



— A F B F —

2018 IMPACT REPORT



AMERICAN FARM BUREAU FEDERATION®



Our impact as farmers and ranchers united through Farm Bureau is greater than ever. Thanks to our grassroots members and team of staff experts, Farm Bureau has advanced our issue priorities. From enacting a new farm bill and reducing unnecessary regulations to preserving key export markets and growing the use of farm-grown fuel, Farm Bureau achieved several of our members' policy goals in 2018.

Farm Bureau members worked for these policy wins just as many of them struggled with challenges from the farm economy, natural disasters and uncertainty on the trade front. This is a testament to the endurance of farmers and ranchers, and to their well-placed confidence in the nation's largest general farm organization—their national Voice of Agriculture® They know that being a member of Farm Bureau and engaging in our advocacy work has a positive impact on their farms, their families, their communities, and our nation's food security.

As you look through this Impact Report, as a Farm Bureau leader I hope you are proud. As a Farm Bureau partner and supporter, I hope you are visionary in thinking of ways we can have an even larger impact together. As an American, I hope you are grateful, as I am, for those who work every day to feed, clothe and fuel our great nation.

VINCENT "ZIPPY" DUVALL — AFBF PRESIDENT

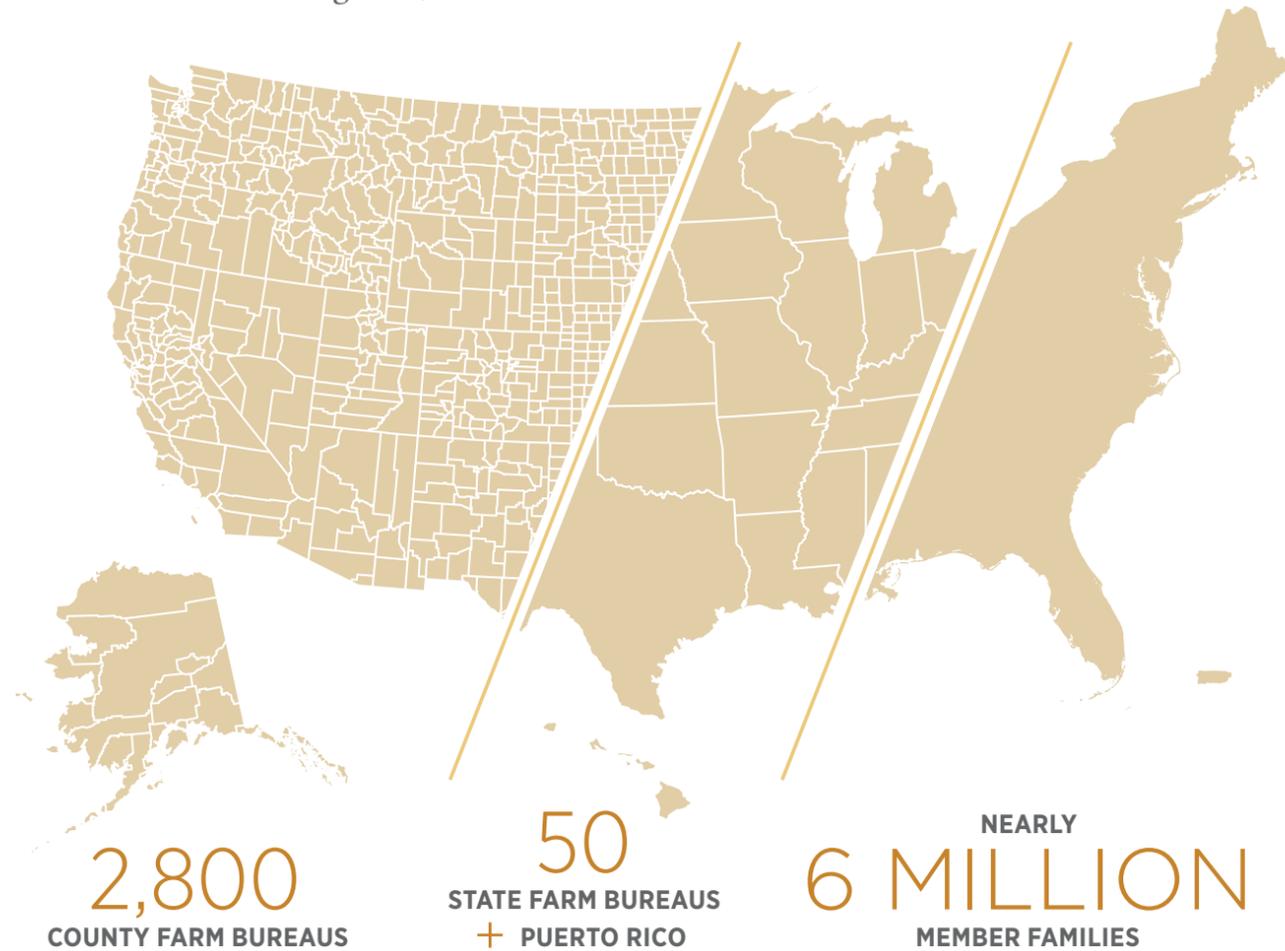
Zippy Duvall

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.



— AMERICAN FARM BUREAU —
THE VOICE OF AGRICULTURE®

Active and engaged farmers and ranchers energize the American Farm Bureau Federation. The power of Farm Bureau's state affiliates and grassroots members is in advocating for public policies that protect and defend farm and ranch families, the rural communities where they live and the citizens they serve. While the bedrock of AFBF is policy development and implementation, members are fortified by building blocks that range from leadership development and consumer engagement to legal advocacy and member services. That comprehensive framework makes AFBF the Voice of Agriculture.



POLICY DEVELOPMENT

AFBF has a long and proud history of analyzing policy proposals, including their potential pitfalls and unintended consequences. Since its inception in 1919, AFBF has been defined by a true grassroots policy development process. Every January, farmer and rancher delegates set AFBF's formal policy agenda after deliberation on and anticipation of the challenges and opportunities facing agriculture.

AFBF's Issue Advisory Committees provide an avenue for Farm Bureau's grassroots leaders to contribute their expertise on specific issues to the organization's policy development process. Committees deliberate on a broad range of issues including farm policy, agricultural labor, water, energy, technology and animal care, providing advice and counsel to the AFBF board of directors on policy-related actions AFBF might take, recommendations for state Farm Bureau policy development, and policy recommendations to the AFBF Resolutions Committee.



