Secretary of Agriculture's discretion to allocate unspent Commodity Credit Corporation (CCC) funds

Other challenges

- Limited floor time before government funding and current farm bill extension expire on September 30
- November elections

Full reauthorization unlikely until the Lame Duck Session (November '24-January '25)



CURRENT PROPOSALS: WINS AND CHALLENGES FOR COUNTIES

KEY PROVISIONS: NUTRITION

- Supplemental Nutrition Assistance Program (SNAP)
 - Counties administer SNAP in 10 states
 - Offers critical food assistance to 42 million low income county residents
- The Emergency Food Assistance Program (TEFAP)
 - Provides commodities to local food banks for emergency food needs
- Gus Schumacher Nutrition Incentive Program (GusNIP)
 - Encourages healthy food purchase through incentives and prescription programs
- Senior Farmers Market Nutrition Program
 - Coupons for older adults to exchange for healthy food at farmers markets
- Healthy food financing initiative
 - Encourage grocery stores and healthy food retailers in underserved areas



NACo PRIORITIES

- Strengthen the adequacy of SNAP benefits, especially for families with children
- Increase SNAP administrative flexibility and efficiency for state and county agencies
- Strengthen investments in programs that connect county residents with local, healthy food

2024 FARM BILL PROPOSALS: NUTRITION

County Wins – House and Senate Majority Proposals

- \$900 million increase in funding for TEFAP over 10 years
- Lifts the lifetime ban on SNAP for individuals with felony drug convictions
- Simplify SNAP eligibility and application processes for elderly households
- Increased health food incentives for SNAP benefits
- Explore options for SNAP benefits to purchase hot foods
- Ensure that income earned through SNAP employment and training programs does not impact program eligibility

County Wins – Senate Majority Proposal

- SNAP eligibility for former foster youth attending college
- Excludes military housing allowance from SNAP eligibility determinations

2024 FARM BILL PROPOSALS: NUTRITION

Key Sticking Points:

- House Majority and Senate Minority proposal would restrict future updates to the Thrifty Food Plan from increasing SNAP benefits estimated \$30 billion cut over 10 years
 - Provision would also impact TEFAP and summer child nutrition benefits
- House Majority and Senate Minority proposals would significantly increase likelihood that state SNAP agencies are penalized for minor administrative errors
 - Senate minority proposal would create additional financial penalties for error-prone states

KEY PROVISIONS: FARM SAFETY NET

The Farm Bill authorizes a series of programs that provide affordable insurance for farmers and provide payments to farmers when crop prices or revenues decline.

Commodity Programs (Title I)

- Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs
- Disaster Assistance for Livestock Producers
 - Livestock Indemnity Program
 - Livestock Forage Disaster Program
 - Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP)

Credit Access and Crop Insurance

- Federal Crop Insurance Program (Title XI)
- Emergency Farm Loans, Farm Ownership and Operating Loans (Title V)

Support for New, Beginning, and Small Farmers

- Farming Opportunities Training and Outreach (FOTO) Program (Title XII)
- Funding for Agriculture Extension Services (Texas A&M AgriLife Extension)
 (Title XIII)



NACo PRIORITIES

- Provide stronger support for small and mid-size producers through investing in the Farming Opportunities Training and Outreach (FOTO) program, improving access to credit for new farmers and ensuring robust farm safety net
- Enhance disaster assistance for farmers during times of drought and abnormal precipitation

2024 FARM BILL PROPOSALS: FARM SAFETY NET

County Wins - House and Senate Farm Bill Proposals

- Broader eligibility, wider array of covered crops and more generous premium discounts on crop insurance. Both bills raise premium subsidies from 65% to 80%
- Boosts Price Loss Coverage (PLC) and Agriculture Risk Coverage (ARC) programs, ensuring that these programs can support farmers during market fluctuations and natural disasters
- Increase the mandatory funding level for the Specialty Crop Block Grant Program to \$100 million annually, a \$15 million increase from the 2018 Farm Bill
- Maintaining local funding for the Local Agriculture Market Program to help counties bolster local market opportunities for producers and support more resilient local food systems

Key Differences:

- Reference Prices: House Farm Bill increases the reference price or price floor below which a government payment is triggered by 10-20 percent for commodities covered under PLC, including peanuts, rice, seed, cotton, corn, and soybeans. Senate bill only increases reference prices by an average of 5 percent per crop
- Crop Insurance: Houses raises top coverage level from 86% to 90%, Senate raises top coverage level from 86% to 88% and up to 15% discount on crop insurance premiums for beginning farmers

Sticking Points:

- Commodity Credit Corporation (CCC) Funding: House bill's proposed restriction on USDA's ability to use unspent CCC funds to boost programmatic spending without Congressional approval would free up ~\$8 billion for other Farm Bill priorities
- Preemption of County Authority Agricultural Product Standards: Prohibits counties and states from passing laws and regulations
 that provide a condition or standard on the production of livestock products other than on livestock physically raised in that county
 or state.

