

Sustainable Agriculture Coalition

COMPARISON OF SAC FARM BILL PLATFORM WITH HOUSE FARM BILL AND DRAFT SENATE CHAIRMAN'S MARK

Farm Bill Issue	SAC Position	Final House Bill	Senate Bill After Committee Markup (10-25-07)
Beginning Farmer and Rancher Initiative	SAC Beginning Farmer Platform Summary		
Beginning Farmer and Rancher Development Program	reauthorize with a minimum of \$25 million in annual mandatory funding	YES - reauthorized with \$15 m mandatory a year	YES - reauthorized at \$30 million a year with all our language but no mandatory money
Beginning Farmer and Rancher Individual Development Account	fund IDA pilot program at \$5 million per year for five years and establish in at least 15 states	NO - program not included in bill	YES - authorized at \$10 million/year (up from \$5) but no mandatory money
Beginning Farmer and Rancher Down Payment Loan	improve by reducing loan rates and down payment requirements, deferring first year payments, and increasing the maximum allowable portion of farm sales price eligible for the down payment loan from \$250,000 to \$500,000	YES - interest rate to reduced (as low a 1%), down payment requirements reduced, maximum allowable portion of farm sales price eligible for down payment loan increased; no first year deferral; FSA loan increased to 20 years	YES - identical to House except interest rate reduction cannot go below 2 %
Beginning Farmer Land Contract Pilot Program	make the existing Land Contract guaranteed loan pilot program permanent, strengthened, and applied nationwide to encourage private land sales that transfer farms from retiring farmers to new farmers	YES - program improved and expanded to nationwide	YES - same as House
Direct Credit Loan Limits	increase the per farm loan limits for direct operating and direct ownership loans from \$200,000 to \$300,000	YES - direct operating and direct ownership loans increased from \$200,000 to \$300,000	Yes - same as House
Beginning Farmer and Rancher Loan Fund Reservations	increase direct ownership loan reservation to 75% of the total, direct operating loan reservation to 50% of the total, and guaranteed ownership loan reservation to 40% of total	YES - beginning farmer and rancher loan fund reservations increased	Yes - same as House
Loan Authorization Levels	increase authorization for appropriation for direct operating loans from \$565 million to \$850 million and for direct ownership loans from \$205 million to \$350 million	NO - does not increase authorization levels	YES - \$850 million and \$350 million

Sustainable Agriculture Coalition

Farm Bill Issue	SAC Position	Final House Bill	Draft Senate Bill as of 08/03/07
Term Limits and Graduation	eliminate term limits provided an enhanced graduation process is adopted	YES & NO - enhanced graduation process is adopted, but term limits on direct loans continue	YES & NO - same as House
Conservation Loans	retain conservation loan authorization and strengthen by adding a priority for beginning and socially disadvantaged farmers and ranchers as well as a priority for using the loan to help convert to sustainable or organic production systems. The current \$50,000 cap on the size of conservation loans is eliminated.	YES & NO - priority for beginning and socially disadvantaged farmers and ranchers and for those converting to sustainable or organic production systems included, but direct loans are dropped (guaranteed loans only) and loan limit raised to \$1 million	YES - BFR, SDA and sustainable and organic conversion prioritized; separate loan cap eliminated; direct and guaranteed; no increase in loan limit to \$1 million
Conservation Reserve Program Farm Transition Option	offer special incentives for owners of CRP land returning to production to rent or sell to beginning farmers and ranchers who use sustainable grazing practices or fully compliant conservation cropping systems, or who transition to organic	YES - offers incentives to owners of CRP land returning to production to rent or sell to BFR using sustainable practices	YES - same as House
Conservation Funding Set-Asides for Beginning and Socially Disadvantaged Farmers	reserve 10 percent of total funds for each farm bill conservation program for beginning and socially disadvantaged farmers and ranchers for the first four months of the program year	YES - 5 percent of total funds set-aside for beginning and socially disadvantaged farmers, but only for EQIP	YES - 10 percent of total funds for all programs
Conservation Cost-Share Bonus for Beginning and Socially Disadvantaged Farmers	provide 15% bonus up to 90% cost share for beginning and socially disadvantaged farmers and ranchers	YES - provides bonus at 90% cost share for beginning and socially disadvantaged farmers and ranchers	YES - same as House
Beginning Farmer and Rancher Risk Management Education Emphasis	include a special emphasis on making grants for risk management for beginning, immigrant, and socially disadvantaged farmers and ranchers	YES	YES