POLICY IMPLEMENTATION

Following the delegates' work at the annual meeting, the AFBF board of directors interprets policy and empowers the AFBF staff to proceed with strategic action plans. The resulting work amplifies Farm Bureau's grassroots policy goals to leaders in all branches of government, through the news media and to the broader American society.

AFBF's strategic action plan goals for 2018, served as the focus of intensive and coordinated organizational engagement throughout the year:

FARM POLICY:

Enact a farm bill in the 115th Congress that benefits farmers and ranchers, rural communities and food security.

IMMIGRATION REFORM:

Enact immigration reform in the 115th Congress that helps meet farmers' and ranchers' labor needs.

REGULATORY REFORM:

Work for reform to ensure that federal rules are limited to what is necessary, are supported by science, appropriately balance costs and benefits, are clearly authorized by law, are created in a transparent manner and allow farmers and ranchers to remain productive.

TRADE:

Defend and expand trade opportunities for U.S. agriculture.



FARM POLICY

— W I N S —

Advocating for enactment of a farm bill in the 115th Congress that benefits farmers and ranchers, rural communities, and food security was a top strategic action plan goal for AFBF in 2018. Intense, coordinated efforts to advance other farm policy goals also took center stage throughout the year.

FARM BILL

Congress passed the 2018 farm bill and the president signed it in December. Completion of the 2018 farm bill marks the first time in nearly 30 years that a farm bill was enacted within the year for which programs were authorized.

The farm bill provides five years of certainty while protecting spending and staying budget neutral.

Within those confines, improvements were made to risk management programs and protected crop insurance.

The legislation also provided funding for much needed trade development and makes investments for the future by funding agricultural research.

Improved dairy support programs. Provisions in the bill will strengthen dairy risk management tools, by making them more affordable and providing higher levels of coverage.

Inclusion of the Precision Agriculture Connectivity Act. This creates a task force focusing on the broadband connectivity and technology needs of precision agriculture.

IN 2018, AFBF ALSO:

Worked with the USDA's Risk Management Agency to develop a new Dairy Revenue Protection insurance program for milk producers.

Lobbied to remove the arbitrary financial cap on livestock insurance subsidies, making livestock insurance widely available for all farmers and ranchers.