KEY PROVISIONS: CONSERVATION



NACo PRIORITIES

- Maintain and expand Farm Bill conservation programs that empower farmers and ranchers to voluntarily engage in conservation projects that serve the needs of their communities.
- Increase funding for Emergency Watershed Protection (EWP) program to ensure counties and residents can secure technical and financial assistance in the wake of natural disasters.

Title II of the Farm Bill authorizes programs that encourage environmental stewardship and improved land management practices through voluntary partnerships with private landowners. Title VIII provides counties with resources to manage forestlands

Voluntary Agriculture Conservation Programs

- Conservation Reserve Program (CRP)
- Conservation Stewardship Program (CSP)
- Agriculture Conservation Easement Program (ACEP)
- Environmental Quality Incentives Program (EQIP)
- Regional Conservation Partnership Program (RCPP)

Wetlands, Watersheds and Clean Drinking Water

- Watershed Protection and Flood Prevention Operations Program
- 'Grassroots' Source Water Protection Program

2024 FARM BILL PROPOSALS: CONSERVATION

County Wins – House and Senate Farm Bill Proposals:

- Permanently incorporates \$13 billion in funding from the Inflation Reduction Act into the Farm Bill's baseline, ensuring that future farm bills can benefit from this boost in funding
- Allows for new acres to be enrolled in voluntary agricultural conservation programs
- Boosts to disaster assistance programs for agricultural producers
- Reauthorize and update the Emergency Watershed Protection program to make resources more readily accessible
- Boost to Feral Swine Eradication and Control Program

Key Differences:

- Senate proposal permanently authorizes Farm Bill conservation programs, removing conservation programs from the need to be periodically reauthorized in future Farm Bills
- House bill would remove climate-related requirements on IRA funding

Sticking Points:

- IRA Funding: House bill reallocates conservation funding from Inflation Reduction Act (IRA) funding from conservation title to boost farm safety net programs. Continued partisan disagreements over the path forward on climate-related provisions may continue to obstruct negotiations
- **Preemption of County Authority on Pesticide Regulations**: House bill prohibits counties from imposing or continuing any requirements related to the sale, distribution, labeling, application or use of any pesticide, eroding county authority to protect residents from harmful chemicals.

KEY PROVISIONS: RURAL DEVELOPMENT AND ENERGY



NACo FARM BILL PRIORITIES

- Invest in rural capacity building through funding and technical assistance for or strategic planning, grant writing, permitting, match requirements, etc.
- Close the wastewater access gap through investments in rural water infrastructure
- **Bridge the digital divide** between urban and rural counties through continued funding for rural broadband programs

The Farm Bill authorizes a wide range of programs that help counties deliver essential services to rural communities, including regional economic planning and development, community facilities, water and wastewater infrastructure, value-added agricultural development, energy resilience and broadband deployment

Economic Development Programs

- Workforce training programs
- Small Business Loans and Grants
- Community Facilities Program

Rural Broadband

- Farm Bill Rural Broadband Program
- Distance Learning and Telemedicine Program

Rural Water and Waste Programs

- Rural Water and Waste Disposal Loan and Grants Program
- Water Circuit Rider Programs

Energy Programs

- Rural Energy for America Program (REAP)
- Biofuel and Biobased Product Support Programs



2024 FARM BILL PROPOSALS: RURAL DEVELOPMENT

County Wins – House and Senate Farm Bill Proposals:

- Integrate the Rural e-Connectivity (ReConnect) Loan and Grant Program into the Farm Bill rural broadband program
 and raise minimum eligibility speeds for rural broadband programs
- Prioritize investments in rural childcare through existing USDA-Rural Development programs
- Reauthorize key rural water and wastewater infrastructure programs
- Increase funding for the Rural Energy for America Program (REAP) and Rural Energy Savings Program (RESP)
- Reauthorize and strengthen key rural workforce development programs, including the Rural Innovation Stronger Economy (RISE) program

Key Differences:

- Senate proposal includes:
 - \$50 million/year in mandatory funding for rural capacity building initiatives
 - permanent authorization for the Rural Partners Network
 - New investments to enhance the commercial food supply chain capacity in rural areas

Key Sticking Points:

Inclusion of mandatory funding in rural development title, authorizing new rural capacity building resources

KEY PROVISIONS: FORESTRY AND PUBLIC LANDS

The Farm Bill contains a range of provisions that empower counties to take an active role in the management of public lands across the United States. Counties make use of these provisions to mitigate wildfire risk, promote forest health and restore damaged landscapes.

