

A F B F

2017 Impact Report



**THE AMERICAN FARM
BUREAU FEDERATION® IS
THE UNIFIED NATIONAL
VOICE OF AGRICULTURE®**

We are committed to working through our grassroots organizations to enhance and strengthen the lives of rural Americans and to build strong, prosperous agricultural communities. Together, we are the American Farm Bureau Federation.

**Working Together to Build Strong
Agricultural Communities Since 1919**

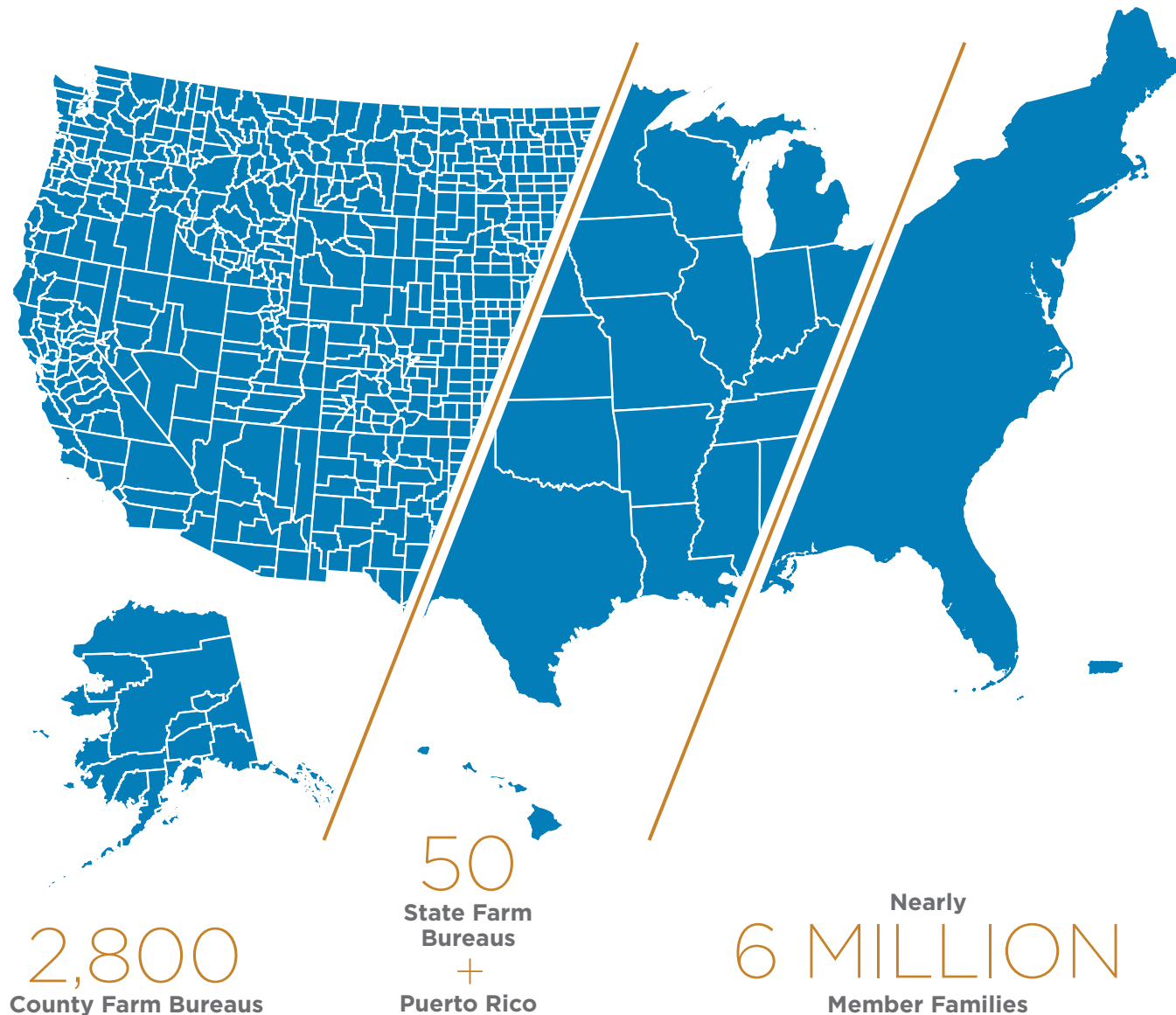
Farm Bureau is an independent, non-governmental, voluntary organization governed by and representing farm and ranch families united for the purpose of analyzing their problems and formulating action to achieve educational improvement, economic opportunity and social advancement and, thereby, to promote the national well-being. Farm Bureau is local, county, state, national and international in its scope and influence and is non-partisan, non-sectarian and non-secret in character.