Supported the inclusion of seed cotton in farm support programs.

in the news

WHY THE FARM BILL MATTERS

AFBF President Zippy Duvall appeared live on Fox Business to talk about the farm bill and what it means for farmers and ranchers across the country. He also explained why farmers are especially concerned by the prospect of a trade war with China.

FARM BILL PROGRESS

The Washington Post quoted Dale Moore, AFBF's executive vice president, in an article about the tentative farm bill deal reached at the end of the year. "Reaching an agreement gives farmers and ranchers certainty that a farm bill is getting done and will help them weather the economic storms in their way," Moore told the Post. "It's especially important as banks are beginning to look with farmers at the next financial year."



IMMIGRATION REFORM

— W I N S —

Securing legislative reform that provides access to a legal and stable agricultural workforce in the short- and long-term remains a priority. Immigration reform must maintain agriculture’s current experienced workforce and create a new flexible guest worker program.

Across the nation, farmers say that an insufficient workforce is a top constraint, if not the main limiting factor to their growth, productivity and ability to sustain their farms for the next generation.

Agricultural labor legislation introduced in 2018, although it did not succeed, was the most promising effort in years to advance the issue.

AFBF worked with House Judiciary Committee Chairman Bob Goodlatte to reach a compromise on ag labor and immigration



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

reform legislation to allow a bill to be introduced and move forward through the legislative process.

AFBF worked with the Labor and Agriculture departments on reforms to the H-2A program that would allow farmers and ranchers with critical labor needs to use the program.

in the news

E-VERIFY AND GUEST-WORKER REQUIREMENTS

The Wall Street Journal quoted AFBF’s Paul Schlegel, managing director of public policy, in an article on the immigration debate. “We do not support E-Verify unless there is a fully functioning guest-worker program,” Schlegel told the Journal.

STATUS QUO NOT ACCEPTABLE

The Wall Street Journal published President Zippy Duvall’s response to the paper’s lead editorial, which dismissed out of hand Rep. Goodlatte’s H2-C bill (essentially extending the H2-A program). “The House is one step in the legislative process,” Duvall wrote. “While there are key issues not adequately addressed in the Goodlatte bill, those imperfections can be addressed in the Senate, and the Farm Bureau intends to do that. But we need that opportunity. If nothing advances, we are left with the status quo. That is simply unacceptable.”



REGULATORY REFORM

— WINS —

Overregulation by federal agencies burdens all of agriculture. Reform must ensure that federal rules are limited to what is necessary while allowing farmers and ranchers to remain productive.

Livestock haulers were granted an exemption from the Electronic Logging Device mandate through Dec. 7, 2018, thanks to the work of Farm Bureau. AFBF continues to seek long-term regulatory relief for commercial drivers hauling agricultural commodities, especially livestock, that will suffer from transportation delays.

AFBF and partner organizations have requested that the Labor Department provide a five-year exemption from the ELD



Mississippi Farm Bureau President Mike McCormick testified to Congress about how landowners partner with state agencies to recover and conserve wildlife, including endangered and threatened species.

mandate and underlying Hours of Service rules, and successfully worked with Congress to introduce legislation to provide regulatory relief for livestock haulers.

At Farm Bureau's urging, the Environmental Protection Agency published a notice asking for comments on the legal and policy reasons to repeal the 2015 "waters of the United States" rule. AFBF developed and submitted comments to support repeal. AFBF also led several efforts to challenge the flawed 2015 WOTUS rule in our nation's courts. All told, we spent five years advocating for a new rule that protects clean water and provides clear rules. Those years of effort bore fruit in December, when EPA and the U.S. Army Corps of Engineers introduced the new Clean Water Rule proposal.

President Donald Trump directed the EPA to begin rulemaking to allow year-round sales of E15 (fuel containing 15-percent ethanol). Currently, E15 cannot be sold during summer months in many states. Farm Bureau supports higher blends of ethanol.



AFBF President Zippy Duvall spoke and state Farm Bureau presidents attended an event at EPA headquarters when the new Clean Water Rule was signed.

The 2018 omnibus spending bill included a permanent fix for the Comprehensive Environmental Response, Compensation and Liability Act reporting requirements for farmers and ranchers. The bill included language clarifying that air emissions from animal waste at a farm are not subject to the act and farmers and ranchers do not need to report those emissions.



A recent wave of nuisance lawsuits targeted North Carolina hog farms.