Sustainable Agriculture Coalition

Farm Bill Issue	SAC Position	Final House Bill	Draft Senate Bill as of 08/03/07
<p>New Markets, Local Food, and Value Added</p>	<p align="center">SAC New Markets Platform Summary</p>		
<p>Value-Added Producer Grants</p>	<p>provide \$60 million in annual mandatory funding; priority for projects that improve the viability of small and mid-sized farms and improve land stewardship; set-aside 10% of total funding for projects that benefit beginning and socially disadvantaged farmers; set-aside 10% for outreach and technical assistance; create new grant fund categories for local food systems and for the development of food value chains that help mid-sized farms; create a family farm viability fund to support innovative cooperative projects</p>	<p>PARTIAL YES - \$30 m mandatory a year with language giving preference to small and mid-size farms and providing funding for mid-tier value chain networks</p>	<p>PARTIAL NO - All mandatory funds stripped. 10% set aside for technical, outreach assistance and market research - includes funding for local food grants and for mid-tier value chain grants; priority for funding for small and mid-sized farms and beginning and socially disadvantaged farmers; simplified application process for projects requesting less than \$50,000; funding for feasibility studies limited to \$150,000 and working capital to \$300,000. Priority for technical assistance for underserved areas.</p>
<p>Farmers' Market Promotion Program</p>	<p>provide a minimum of \$25 million in annual mandatory funding, including funding for electronic benefits technology; clarify that program supports the full range of direct marketing options</p>	<p>PARTIAL YES - \$35 m mandatory over 5 yrs; renamed Farmers Marketing Assistance Program and clarifies full range of marketing options; includes funding for electronic benefits technology</p>	<p>YES - \$30 million in mandatory annual funding; adoption of SAC recommended reauthorization language, including support for full range of direct marketing options, funding for electronic benefits technology not included in reauthorization, but in nutrition title there is \$5 million over 5 years, and special consideration for underserved areas.</p>
<p>Senior Farmers' Market Nutrition Program</p>	<p>increase mandatory farm bill funding</p>	<p>YES - \$15 m mandatory a year</p>	<p>YES - same as House</p>
<p>Community Food Project Grants</p>	<p>increase mandatory farm bill funding</p>	<p>NO - authorized for \$30 million in annual appropriated funds (current funding was \$5 million annual in mandatory funds) but no farm bill funding</p>	<p>YES - Authorization for \$10 million mandatory spending.</p>

Sustainable Agriculture Coalition

Farm Bill Issue	SAC Position	Final House Bill	Draft Senate Bill as of 08/03/07
Local/Regional Food Enterprise Loans and Grants	n/a	YES - loan preference under the Business and Industry Loan Program for food enterprises serving markets within 400 miles	YES - loan preference and at least 5% loan set aside under the Business and Industry Loan Guarantee Program for food processing and distribution enterprises; provision for feasibility study grants for such enterprises within the Value Added Producer Grants program.
Conservation Security Program	SAC CSP Platform Summary		
Conservation Security Program	remove funding caps from CSP that have been used to cut the program by over \$4 billion since 2003 and increase program funding; move to nationwide, continuous enrollment process; strengthen stewardship eligibility criteria; restore a comprehensive conservation planning component; streamline payment structure to focus on environmental outcomes	NO - \$4.8 B cut over 10 yrs; no signup until 2012; rewrites program to eliminate three tiers and eliminates all payments except for enhancement payments and creates ranking system to provide for a nationwide enrollment process; \$60,000 a year payment cap; Walz amendment passed with RCC Rotations, MIG, and organic systems in the ranking criteria, plus crosswalk b/n NOP and CSP; Gillibrand amendment to increase funding and restart program in 2010 included in the en bloc amendment, but dies there with no offset	YES - \$2 billion added over the first 5 years, program to reach 80 million acres by 2013; partially melded with EQIP into a new Comprehensive Stewardship Incentives Program; CSP now called Conservation Stewardship Program; CSP funded at 13.3 million acres a year with nationwide enrollment and ranking system; no tiers; average contract payment per acre set at \$19; \$240,000 6 year payment cap; the EQIP portion funded at just over current baseline level of funding; with RCC Rotations, MIG, in the ranking criteria and programmatic considerations to include organic systems, plus crosswalk b/n NOP and CSP; a special supplemental payment included for RCC rotations