COVER PHOTOS:

LEFT: *One in every eight rows of rice planted in the U.S. makes its way to NAFTA partners. Photo by: ARFB*

MIDDLE: *The U.S. is a net exporter in beef products. Photo by: WIFB*

RIGHT: *Fresh apples are the top U.S. crop exported to NAFTA partners. Photo by: NCFB*



VINCENT “ZIPPY” DUVALL • AFBF PRESIDENT



The dawn of 2017 presented opportunities for agriculture and Farm Bureau to make real progress. At Farm Bureau, this meant doubling down on a comprehensive strategy to advocate for and advance our grassroots-developed policy goals. Grassroots member engagement is the core of Farm Bureau’s influence and it is what got us closer to the finish line on withdrawing and rewriting the Waters of the U.S. rule. Farm Bureau members engaged like never before to reverse the brazen federal overreach of the 2015 rule. In addition to regulatory reform concerns such as WOTUS, farmers and ranchers actively engaged on other issues including farm policy, tax reform, international trade and ag labor. As you’ll see throughout this report, they did a lot of heavy lifting to successfully make the case on these policy goals, supported by AFBF-developed advocacy tools and resources.

Thanks to grassroots policy development and engagement, Farm Bureau—the Voice of Agriculture—is having a great impact for America’s farmers and ranchers and the consumers who depend on them for food security.

FARM POLICY / FARM BILL

Farm Bureau is leading the way in moving the 2018 farm bill discussion forward and providing resources that address relevant issues.



Farmers provided input on the next farm bill at a listening session at IDEAg Minnesota Farmfest.

Mark Haney of Kentucky

Mark Haney is president of Kentucky Farm Bureau and produces apples and peaches, in addition to raising beef cattle. He expressed to the Senate Ag Committee his deep concerns about growing economic losses in farm country.

“2017 and 2018 will be a critical period for farmers and ranchers,” said Haney. “Farmers and ranchers are tightening their belts and paying very close attention to their individual

situations. Simply put, they are in greater need of strong, secure safety net programs and risk management tools than has been the case for several years.”

Protecting current farm bill spending and prioritizing risk management tools that are critically important to helping farmers survive years like 2017 are at the top of Farm Bureau's list of farm bill priorities.



Mark Haney, president of Kentucky Farm Bureau, is concerned about growing economic losses in farm country.

GOALS FOR THE FARM BILL

- Protect current spending.
- Maintain a unified bill that includes nutrition programs and farm programs.
- Ensure any changes to current farm legislation be an amendment to the Agricultural Adjustment Act of 1938 or the Agricultural Act of 1949.
- Prioritize risk management tools – including both federal crop insurance and Title I commodity programs – as a priority for funding.
- Ensure programs are compliant with World Trade Organization agreements.

AFBF in 2017

RAISED

the visibility of the importance of early consideration of farm bill issues.

LAUNCHED

Farm Bill on the Fly, a series of 1-2 minute videos developed by members of the Farm Bill Working Group for use in small group meetings to spur debate on various issues.

DEVELOPED

farm bill recommendations based on the findings of the Farm Bill Working Group (16 state Farm Bureau and two AFBF staffers) and sent them to Congress.

ANALYZED

the effectiveness of current farm bill programs and projected how proposed changes would affect farmers and ranchers.

HOSTED

a listening session at Minnesota Farmfest with House Agriculture Committee Chair Michael Conaway (R-Texas) and Ranking Member Collin Peterson (D-Minn.) to gather input from farmers.

PUBLISHED

position papers on a broad range of issues for the upcoming farm bill debate.

PRESENTED

a revolutionary concept plan for a new Dairy Revenue insurance policy jointly developed with American Farm Bureau Insurance Services and other collaborators to the Federal Crop Insurance Corporation for approval to be offered to dairy farmers.

NEW AFBF TOOLS IN 2017



Market Intel Channel

Whether you market 10,000 or 10 million bushels, timely market intelligence reports by AFBF economists can help drive your success. Articles and analysis online:

www.fb.org/marketintel @FBMarketIntel



Congressional Scorecard and Voting Record

This new AFBF website app tracks congressional votes on key issues affecting America's farmers and ranchers:

scorecard.fb.org

- List of key vote results and Congress member's positions
- Each vote was selected based on issues in AFBF's Strategic Action Plan
- AFBF rates each Congress member based on how often his or her votes supported AFBF positions



TAX REFORM

Tax policies to support and preserve agriculture are critical. Comprehensive tax reform should help farmers cope with fluctuating input prices, uncertain weather and insect/disease outbreaks.



