



AMERICAN FARM BUREAU FEDERATION®

BRIEFING BOOKLET

for the 117TH CONGRESS

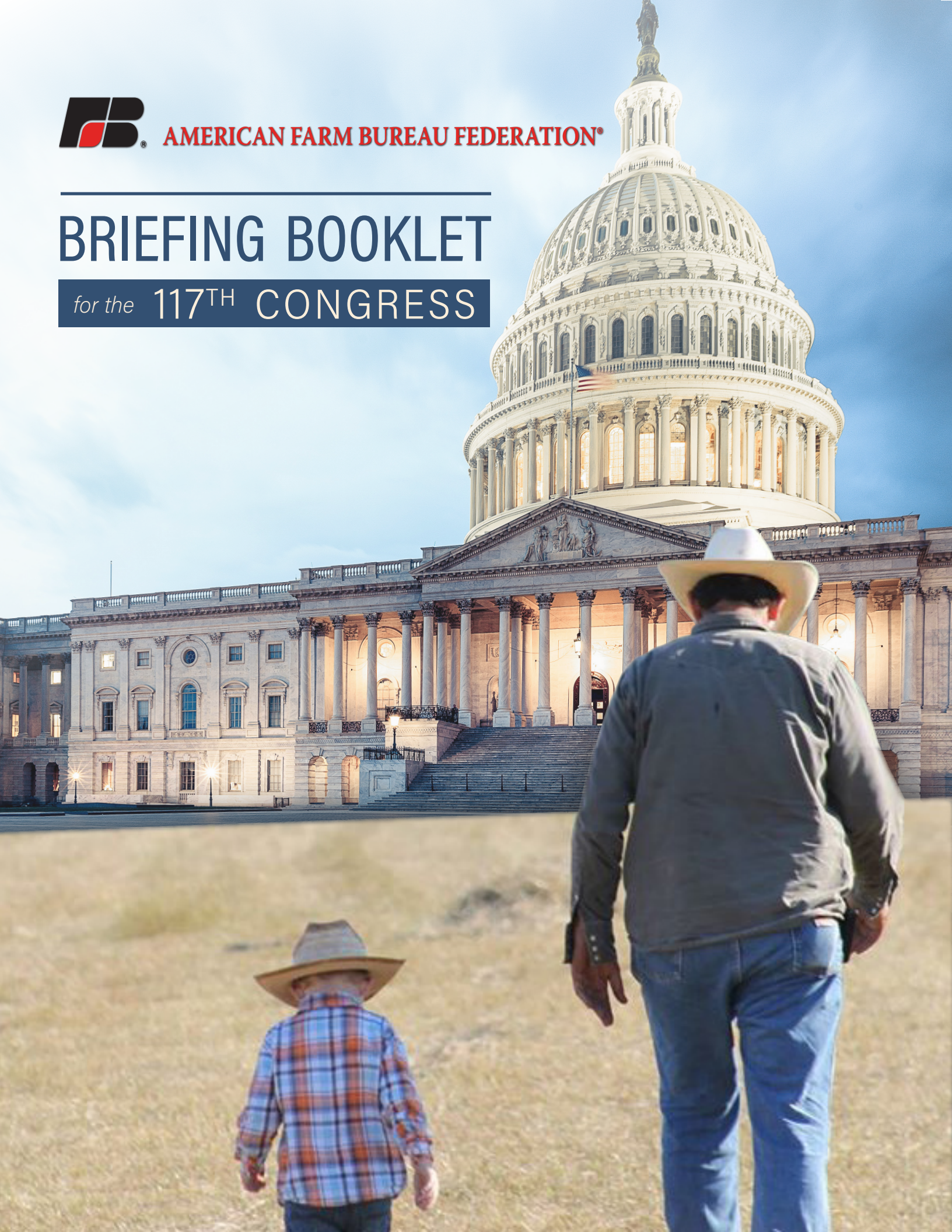




Photo by R. Mosby, WAFB

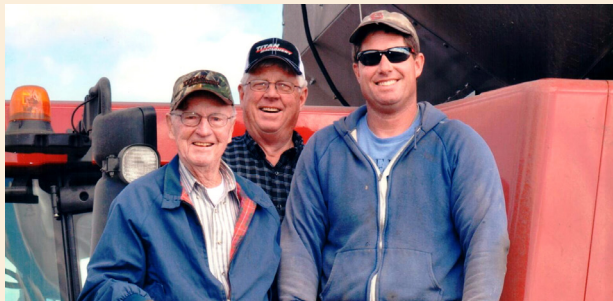


Photo by K. Doolittle, IAFB



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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.