Sustainable Agriculture Coalition

Farm Bill Issue	SAC Position	Final House Bill	Draft Senate Bill as of 08/03/07
Conservation Title	SAC Conservation Title Platform Summary		
<p align="center">Cooperative Conservation Partnerships</p>	<p>reauthorize the current Partnership and Cooperation Initiative as the Cooperative Conservation Partnership Initiative, 90% at state level, programmatic flexibility, and include special support for projects in which multiple producers address specific local natural resource concerns and community development opportunities in partnership with other entities</p>	<p>YES - reauthorized as the Cooperative Conservation Partnership Initiative, 90% at state level, includes preference for projects serving both community development and environmental needs; though funding may only be drawn from CSP, EQIP, and WHIP (as opposed to also including WRP, FRPP, and GRP)</p>	<p>YES - reauthorized as "Partnerships and Cooperation" (same name as 2002 FB) with funding drawn from CSIP, WHIP, and FRPP. Requires NRCS to spend at least 5% of total national allocation for P&C projects.</p>
<p align="center">Environmental Quality Incentives Program</p>	<p>restore provisions that ensure overall environmental effects are positive, including progressive planning and a \$150,000 payment limitation; restore prohibition of funding for animal waste storage and handling facilities for large-scale CAFO's; restore cost effectiveness criteria; restore the educational assistance component of the program</p>	<p>NO - \$1.9 B increase over 5, \$5.4 B increase over 10; payment cap of \$300,000 or over \$600,000 if in more than one conservation program; no CAFO reform; cost-effectiveness restored; negative provisions added in markup include instream flow eliminated from forest management practices outcomes, air quality carve out within Conservation Innovation Grants section; organic and specialty crop outreach funded at \$5 million a year; state performance incentive dropped</p>	<p>PARTIAL YES - progressive planning restored; no CAFO reforms; cost effectiveness restored; strong water conservation/instream flow language; no air quality carve out; contains organic conversion assistance subprogram; state performance bonus included</p>

Sustainable Agriculture Coalition

Farm Bill Issue	SAC Position	Final House Bill	Draft Senate Bill as of 08/03/07
Conservation Compliance	re-link existing conservation compliance regime to crop insurance program and expand to cover all cropland eroding at unsustainable rates and strengthen waiver guidelines; remove graduated penalties for swampbuster violations that are not mitigated	NO - bill does not include any SAC proposals for strengthening conservation compliance	MOSTLY NO - does include minor improvement to waiver guideline and FSA participation limited to FSA State ED but no expansion of coverage to eroding land; no relink to crop insurance; no improvements to Swampbuster.
Sodsaver	enact a sodsaver provision prohibiting commodity, crop insurance, and conservation subsidies on all native prairie and permanent grasslands converted to cropping	PARTIAL YES - only included a partial sodsaver provision prohibiting crop insurance subsidies for the first four years following grassland conversion (but does not prohibit commodity or conservation payments)	PARTIAL YES - similar to House except only affects native sod and includes a de minimus loophole
Wetlands Reserve Program	replenish funding with enrollment directive of at least 250,000 acres per year nationwide with a priority for permanent easements; additionally, incentives for landowners to allow public access to the land as part of community development plans for public recreational amenities	YES - restores funding with total authorization of 3.6 million acres; directive to enroll 250,000 acres annually; no funding in outyears; includes new subprogram (up to 10% of total) for floodplain land	YES - restores funding with directive to enroll 250,000 acres annually, with funding in outyears; includes new subprogram (up to 10% of total) for floodplain land
Conservation Reserve Program	retain as the major land retirement program with improvements to the environmental benefits index including greater weight for below cost bids; at least 7 million acres, or 20% of total CRP acreage should be reserved for enrollments through CCRP or CREP; voluntary long-term and permanent conservation easements on particularly environmentally sensitive land should be introduced as a new option; and landowners leaving CRP should have access to transition options including CCRP, CSP, organic transition, and transfers to beginning farmers and ranchers	YES & NO - YES = BFR transition; NO = none of the other SAC objectives included; Rep. Moran (R-KS) amendment approved allowing dryland cropping on CRP land, opposed by SAC	YES & NO - YES = below low cost bids prioritized; BFR transition; NO = none of the other SAC objectives included