- Landscape Scale Restoration Program: Reauthorized through 2029
- Good Neighbor Authority: Extends full eligibility to county governments
- Shared Stewardship Contracting: Reauthorized through 2029
- Resource Advisory Committees: Authorizes Regional Foresters to appoint individuals to RACs.
- Wood Innovation Grants Program:
 Reauthorizes the program and prioritizes proposals in counties with an unemployment rate exceeding one percent more than the national average



NACo FARM BILL PRIORITIES

- Elevate the county role in federal land management by increasing funding and expanding county eligibility for shared stewardship programs
- Reauthorize key forest health programs like the Landscape Scale Restoration Program and the Collaborative Forest Landscape Restoration Program
- Create new markets for low-value timber products through investments in research and development and the creation of economic incentives for hazardous fuel removal

2024 Farm Bill Negotiations: Surveying The State of Play

ALSO IN THE CONVERSATION: SECURE RURAL SCHOOLS

- Secure Rural Schools (SRS) must be reauthorized this year
- SRS is currently within the Farm Bill but it is a standalone issue
- Reauthorization has bipartisan support in both House and Senate
- Support Continued Revenue Sharing Payments to National Forest Counties



NACo FARM BILL ADVOCACY BY THE NUMBERS

- **20+** NACo letters advocating for county priorities
- **20+** Farm Bill marker bills endorsed by NACo
- **5** county officials testified before Congress on county priorities for 2024 Farm Bill
- **15+** online and printed NACo publications produced on 2024 Farm Bill
- **100s** of hours spent advocating Congressional offices in support of Farm Bill priorities

NACo TOOLS TO POWER YOUR FARM BILL ADVOCACY

NACo FARM BILL POLICY BRIEFS

Policy Brief: Support
County Priorities as
Congress Begins Work on
Next Farm Bill



Policy Brief:
Supplemental Nutrition
Assistance Program
(SNAP) Reauthorization
and Appropriations

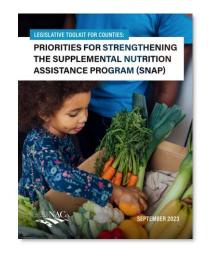


Policy Brief: Oppose
Preemption of County
Authority in the 2024
Farm Bill





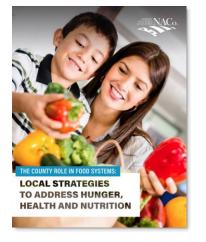






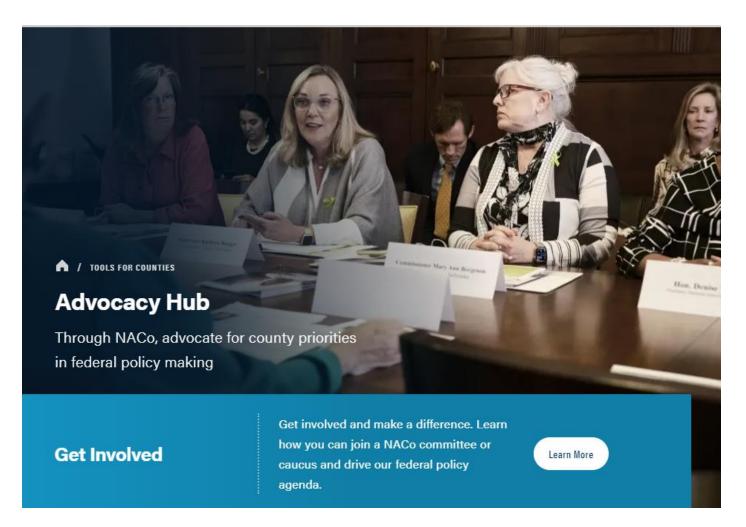
Coming soon:







VISIT NACo'S ADVOCACY HUB



www.naco.org/page/advocacy-hub

QUESTIONS?

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