The need for comprehensive tax reform weighs heavily on AFBF Vice President Scott VanderWal, a farmer in South Dakota.

Isabella Chism of Indiana

Isabella Chism is a corn and soybean farmer who puts skills gained as vice chair of the AFB Women's Leadership Committee to good use when meeting with lawmakers. In July, she and other Farm Bureau leaders from across the nation participated in a Washington, D.C., fly-in to urge members of Congress to pass tax legislation beneficial to farmers and ranchers.

“Tax reform is critical for farmers and ranchers.” said Chism. “Reform is absolutely necessary so



Isabella Chism is one of many advocates urging recognition of farmers' and ranchers' unique financial challenges.

we can pass our farms and ranches down to our sons and daughters.”

Farm Bureau's “full court press” on tax reform was crucial to getting tax reform passed in the House and Senate, and it will continue until lawmakers enact final legislation that recognizes farmers' and ranchers' unique financial challenges. Farm Bureau supports replacing the current federal income tax with a fair and equitable system that encourages success, savings, investment and entrepreneurship.

Kalena Bruce of Missouri

Kalena Bruce is a multi-tasking beef cattle farmer, certified public accountant and chair of AFBF's Young Farmers & Ranchers Committee. She shared concerns young and beginning farmers have about tax policy with members of Congress during a Washington, D.C., fly-in.

“Farming is very risky,” said Bruce. “There are several big unknowns, like the weather and markets. Congress can help with permanent

tax reform that lowers the effective tax rate across the board for farmers and ranchers. For me, that means continuing cash accounting and the business interest expense deduction, and allowing immediate expensing.”

Farm Bureau seeks tax reform that will help all types of farm and ranch businesses, including sole proprietorships, partnerships and subchapter S and C corporations.



Kalena Bruce would like to see help from Congress in the form of permanent tax reform.

TAX POLICY IS PERSONAL

Scott VanderWal, a South Dakota farmer who serves as vice president of AFBF, told the House Ways and Means Subcommittee on Tax Policy he has seen the price of corn on his family farm go from as high as \$7.60 per bushel to as low as \$2.80 per bushel in the last 10 years. Nationwide, net farm income has been cut nearly in half since 2011.

“Reducing effective tax rates is the most important thing that tax reform can do to boost farm and ranch businesses. Every dollar that we pay in taxes is a dollar that could be reinvested back into our farm, help lift my community and contribute to a robust agricultural economy.”

AFBF in 2017

FOSTERED

grassroots action on tax reform, including a member fly-in to Washington, D.C.

ADVOCATED

tax priorities to House Speaker Paul Ryan (R-Wis.) during a private meeting with AFBF President Zippy Duvall.

EDUCATED

media about tax reform and its importance to farmers and ranchers due to their unique business challenges.

INVESTED

in public opinion research to gain understanding of Americans' views on tax reform, trade and farm policy.

DELIVERED

2,783 messages from grassroots members to Congress urging the introduction of legislation repealing estate taxes.

SUPPORTED

the Tax Cuts and Jobs Act to overhaul the nation's tax code.

DEVELOPED

economic analysis to guide AFBF's actions on key public policy issues.

REGULATORY REFORM

Overregulation by federal agencies burdens all of agriculture, touching everything on farms and ranches. Greater regulatory oversight by Congress coupled with greater transparency by federal agencies is critical.



Jim Holte of Wisconsin

For Jim Holte, a beef and grain farmer, the need for Endangered Species Act reform hits close to home. Interactions between farmers, their livestock, rural residents and wolves in his state continue to escalate “without a remedy in sight,” he noted.

“Reform of the ESA should include a focus on species recovery and habitat conservation that respects landowners,” said Holte, who serves as president of Wisconsin Farm Bureau, in testimony

to the Senate Environment and Public Works Committee.

Congress intended for the ESA to protect species from extinction but even after species have recovered, regulations and litigation often fail to allow them to be removed from protected status. The law is ripe for reform because it places a priority on keeping species listed rather than carrying out actual work related to recovery and habitat conservation.



Jim Holte, president of Wisconsin Farm Bureau, says the Endangered Species Act is ripe for reform.

WATERS ADVOCACY COALITION

#CLEANWATERCLEARRULES

For nearly a decade, AFBF has been actively involved with the Waters Advocacy Coalition, which most recently zeroed in on EPA's repeal and replacement of the 2015 WOTUS rule.