Sustainable Agriculture Coalition

Farm Bill Issue	SAC Position	Final House Bill	Draft Senate Bill as of 08/03/07
Sustainable Agriculture Energy Innovation Grants Program	establish a nationwide program to determine the ecological and economic feasibility of producing energy from a new array of feedstock crops; the program would encourage the development of agricultural energy that responds to regional needs and capabilities with an emphasis placed on converting existing cropland to biomass production	PARTIAL YES - program not included in bill, but a Biomass Energy Reserve included in energy title (see below)	PARTIAL YES - program not included in bill, but an Energy Crop Incentive Program with some strong similarities including in the energy title (see below)
State Technical Committees	Local working groups for State Technical Committees through NRCS should include farmers and NGOs.	NO - The State Technical Committee is exempt from FACA.	YES - Farmers and NGOs are now eligible to serve on local working groups of State Technical Committees
Organic Provisions	SAC Organic Issues Platform Summary		
National Organic Certification Cost Share Program	establish on a nationwide basis with mandatory funding of at least \$25 million, while increasing the maximum amount to \$750 per farm per year	YES - \$22 m mandatory over 5 yrs; increases maximum amount to \$750 per farm per year	YES - Same as House
Organic Conversion Assistance Program	create an Organic Conversion Program (through the NRCS) to provide technical and financial assistance for adoption of organic farming based conservation systems with annual funding of \$50 million, at least half of which would be used for technical assistance, and capping financial assistance payments at \$10,000	YES but not funded - new program authorized for appropriations, but no mandatory funding; \$10,000 cap a year; \$50/acre crop and \$25/acre grass max; 50% to technical and educational assistance	YES but no specific funding designation or TA designation - incorporated into environmental quality section of CSIP, new organic conversion program with up to \$20,000 per yr or total cap of \$80,000 and a period of not more than 4 years
Crop Insurance	eliminate the 5% surcharge on premiums for organic producers and establish a deadline for providing payments to organic producers that reflect organic market prices rather than conventional prices	PARTIAL YES - but weak and delayed - creates a multi-year process that might allow for surcharge elimination (places burden of proof on producers instead of USDA)	YES - eliminates 5% surcharge unless it can be proven warranted on a crop by crop basis; requires development and implementation of procedures for paying out based on organic market prices

