



AMERICAN FARM BUREAU FEDERATION®

BRIEFING BOOKLET

for the 118TH CONGRESS





The Voice *of*
Agriculture®



Photo by R. Mosby, WAFB



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The American Farm Bureau Federation is the Voice of Agriculture®.

We are farm and ranch families working together to build a sustainable future of safe and abundant food, fiber and renewable fuel for our nation and the world. We are the nation's largest farm organization, representing nearly 6 million member families in all 50 states and Puerto Rico.



WELCOME FROM AFBF PRESIDENT ZIPPY DUVALL

On behalf of America's farmers and ranchers, thank you for your service to communities and states across the country. Farmers and ranchers are proud to grow a safe, sustainable food supply for consumers here and abroad, and we are grateful for the millions of men and women working on and off the farm to keep our economy growing and our nation fed. Our goal is to do our job better each day to contribute to the well-being of our nation today and for generations to come.

Americans place the highest levels of trust in farmers and ranchers, and we don't take that trust for granted. We're humbled by the fact that multiple surveys confirm we are the most trusted profession and the most trusted to care for our environment. As a third-generation farmer myself, I can tell you that we are committed to doing the right thing as we stock America's pantries 365 days a year. We know that our neighbors near and far are counting on us to produce safe food for their tables, all while protecting our land, air and water for generations to come. America's farmers and ranchers are leading the way in climate-smart practices, and whatever state you may be from, I guarantee that there are farmers working to build a sustainable future.

At the American Farm Bureau Federation, we bring agriculture's story from the farm straight to you. We are the national Voice of Agriculture, built truly from grassroots. We represent farmers and ranchers from all 50 states and Puerto Rico, and have been working for over 100 years now to build strong agricultural communities that help fuel our nation. Our members range from dairy and row crop farmers to fresh fruit and vegetable growers to cattle ranchers and everything in between, large and small, conventional and organic. If it's on your table, there's certainly a farmer—and probably a Farm Bureau member—behind the ingredients.

Just as the work of feeding our nation begins on the farm, we believe that's where the policy shaping our industry should begin as well. That's why AFBF's work in Washington is driven by the policy priorities set directly by our farm and ranch family members. Every year, Farm Bureau members in more than 2,800 counties meet to discuss and vote on policies affecting their farms, ranches and communities. Those same policies then set the agenda for their state Farm Bureaus and ultimately the American Farm Bureau. Our genuine grassroots approach is what makes the American Farm Bureau the Voice of Agriculture. We believe that we are stronger when we work together, as an organization and as a nation. Our team at AFBF looks forward to working with you and your staff to strengthen agriculture and the communities across the country that depend on us.

Sincerely,

President, AFBF

The Economy, the Supply Chain and Inflation

The economy impacts every American. American farmers face uncertainty and rising costs for many of their inputs, and rural communities are threatened with economic recession.

Like the rest of the world economy, American agriculture depends on functioning supply chains, both for their inputs and to market their products. Dramatic supply disruptions during the early days of the COVID-19 pandemic have been replaced by transportation and production challenges during the strong economic recovery. These challenges will require time and continued investment – in transportation capacity, agricultural processing, farm input production, energy supplies and skilled labor, among other things – to fully serve the growing needs of the farm economy; and greater regulatory flexibility will help build greater resiliency at the farm and throughout the supply chain. Trade retaliation, non-tariff trade barriers, foreign currency devaluations, trade-distorting foreign subsidies and dumping on global markets make U.S.-produced agricultural products less competitive in global markets and in some cases domestically.

Climate change and the rising frequency of weather-related natural disasters (i.e., hurricanes, wildfires, flooding and drought) pose increasing threats to crops and livestock.

Lack of interagency and external agency coordination creates uncertainty for farmers and agri-businesses. For example, the EPA could better coordinate with state regulatory partners and industry to ensure readily available access to critical crop protection tools with long-standing regulatory approvals is not restricted. The current system creates uncertainty, lack of confidence in federal oversight, and added costs to farmers.