Farm Bureau succeeded in sounding the alarm about the growing threat that “nuisance” lawsuits pose for agriculture. Trial lawyers’ success and multimillion-dollar payouts in North Carolina hog farm cases are sure to fuel similar lawsuits around the country. Farm Bureau is working with state Farm Bureaus and allied agricultural organizations to review and strengthen state “right-to-farm” laws to protect farmers and ranchers from the threat of frivolous lawsuits. AFBF also helped overturn a gag order in a North Carolina case that prevented farmers from speaking out and defending themselves.

Following months of lobbying and encouragement of key allies in the Congressional

Western Caucus, Congress introduced a package of nine Endangered Species Act reform bills. AFBF organized broad coalition support for the bills, which culminated in media events, legislative hearings and a successful markup in the House Natural Resources Committee of five of the bills. In the Senate, AFBF actively participated in the development of ESA reform legislation with

in the news

REFORMING THE ESA

CNN Money quoted AFBF’s Ryan Yates, director of congressional relations, in an article about Endangered Species Act reform. “Critics cite the gray wolf, which has made an incredible recovery in the West and Midwest since being on the edge of extinction in the 1970s,” said Yates. But the gray wolf is still listed as endangered. “Farmers are fearful of their lives, of their children’s lives, and they’re watching species like wolves sport-hunting their dairy cows.”



California Farm Bureau President Jamie Johansson (center) emphasized the need for ESA reform in testimony to Congress.

Environment and Public Works Committee Chairman John Barrasso. The EPW process has largely mirrored the ESA modernization principles endorsed by the Western Governors Association – an effort supported by AFBF and western state Farm Bureaus.



AFBF leaders met with President Trump, Vice President Mike Pence, Agriculture Secretary Sonny Perdue, U.S. Trade Representative Robert Lighthizer and other members of the administration numerous times to advocate for trade goals. Farm Bureau has had unprecedented access as the farmer's and rancher's voice at the White House on numerous issues, especially trade.



(Left) President Trump addressed Farm Bureau members at AFBF's annual convention in January.

(Above) State Farm Bureau presidents met with President Trump and Vice President Pence to express their concerns over trade.

Farm Bureau successfully advocated for the U.S. to remain in the North American Free Trade Agreement until a newly negotiated agreement could be reached and ratified with Canada and Mexico.

President Trump announced in September that the administration had reached a new agreement, the United States-Mexico-Canada Agreement to modernize and improve upon NAFTA, including addressing Canada's unfair dairy tariffs, agreeing on science-based rules for approving new biotech traits, and other measures. The presidents of the three countries signed the new trade deal in November.

Farm Bureau and partner groups persuaded the administration to remain in the U.S.-Korea Free Trade Agreement. U.S. exports of beef and other agricultural goods have grown significantly under the KORUS agreement.

Farm Bureau urged the Trump administration to "go on offense" and try to reach new trade agreements with countries or regions

where the U.S. doesn't have them, such as in Japan, the European Union and the United Kingdom (as it exits from the EU). In October, the president announced that the U.S. would begin negotiations with these countries and regions.

Farm Bureau successfully urged the Trump administration to provide some measure of relief to farmers and ranchers affected by reduced demand for key farm exports due to retaliatory tariffs. While the tariff mitigation package the administration provided does not make up for all market losses, it helps farmers hold on a bit longer, to give the president and his trade team more time to let their strategy of tariff pressure work to achieve a fairer trade relationship with China and other countries that have used unfair practices for decades.



AFBF Economist Veronica Nigh shared insights about AFBF's positions on trade during several RFD-TV interviews.

A series of Market Intel updates provided economic analyses of how the trade war is affecting the entirety of U.S. agriculture. This included tariff profiles of specific commodities including soybeans, corn, cotton, durum wheat, apples, pistachios, sweet cherries, shelled almonds, beef, pork and hides.

in the news

U.S.-CANADA DAIRY TRADE

USA Today quoted AFBF Economist Veronica Nigh in a story that covered the likely effects of the U.S.-Canadian trade negotiations on the dairy market. "The likelihood that a revised NAFTA will resolve the low prices that U.S. dairy farmers have been experiencing the last several years is fairly limited," she said.