Sustainable Agriculture Coalition

Farm Bill Issue	SAC Position	Final House Bill	Draft Senate Bill as of 08/03/07
Competition Title	SAC Competition Title Platform Summary		
The Packers and Stockyards Act	amend to prohibit packer ownership of livestock used to manipulate prices to the detriment of producers; require USDA to write regulations defining "unreasonable preference or advantage"; establish that producers do not need to prove an anti-competitive injury to an entire market in cases involving trade practices which have harmed them individually; include full enforcement powers for all types of poultry	NO - issues not addressed	PARTIAL YES - includes full poultry enforcement authority; includes packer ban or captive supplies bills, does not include regs for unreasonable preferences; does not clarify congressional intent that producers do not need to prove anti-competitive injury; does not include captive supply; all of which are likely to be floor ammendments
The Agricultural Fair Practices Act	amend to make it unlawful for any firm to refuse to deal with a producer for belonging to a producer association or cooperative; prohibit the use of binding mandatory arbitration clauses and restrictions on other legal rights available to producers involved incontract disputes; expand the prohibition on confidentiality clauses; and prohibit premature cancellation of contracts without a showing of good cause	NO - and prohibition on mandatory arbitration, which was adopted by the subcommittee, was struck in full committee by 26-17 vote, with the support of the full committee chairman	YES - all provisions included in bill
Country of Origin Labeling	allow mandatory country of origin labeling to go into effect	YES - mandatory country of orgin labeling to go into effect by Sept. 30, 2008, with multi-country labels where applicable	YES - similar to House Bill minor modifications
Interstate Shipment of Meat	allow interstate shipment of state inspected meat in return for strenghtened federal food safety regulations including plant closure authority	UNCLEAR - would require state program requirements to be "identical" to federal requirements in order to get federal approval to move meat and poultry in commerce; negotiations continuing between meat industry and state departments of agriculture	YES - creates new Title 5 of Federal Meat and Poultry Inspection Act; establishes position of state coordinator to provide oversight and enforcement; requires USDA OIG to conduct periodic audits; covers establishments up to 25 employees; reimburses states for not less than 60% of costs

Sustainable Agriculture Coalition

Farm Bill Issue	SAC Position	Final House Bill	Draft Senate Bill as of 08/03/07
Rural Development	SAC Rural Development Platform Summary		
Rural Entrepreneurs and Micro-Enterprise Program	authorize and fund program at \$50 million per year in mandatory funding to assist rural entrepreneurs in establishing new small businesses in rural sectors	YES but not funded - the program is authorized as proposed, with a \$20 m a year authorization for appropriations, but no farm bill funding	YES - program is authorized as proposed, \$20 million a year in mandatory funding
Community-based Entrepreneurial Development Program	create \$75 million per year program with mandatory funding to offer grants to establish regional initiatives for entrepreneurial development	NO - program not included in the bill	PARTIAL YES - elements of the program are included as "small-area collaborative partnership" portion (5% of total funding) of larger Rural Collaborative Investment Program; RCIP currently at [bracketed] amount per year in mandatory funding
Rural Entrepreneurship Education and Enterprise Facilitation Program	create new program with mandatory annual funding of \$20 million to provide resources and services to rural areas	NO - program not included in the bill	NO - program not included in draft bill
Appropriate Technology Transfer for Rural Areas (ATTRA)	create permanent authorization for ATTRA	YES - provided with permanent authorization within Rural Business-Cooperative Service	YES - provided with a permanent authorization within the Rural Business-Cooperative Service.