Farmers and ranchers face a critical shortage of legally authorized and experienced workers, which threatens local economies as well as U.S. farmers' ability to compete at the global level. Foreign-born workers will continue to grow in importance as the population in rural communities declines.

Further consolidation of small and medium-sized farm operations, i.e., the shrinking middle, continues to impact rural economies and has contributed to overextended health care, infrastructure and educational resources. Next generation and first-generation farmers face the added challenge of accessing the high level of working credit needed to enter the high-risk, capital-intensive field.

The impacts of inflation and the labor shortage have a direct impact on agriculture. These impacts have also generally exacerbated supply chain disruptions, and the resulting higher input costs have put the agriculture sector under immense economic pressure.



Food security

In the face of unprecedented challenges and shifts across the supply chain, America's farmers and ranchers faithfully answered the call to produce a safe and sustainable food supply for our country. We did not do this work alone, but kept our nation fed thanks to essential workers across the supply chain, from employees on the farm to meatpacking plants to the local grocery store.

The pandemic shined a spotlight on agriculture and the importance of protecting our American-grown food supply. We all agree that no one should go hungry in America. There is no question, however, that protecting our domestic food supply is critical to the well-being of all Americans, from our urban centers to our rural townships.

One of the most pressing actions for the 118th Congress is to reauthorize the farm bill. The farm bill is a critical tool for ensuring our nation's food supply remains secure. Funding for this comprehensive package, which could more accurately be called a food and farm bill, includes risk management tools for farmers, access to nutrition for low-income families, conservation programs and investments in agricultural research.

While agriculture continues to see disruptions across supply chains and limitations in certain products, our overall domestic food supply continues to remain secure thanks to our national investment in agriculture.

Rural Communities

The distance between rural Americans and important health and education resources widened during the COVID-19 pandemic. The capacity for telehealth and distance learning remains limited in rural communities as more than a quarter of rural Americans still lack broadband access. Lack of access to rural broadband has put farmers, ranchers and rural residents at a disadvantage by hindering the deployment of precision ag technology, limiting access to educational opportunities, constraining health care facilities and services and other impacts. Rural Americans should be able to safely access the same essential services as their urban and suburban neighbors.



Farm Economy

In addition to the economic impact of COVID-19 and prolonged trade disputes, frequent catastrophic natural disasters such as wildfires, hurricanes, droughts and excessive flooding have caused damage to both crops and livestock and made it difficult for farmers to plant and harvest crops.

Cash receipts, net farm income, and farm debt positions have improved in 2021-2022. However, rising interest rates and macroeconomic instability threaten farm solvency, so the debt levels are likely to rise in the next few years.

What's next?

As we examine vulnerabilities and contemplate changes to the food supply chain, we also need to consider how susceptible we are to these problems in the future and how the business of U.S. agriculture can be encouraged to grow and adapt. Our food system has been refined over decades with a focus on decreasing waste and increasing sustainability, thanks to advancements through research and innovation. If we are to continue to achieve those goals, investments in agricultural research and paving the way for the next generation of American farming and ranching will be essential.



Ag Innovation

Biotechnology

Biotechnology has proven to be an important tool for sustainability and food security. It helps farmers grow more food while improving the environment. For example, biotechnology helps to reduce water, fertilizer and pesticide use, allowing farmers to reduce tillage for better soil, water and air quality. Today, roughly 90% of corn, cotton and soybeans grown in the U.S. have been improved through biotechnology, and farmers are choosing biotech traits when growing other crops such as alfalfa, sugar beets and canola.

Despite rapid adoption by farmers and a strong scientific consensus that biotechnology does not pose health or environmental risks, regulatory burdens are slowing research and innovation of new biotech traits and restraining U.S. farmers' international competitive advantage. In addition, activist groups routinely undermine new tools and innovation by blocking science-based regulatory decisions, filing lawsuits and advocating for labeling mandates.

Gene Editing

Gene editing is similar to selective breeding, a practice as old as our need to grow our own food. Farmers have always bred crops and animals to draw out traits that make them more wholesome and sustainable. Typically using a plant's or animal's natural DNA, scientists use gene editing technology to make precise changes that could otherwise happen through traditional breeding but would have taken much longer.