Cover photo:
Farther and son by M. Cribbs, FLFB
Capitol building by Getty Images/uschools



WELCOME FROM AFBF PRESIDENT DUVALL

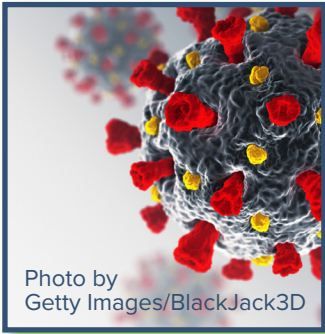
On behalf of America's farmers and ranchers, thank you for your service to your communities and states across the country. While some of you may come from areas where few farms dot the landscape, each of your constituents back home shares an interest in the success of U.S. agriculture. Farmers and ranchers 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 wellbeing of our nation today and for generations to come.

The American Farm Bureau Federation represents farmers and ranchers from all 50 states and Puerto Rico, and our grassroots organization has 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. Our Farm Bureau family is also proud to support food banks across the nation with donations of food, funding and volunteer hours. In fact, we've donated more than one million pounds of food during the pandemic.

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



IMPACT OF COVID-19

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 nation. We did not do this work alone, but kept our nation fed thanks to essential workers across the supply chain, including employees on the farm, in meat-packing plants, in the transportation industry and at the local grocery store.

Food Security

The pandemic has 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. What that means in terms of permanent changes to the food supply chain requires thoughtful analysis. 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.

Supply Chain

While our nation experienced temporary disruptions and limitations in certain products, our overall food supply remained secure thanks to our national investment in agriculture. These disruptions, long lines at food banks, and backlogs in processing were frustrating to consumers and farmers alike. No farmer wants to see waste, especially when there is great need. COVID-19 created unprecedented challenges not just for agriculture, but all industries, and no one knows the final effects yet. We must work together to address the shortcomings in the system and carefully assess what changes may be needed.

Farm Employees

Unlike many jobs in America today, you cannot do farm work from home. Across the food chain, we saw and participated in an enormous undertaking to keep farm and processing plant employees

safe during the pandemic. Farms across the country instituted a range of safety measures, from providing PPE and hosting daily briefings to regularly sanitizing equipment and housing and posting signs about social distancing. As many essential farm employees are guest workers, we must ensure migrant health centers are fully equipped to provide care and resources.

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. All Americans should be able to safely access the same essential services as their urban and suburban neighbors.

Farm Economy

U.S. agriculture was already facing a poor economy for the seventh straight year when the global pandemic hit. 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 from the sales of crops and livestock are projected to be the lowest in more

than 10 years. Despite farm support in response to COVID-19, natural disasters and retaliatory tariffs, U.S. farm bankruptcies continued to increase at a rate of 8% over most of 2020. Farm sector debt is projected to increase to a record \$434 billion this year. Every year since 2012, debt-to-asset levels have climbed higher, and today the debt-to-asset ratio is projected at nearly 14% and is the highest since 2002. Current working capital levels have declined sharply in recent years and now stand 55% lower than a decade ago. The low level of working capital suggests that many U.S. farmers have just enough capital to service their record amount of short-term debt.

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.



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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 reduces water, fertilizer and pesticide use, allowing farmers to reduce tillage for better soil, water and air quality. Today, roughly 90 percent 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 is safe, 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 demanding unnecessary and misleading labeling mandates.

Gene Editing

Gene editing is a method of 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 help 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.