Waters Advocacy is a broad cross-section of small businesses, farmers, ranchers and job creators that represent virtually every segment of the American economy. Members seek a revised WOTUS rule that provides regulatory clarity, promotes clean water and protects jobs.

In 2017, Farm Bureau's sustained WOTUS campaign supported and amplified the Waters Advocacy Coalition's industry-wide efforts.

AFBF in 2017

PLAYED A LEADERSHIP ROLE

in the EPA and Army Corps of Engineers moving to rescind the 2015 Waters of the U.S. rule – grassroots members sent 18,492 messages urging repeal.

EDUCATED

media about the 2015 WOTUS rule's impact on farmers and ranchers and the changes that will be necessary in a new rule.

SUSTAINED

a targeted social media campaign to support withdrawal of the 2015 WOTUS rule. Monthly social media impressions on WOTUS and agriculture increased by 22 percent, from 3.6 million in July 2017 to 4.4 million in September 2017.

SUBMITTED

regulatory reform priorities to USDA as part of the agency's efforts to implement the president's regulatory reform agenda.

WON

a joint lawsuit with the National Pork Producers Council challenging EPA's release of personal information of thousands of livestock and poultry farmers in 36 states.

ADVOCATED

for enactment of the Regulatory Accountability Act of 2017, which requires cost-benefit analysis of proposed regulations, invites early public input and requires greater disclosure from federal agencies.

PROVIDED INPUT

at a White House meeting on regulatory reform.

NEW AFBF TOOLS



IN 2017

Online and Video

- Share Your Story Webpage – portal for collecting real-world examples of the challenges faced by America’s farmers and ranchers, for sharing with lawmakers www.fb.org/advocacy/share-your-story/
- Resources to support Farm Bureau’s position on the Waters of the U.S. rule (WOTUS) bit.ly/2x7aG5G
- Resources to support Farm Bureau’s position on the 2018 Farm Bill bit.ly/farmbillresources
- Video to support Farm Bureau’s position on Tax Reform bit.ly/taxreformvideo
- Video to support Farm Bureau’s position on Agricultural Labor bit.ly/aglaborvideo



Photo by: Sharon Arnold, MOFB



Photo by: Ann Oliver, NYFB

TRADE

Working for greater access to global markets for U.S. farm goods is a priority. Progress is possible through maintaining the benefits of current agreements, reaching new agreements and enforcing existing commitments.



A joint press conference hosted by AFBF and Canadian and Mexican farm groups was well attended. Their message: NAFTA re-negotiations should aim to modernize the agreement, rather than dismantle it.

Jason Perdue of Nebraska

Jason Perdue, a row crop, beef and poultry farmer, and active Farm Bureau member in Nebraska, has seen first-hand how the North American Free Trade Agreement has been a boon to trade in farm goods. Ag exports from Nebraska reached \$1.5 billion in 2016 alone, Perdue told the House Ways and Means Subcommittee on Trade.



Jason Perdue has seen for himself how NAFTA has boosted trade in farm goods.

“NAFTA has been beneficial for farmers, ranchers and associated businesses all across the United States, Canada and Mexico for decades.” NAFTA helped quadruple ag exports to Canada and Mexico, from \$8.9 billion in 1993 to more than \$38 billion in 2015.

Hope Pjesky of Oklahoma

Hope Pjesky grows wheat and raises beef cattle with her family. As a farmer, she's saddened at the way anti-trade rhetoric has escalated in the media and political climate over the last few years. Pjesky is a graduate of AFBF's Partners in Advocacy Leadership program.

"International trade is incredibly important to hundreds of thousands of American farm and ranch families, including mine. With 95.6 percent of the world's consumers living outside the U.S.,



Hope Pjesky depends on international trade to sustain her family farm.

family farmers like me depend on international trade to make our businesses sustainable.

"The next time you hear that trade is bad for American businesses, take a moment to consider the safe, affordable food you enjoy every day, and imagine for a moment what your shopping cart and dinner table might look like if a lack of trade opportunities forced American farms out of business."

AGRICULTURE DEFENDS TRADE

In a Forbes article on the importance of trade to agriculture, the writer turned to AFBF President Zippy Duvall for insight.

“Trade is critical to the livelihood of the U.S. agricultural sector because it spurs economic growth for our farmers, ranchers and their rural communities,” Duvall told Forbes. He also noted that 95 percent of the world’s consumers live outside of the United States and more than 20 percent of U.S. farm income is based on exports. “Agriculture supports jobs in the food and agricultural industries and beyond,” Duvall said.