In fact, gene editing plays an integral role in helping farmers address some of society's greatest challenges, from preventing hunger to improving health and sustainability, and new technology and innovation helps us fulfill that mission. Gene editing holds the promise of unlocking tremendous benefits for consumers and the environment, while assisting farmers in growing healthier, more sustainable food, fiber and fuel.

Energy

A diverse, domestic energy supply is important to fuel America's economic growth and prosperity while strengthening our energy security. Further development and use of all domestic energy sources including renewable energy such as ethanol, biodiesel, renewable diesel, biomass, solar and wind are critical to our nation's energy future and will help further strengthen the overall national security of the United States.



Farm Policy

No one buys insurance for the good times, and similarly, farm bill programs provide critical tools to help farmers and ranchers manage risk. Farm programs are written to provide a basic level of protection to help offset bad economic times and severe weather. Farm policy brings certainty to farm and ranch families through crop insurance, improved risk management programs and support for beginning farmers and ranchers, while also bringing much-needed funding to trade development and ag research.

Why Farm Policy Matters:

- **Food Security:** America's public investment in agriculture through farm bill programs helps secure our domestic food supply and keep our country strong while consumers get the benefits of high-quality, affordable food.
- **Jobs:** The food and agriculture industry supports nearly 21.5 million U.S. jobs (that's more than 14% of U.S. employment) and contributes more than \$1 trillion to U.S. gross domestic product.
- **Conservation:** The farm bill's investment in ag research and conservation programs are critical to ensuring the productivity and sustainability on our farms and in our domestic food supply.
- **Risk Management:** We all depend on the success of American agriculture so it's important for America's farmers and ranchers to be supported by strong farm programs as they face down weather disasters, high supply costs and inflationary pressures. Managing risk is critical to keep food on our tables.
- **Addressing Hunger:** The farm bill includes nutrition programs intended to ensure the most vulnerable among us have access to healthy, affordable food.



Farm Workforce

American agriculture is at a critical juncture. To keep our farms running, we need reliable access to a skilled workforce to ensure the ongoing security of our nation's food supply. The COVID-19 pandemic has pointed out new challenges for farmers and highlighted areas long overdue for reform in our nation's guest worker visa program. We all depend on the security of our food supply.

Protecting our nation's farms and the men and women who keep them running will continue to require our full attention across the agriculture industry to ensure farmers have access to the safety equipment and resources they need to promote the health and well-being of their employees.

Agriculture labor reform requires a two-pronged approach to solve challenges for our existing domestic workforce and agriculture's guest worker program. There needs to be a path to legal status for current workers who serve alongside farmers on the frontlines of our essential industry. Also, Congress needs to implement an effective, comprehensive guest worker program that is accessible to all of agriculture, without compromising a farm's ability to compete in the marketplace. Instability in the agricultural workforce puts domestic food production at risk. Increasing

immigration enforcement without also reforming our worker visa program could cost America \$70 billion in agricultural production.

Farm Bureau is working for reform that includes:

- A flexible, economic visa program, accessible to all of agriculture that allows foreign-born workers to enter the U.S. temporarily to work on farms and
- Provisions that allow skilled laborers currently working in agriculture to earn an adjustment in status and remain working in the U.S.

Federal Lands

Federal land-use decisions should enhance cultural, agricultural, economic and environmental concerns at the county level, and include and respect historic management activities, local stakeholders, and state and local government management plans. The multiple-use concept of federal land management provides that federal land management agencies (including the Bureau of Land Management and U.S. Forest Service) manage land resources for a variety of uses including livestock grazing, timber harvesting, energy development and recreation.

Regulatory Reform

Farmers and ranchers are faced with a flurry of requirements coming at them from regulations and court rulings at the local, state and federal levels. Everyone—farmers and ranchers, lawmakers, regulators, environmental activists and state and county officials—will benefit from a reformed regulatory process that allows for earlier input and greater stakeholder involvement, takes economic impacts into account and respects our freedoms. Farmers and ranchers manage natural resources for the long-haul, preserving their land for the next generation. It's time the regulatory process recognized agriculture's positive impact and followed the same science-based standards that govern the industry.