CONTEMPLATING KORUS

Bloomberg cited President Zippy Duvall as well as AFBF economic analysis in a piece on the U.S.-Korean trade agreement. "'Renewal of our trade deal with South Korea is much-needed good news and help for our farmers and ranchers as the agricultural economy struggles,' Zippy Duvall, the federation's president, said in a statement. 'Securing export markets for our products is critical, and we encourage the administration to continue to push for conclusion of other trade agreements.'"

GRASSROOTS ADVOCACY

— INFLUENCE. ACTION. IMPACT. —

Farm Bureau is the recognized advocacy leader for farmers and ranchers. The strength of FB advocacy is Farm Bureau members who unite to speak out on issues of concern for the nation's farmers, ranchers, rural Americans and consumers.



How to increase your effectiveness as a champion for agriculture is clearly laid out in the Advocate's Tool Kit.

In cooperation with state Farm Bureaus, AFBF developed a new digital advocacy tool kit to empower advocates on Farm Bureau issues. This resource is available on the Advocacy page on the AFBF Voice of Agriculture website at www.fb.org/advocacy/advocates-tool-kit/.



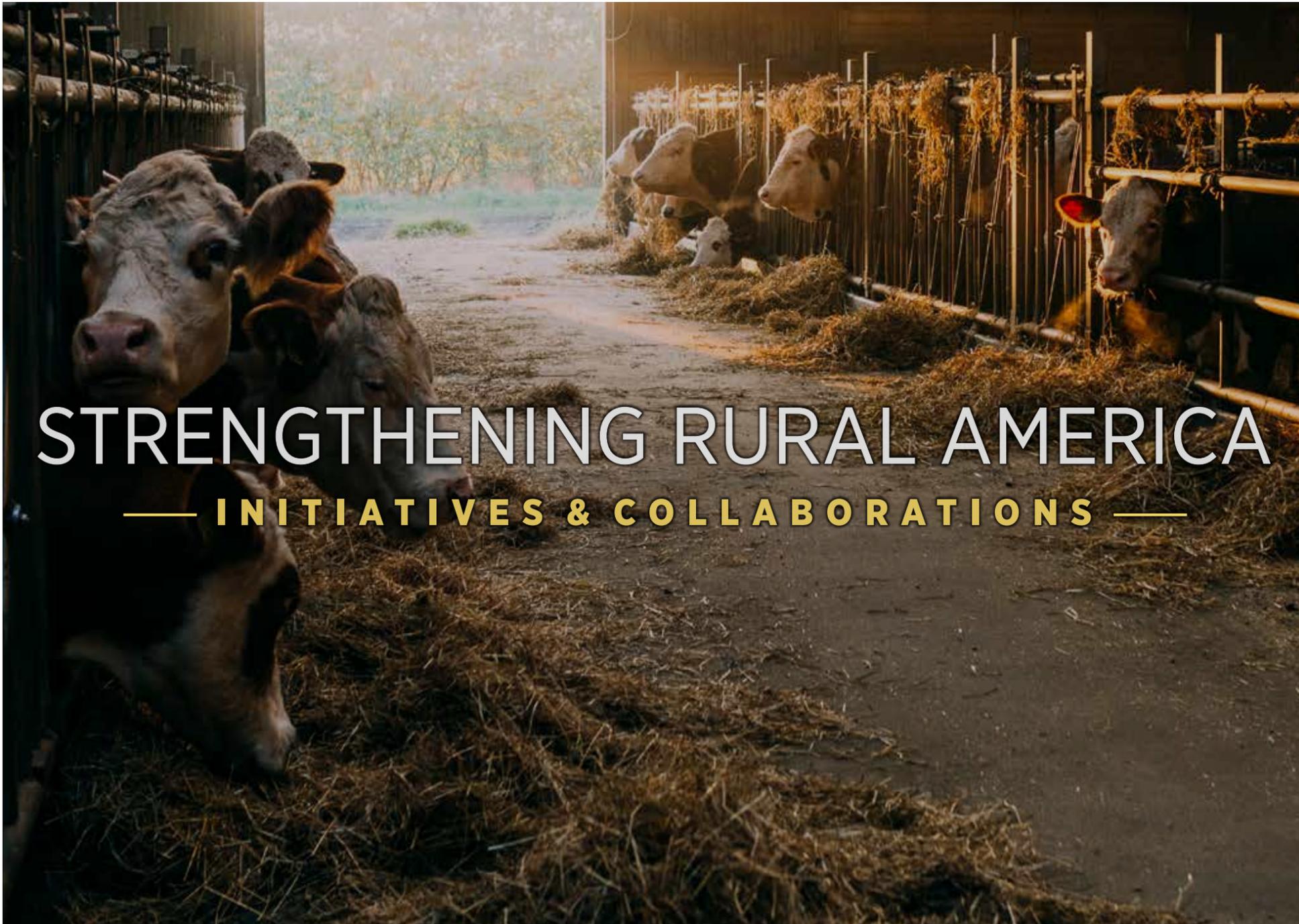
AFBF President Zippy Duvall encouraged everyone to vote in the 2018 midterm elections.

