

- May 23, 2017 -

Federal Funding and Financing for Farmers

Growing
Opportunity

A Guide to USDA
Sustainable Farming Programs



January 2017



Presented by:

Ferd Hoefner

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)



GROWING OPPORTUNITY: A GUIDE TO USDA SUSTAINABLE FARMING PROGRAMS



FACT Webinar

Ferd Hoefner, Senior Strategic Advisor



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

Growing Opportunity

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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




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**

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



- 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

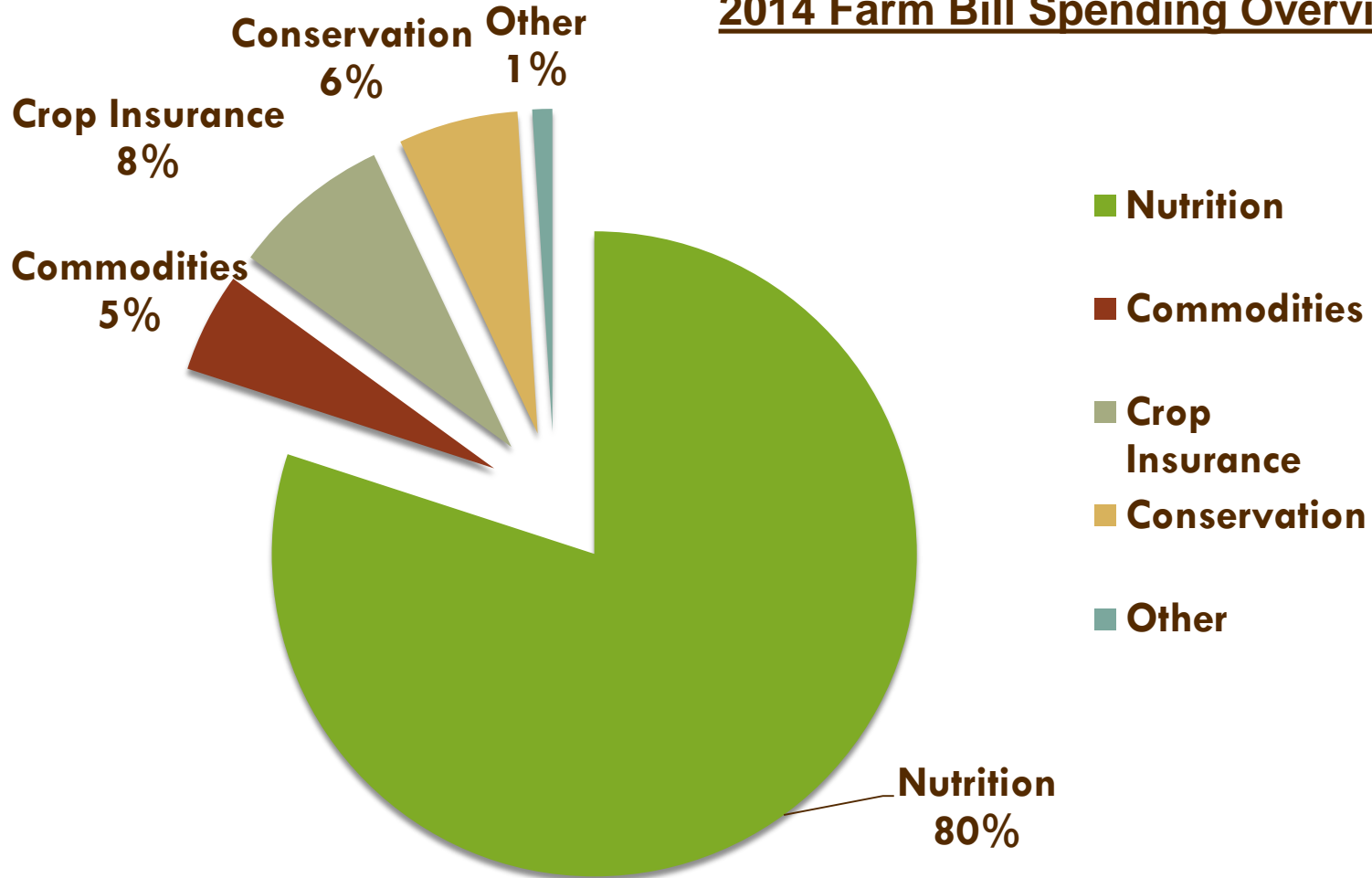


What's in the 2014 Farm Bill?

- **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



Source: Congressional Research Service



Website: <http://sustainableagriculture.net>

Twitter: @sustainableag

Facebook: <http://on.fb.me/sustainableag>

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Thank You! Any Questions?