Clean Water Act

Farmers and ranchers play a leading role in protecting our nation's water quality and wetlands. Thanks to modern farming practices and precision farming tools, farming practices are more environmentally protective than ever. Clean water is a top priority for farmers and ranchers, and we stand by common sense rules and practices to achieve that goal.

The Clean Water Act works best when policies lead to sound management of natural resources that improve water quality and increase agricultural land value and productivity. Scientifically developed farming practices improve the environment, reduce pollution, and improve productivity while reducing costs.

The success of the Clean Water Act is based primarily on the partnership between the federal government and states. Those partnerships balance environmental protection and economic priorities effectively and broadly protect the nation's waters. Future progress will hinge on collaboration and conservation incentives as well as market-based and watershed-specific approaches.

Additionally, it is essential for farmers and ranchers to clearly understand the jurisdictional reach of the Clean Water Act. The confusion surrounding compliance efforts has persisted for many decades and our members require clear rules to run their businesses. Simply put, clarity and certainty are paramount.

Emerging Contaminates

Farmers and ranchers have been navigating the concerning impacts that emerging contaminants, such as PFAS, are having on farm fields. While these contaminants do not originate and are never used in farm operations, they have passively found their way onto farm fields. The presence of these contaminants is through no fault of our nation's farmers, and they should not be held liable if found on their land.

Our nation's farmers are dependent on the health of their land—without it they cannot produce the food, fuel and fiber our country depends on. It would be devastating if the land we own and operate is designated as “contaminated” because it would decimate land values and bring productivity to a screeching halt. The loss of property value and income and other operational losses that farmers and ranchers have and will continue to face is completely devastating—and could put farm families out of business.

Endangered Species Act

Farmers, ranchers and environmentalists agree that we must protect and recover wildlife facing extinction. But with a recovery rate of less than 3%, the Endangered Species Act has fallen short of its primary goal. While the ESA has fallen behind, the U.S. has seen a boom in conservation awareness and effective voluntary programs and practices at the state and local level. For example, today, more than 140 million acres of U.S. farmland are used for voluntary conservation efforts and wildlife habitats—a land area that is equal to the states of California and New York combined.

We believe that conservation functions best as a private-public partnership, driven at the local level. Endangered and threatened species can be protected by providing incentives to private landowners and public land users, rather than by imposing land use restrictions and penalties.

Packers and Stockyards Act

We believe in fair competition and enforcing the laws that are currently on the books to make sure that livestock producers and poultry growers have clear, consistent, and transparent markets in which to operate.

Rural Life

Rural communities play an important role in our nation's economy as they are home to most U.S. manufacturing, farming and ranching. Deteriorating rural infrastructure, however, threatens the health and well-being of rural Americans as well as the competitiveness of U.S. agriculture.

Infrastructure

The American economy and way of life depends on a modern infrastructure that can meet the demands of the 21st century. Farmers' and ranchers' ability to meet our nation's nutritional needs as well as compete in the global marketplace depends on continued investment in a robust and reliable infrastructure including:

- Roads
- Inland waterways
- Ports
- Railways
- Broadband
- Western water storage and delivery

Rural Broadband

Rural broadband is essential to modern agriculture, the farmers and ranchers who grow our food, and the quality of life for rural Americans. Farmers and ranchers depend on broadband just as they do highways, railways and waterways to ship food, fuel and fiber across the country and around the world. However, 18% of U.S. farms have no access

to the internet, according to the USDA report, "Farm Computer Usage and Ownership, 2021." In 2021, the Federal Communications Commission found that 17% of rural Americans lacked fixed broadband at speeds of 25/3 Mbps, compared to 1% of urban Americans.

Current and future generations of rural Americans will be left behind their fellow citizens if they are without affordable high-speed broadband service that enables them to tap into health care and education services, government agencies and new business opportunities.

Broadband is a necessity. All farmers need reliable access to safely engage with customers near and far and to fully utilize precision tools that increase efficiency and sustainability.