Sustainable Agriculture Coalition

Farm Bill Issue	SAC Position	Final House Bill	Draft Senate Bill as of 08/03/07
<p style="text-align: center;">Sustainable and Organic Research</p>	<p style="text-align: center;">SAC Research Title Platform Summary</p>		
<p style="text-align: center;">Initiative for Future Agriculture and Food Systems</p>	<p>retain the current annual mandatory funding of \$200 million a year for outcome-based interdisciplinary research, education, and extension; continue priorities on small and mid-sized farm viability, rural community development, and agro-ecosystems; add 6 new IFAFS mission areas</p>	<p>YES & NO - IFAFS purposes maintained, but funding transferred to and merged with National Research Initiative, with 40% of total NRI appropriated and IFAFS mandatory funds to go to IFAFS</p>	<p>YES & NO - Authorized for appropriations \$200 million each year. IFAFS purposes retained, and 3 new mission areas added -- sustainable energy, eco-services and outcome-based conservation, and rural and ag entrepreneurship, including BFRs; IFAFS and NRI melded</p>
<p style="text-align: center;">Organic Farming Research and Extension Initiative</p>	<p>increase funding for the Organic Research and Extension Initiative to a minimum of \$15 million in annual mandatory funds</p>	<p>PARTIAL YES - \$5 m a year mandatory in addition to \$25 m authorized annual appropriations</p>	<p>YES - \$16 m annual mandatory funding amount</p>
<p style="text-align: center;">Agricultural Research Service</p>	<p>create within the ARS a National Program for Organic Agriculture with funding of at least \$25 million</p>	<p>PARTIAL YES - Sense of Congress "fair share" language approved</p>	<p>No language in bill</p>
<p style="text-align: center;">Organic Production and Marketing Data Collection</p>	<p>reauthorize the Organic Production and Marketing Data Initiative with specific requirements to ensure continuation and progress of comprehensive data collection in the organic sector</p>	<p>YES - with \$3 m mandatory over 5 years</p>	<p>YES - with \$5 m mandatory over 5 years</p>
<p style="text-align: center;">National Genetic Resource Program</p>	<p>reauthorize and increase funding to improve public plant and animal breeding programs that focus on crops and breeds critical to sustainable and organic systems</p>	<p>PARTIAL YES - reauthorized but without changes or additional funding</p>	<p>YES - reauthorized with the new plant and animal breeding language; no specified funding</p>
<p style="text-align: center;">National Research Initiative</p>	<p>create a national program withing National Research Initiative for classical plant and animal breeding</p>	<p>YES - but added to IFAFS instead of NRI</p>	<p>YES - added to NRI</p>
<p style="text-align: center;">Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers</p>	<p>authorize \$25 million in annual mandatory emphasizing outreach through community-based organizations</p>	<p>YES - \$15 m a year mandatory farm bill funding; problematic 25% match added, however</p>	<p>PARTIAL NO - authorizes up to \$50 million in appropriations annually.</p>

Sustainable Agriculture Coalition

Farm Bill Issue	SAC Position	Final House Bill	Draft Senate Bill as of 08/03/07
Renewable Energy	SAC Renewable Energy Platform Summary		
Renewable Energy and Energy Efficiency Program	reauthorize with priorities for projects focusing on energy efficiency for small and mid-sized producers and projects that enable agricultural producers to implement techniques that provide a net environmental benefit; add sustainability criteria; expand funding; allow feasibility grants	PARTIAL YES - \$500 m over life of FB, reaching \$150 m a year in 2012; includes a carve-out for grants of \$50,000 or less; allows for feasibility studies	YES - reauthorized with \$280 m mandatory over life of FB, with additional authorization for appropriations; carve outs for \$20,000 or less, provision for feasibility grants stays; "merit" criteria for grants with environmental and public health benefits as well as energy benefits
Biomass Energy Transition Reserve Program	see Sustainable Agriculture Energy Innovation Grants above	Peterson proposal included in en bloc containing incentives and payments to farmers growing cellulosic biomass for use as an energy feedstock for bioenergy production facilities	PARTIAL NO - payments for bioenergy crops with minor conservation requirements including conservation compliance and compliance with state wildlife action plans
Commodity Payments Reform	SAC Commodity Title Platform Summary		
Effective Payment Limitations	enact effective payment reform, close loopholes that currently provide incentives to overproduction and land consolidation; total payments, including gains from commodity certificates and forfeitures , should be capped at \$250,000 per farm per year; all payments should be attributed to real persons and available only to those actively engaged in farm labor and management	NO - \$40,000 increase in limit on direct payments; no reform of actively engaged rules; no limit at all on marketing loan benefits; \$2 m AGI test per married couple; claims to save \$226 m over next 5 years	NO - similar to House except it includes a \$10,000 reduction in CCP cap, does not include the \$40,000 increase in directs and AGI limit set at \$1.5 million per married couple
Sodsaver	see above	PARTIAL - see above	PARTIAL YES - see above
Other Commodity Reforms	expand planting flexibility and eliminate or reduce harmful impacts of marketing loan gains and loan deficiency payments on U.S. agriculture, the environment , and farm and food systems around the world	NO - bill contains no real commodity reforms	Includes voluntary ACR option