Photo by Getty Images/lovelyday12

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 renewable energy sources such as ethanol, biodiesel, biomass, solar and wind are critical to our nation's energy future and will further strengthen the overall national security of the United States. The production and use of agriculture-based fuel, including corn and cellulosic ethanol and biodiesel are key to our domestic energy supply.



Photo by C. Yoder, OHFB

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 improves certainty for 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 Beyond the Farm:

- **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 more than 21 million U.S. jobs (that's 11 percent of U.S. jobs) and contributed \$1.05 trillion to U.S. gross domestic product in 2016.
- **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.
- **Farm-to-Table:** We all depend on the success of American agriculture. America's farmers and ranchers need strong farm programs to weather the current economic downturn, deal with Mother Nature and keep food on our tables.



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.

Aside from COVID-specific relief, agricultural 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 both from federal regulations and court rulings. Everyone—farmers and ranchers, lawmakers, regulators, environmental activists, 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, conservation incentives and market-based and watershed-specific approaches.

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 levels. 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.



Photo by J. Picco, VAFB

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

Past infrastructure initiatives often focused on urban and suburban areas while not adequately addressing the unique needs of rural communities. Meanwhile, rural communities have seen their infrastructure deteriorate, jeopardizing jobs, health and wellbeing, and overall competitiveness in agriculture and other industries important to rural America. Farmers' and ranchers' ability to meet domestic demands and compete globally depends on a robust and reliable infrastructure, including roads, inland waterways, ports, railways and broadband.

Rural Broadband

For many rural Americans, important education and health care resources have become more distant throughout the COVID-19 pandemic due to failing infrastructure and lack of broadband. More than 88% of rural counties in the U.S. are medically underserved, according to federal data, and more than a quarter of rural Americans still lack broadband access.

Hospitals across the country were hit hard by COVID-19, but rural hospitals operate with small budgets to begin with, so the cancellation of elective procedures and routine appointments was particularly damaging. This has made the need for telehealth technology in rural hospitals even more apparent.

Social distancing needs this year highlighted the importance of increased access to broadband not

only for rural health care, but also for education and farming. Students shouldn't have to go to a fast-food parking lot to do their homework. Now, more than ever, 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.

Congress must significantly increase funding for federal broadband programs because federal data estimates it will cost \$80 billion to provide universal broadband access throughout the United States.

Rural Stress and Mental Health

The recent pandemic, challenging weather, destructive pests, trade disputes, labor shortages and market volatility over the past few years have brought an unprecedented level of pressure on America's farmers. 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 increase access to mental health services in rural America, reduce the stigma surrounding the topic of mental health, and provide relevant information to farm families on this important topic.

Sustainability and Climate

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 in 2018.

U.S. agriculture is low in greenhouse gas emissions, contributing less than 10% of GHGs, and farmers and ranchers are taking proactive steps to make their footprint even smaller through conservation programs, precision technology and sustainable farming practices that protect our natural resources. 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.



Farming and ranching 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 volatile 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 TCJA permanent is needed.

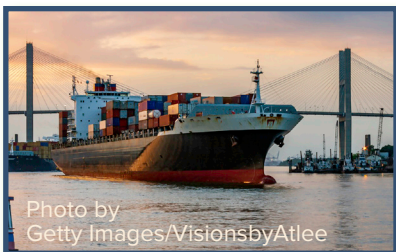


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TRADE

With the ongoing challenges facing American farmers and ranchers, an active trade agenda that seeks to expand market opportunities is critically important. 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. Non-tariff trade barriers, foreign currency devaluations, trade-distorting foreign subsidies and dumping on global markets make many U.S. agricultural products less competitive in global markets, and in some cases domestically, than ever before.

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 the U.S.-Mexico-Canada Agreement have set the stage for modern trade agreements that enhance science-based standards for 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 growing markets.

CONCLUSION



All Americans want to protect our nation's ability to produce a safe, sustainable food supply. If there was ever a doubt, it was wiped away as we faced empty shelves in grocery stores across the country in the spring of 2020. Thankfully, those disruptions were temporary, and we can all work together to ensure America's pantry remains full.

Photo by M. LoBiondo, AFBF



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