AFBF in 2017

ISSUED A CALL TO ACTION

for Farm Bureau state presidents to press President Trump to maintain the Korea - U.S. Free Trade Agreement.

PARTICIPATED

in trilateral meetings on trade with leaders from Canada and Mexico.

EDUCATED

media about the vast opportunities that NAFTA has created for agricultural trade for America’s farmers and ranchers.

ADVOCATED

for the U.S. government to protect U.S. agricultural interests in the North American Free Trade Agreement. Any renegotiation must protect the gains achieved in agricultural trade and work to remove remaining barriers to trade with Canada and Mexico.

HOSTED

the North American and European Union Agricultural Conference, a prestigious international event that provided an opportunity to build lasting relationships to further opportunities for U.S. agriculture in the global market.

A G L A B O R R E F O R M

Without access to an adequate and stable workforce, many farmers are forced to leave fresh produce to rot in the fields. Others struggle to find workers to help care for livestock.



The Mosbys of Washington State

The farm workforce is dwindling, and even with higher wages, it's hard to find enough workers for harvest. Burr and Rosella Mosby were forced to abandon a field of zucchini squash on their farm just south of Seattle when their workforce came up 25 percent short.

“We need more options,” said Rosella in talking about the guest worker visa program. She has found there is an availability of foreign workers ready to come work in agriculture, but the current system does not give farmers or workers the flexibility needed to fill farm jobs. The Mosbys



Rosella and Burr Mosby estimate a workforce shortage cost them \$100,000 in 2017.

estimate their workforce shortage will cost them \$100,000 in lost profits and productivity.

An AFBF economic study found that as much as 60 percent of U.S. fruit and vegetable production would move to other countries if there is more enforcement of worker eligibility requirements without a solution to problems with current agricultural labor programs. Consumers also would feel the impact of an enforcement-only option, with an increase in food prices of 5 to 6 percent.

SOLVING THE AG LABOR PROBLEM

AFBF's Paul Schlegel, director of environment and energy policy, was quoted in a Bloomberg BNA article on farmworker availability. Schlegel explained that Farm Bureau "would continue to work with the administration to find a way to overhaul immigration policy in a way that retains farm workers," noted Bloomberg.

Schlegel suggested: "It is critical that the problem be solved both in the short and long-term." Further, "Providing a path to legal status for current agricultural workers clearly is one aspect of the problem that must be solved, and we welcome constructive dialogue and proposals that seek to address this issue," he said.

AFBF in 2017

ADVOCATED

for reform – grassroots members urged elected officials to help secure the availability of agricultural labor to tend and harvest crops and livestock.

SUPPORTED

the AG Act, a bill sponsored by House Judiciary Committee Chairman Bob Goodlatte to allow currently undocumented farm workers to apply for visas to work legally on farms.

SHARED

the plight of the Mosbys and other farmers through videos and social media outreach, with more than 62,000 views of the Mosby Farm video on Facebook alone.

URGED STABILITY

through the creation of a new market-based visa program that is available to both seasonal and year-round farmers, is administered by the Agriculture Department and provides flexibility for employers and workers by allowing contract and at-will employment options.

GRASSTOPS IN ACTION



A total of 14 farmers and ranchers, including AFBF President Duvall, met at the White House with President Trump, Vice President Mike Pence and Agriculture Secretary Sonny Perdue for a roundtable discussion in April. Duvall and other attendees gathered at AFBF prior to the roundtable.



AFBF President Duvall and Korean Ambassador Ahn discussed agricultural trade under the Korea-U.S. Free Trade Agreement at a meeting hosted by AFBF.



AFBF President Duvall (right) responds to reporter questions about NAFTA at a joint press conference hosted by AFBF and Canadian and Mexican farm groups.



AFBF Executive Vice President Julie Anna Potts recognized 15 farm and ranch women leaders as graduates of the organization's eleventh annual Women's Communications Boot Camp in October.



AFBF President Duvall made time for a broadcast media interview at AFBF's Advocacy Conference.



Sen. Rob Portman (R-Ohio), co-sponsor of the Farm Bureau-backed Regulatory Accountability Act of 2017, addressed state Farm Bureau presidents at the Council of Presidents meeting.



AFBF Director of Market Intelligence Dr. John Newton fields a question about the concept plan for a new Dairy Revenue insurance policy at the Council of Presidents meeting.



Farmers and ranchers across the nation have shared their stories with President Zippy Duvall as he met with grassroots members in every state to hear their concerns and see their operations firsthand.



President Trump signed the executive order to reconsider the 2015 Waters of the U.S. rule on Feb. 28. AFBF President Duvall was honored to attend.

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