Rural Stress and Mental Health

Farmers and ranchers continue to feel the harmful effects of stress brought on by many factors that are out of their control, such as labor shortages, increasing costs for fertilizer, fuel and other inputs, extreme weather events and many other challenges. A 2019 Farm Bureau survey shows that an overwhelming majority of farmers and farmworkers say financial issues, farm or business problems and fear of losing their farm negatively impact their mental health. We need to reduce the stigma surrounding the topic of mental health in rural communities and provide relevant information to farm families on this important topic.



Sustainability

U.S. farmers and ranchers are at the forefront of climate-smart farming, putting scientific solutions, technology and innovation to work to protect our land, air and water. Farmers aren't just adopting eco-friendly solutions: we're also growing solutions through clean and renewable energy on the farm.

Farmers and ranchers are looking for solutions to strengthen this essential industry and improve our sustainability, but farmers and ranchers can't tackle climate change alone. The next steps to meet sustainability goals must begin by recognizing the achievements across agricultural sectors and building on the unique role farming and ranching plays in a balanced ecosystem.

Over the last 70 years, U.S. farmers have nearly tripled production while the amount of resources used (including land, energy and fertilizer) have remained relatively stable. For perspective, 30 years ago, farmers would have needed almost 100 million additional acres to harvest the amount of corn, cotton, rice, soybeans and wheat produced today.

If U.S. agriculture is going to continue to lead the way in sustainability, our nation must prioritize its investment in ag research and innovation and give farmers the freedom to build on their sustainability efforts through voluntary, market-based programs.



Tax Reform

Farms and ranches are capital-intensive businesses that typically operate on thin profit margins. Further difficulties are caused by unpredictable market prices and uncontrollable weather conditions. The Tax Cuts and Jobs Act gave farmers and ranchers a tax structure that helps them navigate their challenging business climate. But the temporary nature of many of the provisions insert even more uncertainty into farming and ranching. Making the pass-through provisions of the TJCA permanent is needed.



Trade

With the ongoing challenges facing American farmers and ranchers, an active trade agenda that seeks to expand market opportunities is critical. Increasing exports with existing trading partners and working to develop new opportunities are necessary efforts to help revive the agricultural economy and to have agricultural trade be a leading component of broader economic recovery this year and beyond.

Expanding international market access for farmers and ranchers is also critical to the health of our national economy as the agriculture industry supports an additional 19.4 million jobs off the farm. According to USDA data from 2018, each dollar of agricultural exports stimulated another \$1.17 in business activity. In 2018, \$139.6 billion of agricultural exports produced an additional \$162.9 billion in economic activity for a total economic output of \$302.5 billion. Agricultural exports in 2018 required 1,048,000 full-time civilian jobs.

American-grown products are valued worldwide. Too often, however, non-scientific trade barriers stand in the way of U.S. farmers and ranchers bringing their products to new international markets. Moreover, non-tariff trade barriers, foreign currency devaluations, trade-distorting foreign subsidies and dumping on global markets make many U.S.-produced agricultural products less competitive in global markets and in some cases domestically.

Free trade agreements have opened the doors for U.S. farmers in 20 countries, and trade to those countries made up 45% of our agricultural exports in 2019. Trade deals like USMCA and the U.S.-Japan Trade Agreement have set the stage for modern trade agreements that enhance science-based standards in relation to agricultural biotechnology and gene editing. We believe U.S. agriculture can once again lead the way in global exports with free trade agreements that open doors to new and expanding markets.

Conclusion

All Americans share an interest in protecting our nation's ability produce a safe, sustainable food supply. Working together, with input from farmers, ranchers and our rural communities, will ensure we can continue to safeguard our food, feed, fuel and fiber supply while continuing to provide societal benefits for all Americans.

The goal of AFBF is to increase Farm Bureau's effectiveness and visibility as the national advocate for farmers and ranchers. Our leaders, advocates and staff work to raise awareness among Congress and the administration about how public policies impact farmers and ranchers, consumers and the agriculture industry.





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