Well in advance of the midterm elections, AFBF launched a national effort to remind everyone to vote and make their voices heard. This included an easy-to-navigate website to find polling locations, apply for an absentee ballot, vote early if allowed and even register to vote. Farmers, ranchers and other rural residents were encouraged to take the PLEDGE TO VOTE and share the #Vote4Ag and #iFarmiVote hashtags on social media.



Julie White, a fifth-generation farmer from Mississippi and member of AFBF's GO Team, demonstrated how easy it is to use your smartphone to advocate during remarks by AFBF President Duvall at annual convention.

Members of the Grassroots Outreach Team are key policy and media advocates who have completed high-level training sessions and leadership development programs provided by AFBF. The 270-member GO Team is made up of farmer and rancher members who participate in special advocacy efforts throughout the year.



STRENGTHENING RURAL AMERICA

— INITIATIVES & COLLABORATIONS —

AFBF's programs and initiatives beyond the policy arena enrich the rural communities where grassroots members live and work.

Through Farm Town Strong, AFBF is raising awareness about the epidemic of opioid addiction in rural America and providing solution-focused information and resources to farm families. www.farmtownstrong.org

Government officials and experts on addiction and substance abuse have credited the program, since expanded to include FFA and 4-H as strategic partners, for raising awareness

of the crisis in rural areas, providing resources and information to help farm families, and encouraging farmer-to-farmer cooperation to overcome the crisis. AFBF has teamed with National Farmers Union to launch Farm Town Strong and has worked closely with USDA Rural Development since the campaign began, participating in stakeholder meetings and USDA roundtable listening sessions with farmers throughout the year.

Rural entrepreneurs competed for \$145,000 in startup funds in the 2018 Rural Entrepreneurship Challenge, which focuses exclusively on U.S. rural entrepreneurs launching food and agriculture businesses.

In September, AFBF joined the new Coalition to Protect and Promote Association Health Plans. As a member of the steering committee, AFBF will help shape the coalition's advocacy strategy and policy priorities.

AFBF was instrumental in securing \$600 million in fiscal 2018 for USDA's Rural Utilities Service to create an e-Connectivity Pilot Program, leveraging federal funds to increase private investment and bring broadband



AFBF announced the finalists in the 2018 Rural Entrepreneurship Challenge at an event in Washington, D.C.

to unserved rural areas. AFBF President Zippy Duvall joined the board of directors of Connected Nation, a nonprofit organization working to expand access and use of broadband and related technologies.

The U.S. Supreme Court's ruling that states have the authority to require retailers to collect and remit sales taxes on remote internet sales is a victory for Main Street retailers and local stores. The ruling in *South Dakota v. Wayfair* overturned a 1992 precedent that only allowed



AFBF President Zippy Duvall, National Farmers Union President Roger Johnson and Anne Hazlett, assistant to the secretary for rural development at USDA, visited the "Prescribed to Death" memorial in Washington, D.C.

a state to mandate the collection of sales taxes from online merchants that maintained a facility inside the state's borders. AFBF joined South Dakota Farm Bureau in filing a brief in support of South Dakota.

AFBF and other partners collaborated with the CropLife Foundation and Meredith Agrimedia to launch the "No Taste for Waste" campaign.



No Taste for Waste promotes gleaning and other activities to fight food waste.

The campaign connects consumers to real farmers like Washington state apple growers April Clayton, a member of AFBF's current Partners in Advocacy Leadership class, and her husband Mike. They work hard to use sustainable practices and act as good stewards of the land, while reducing



Agriculture Secretary Sonny Perdue presented AFBF President Zippy Duvall with the Distinguished 4-H Alumni Medallion during the 9th annual National 4-H Council Legacy Awards. Duvall was recognized for his life-long support of investing in young people with a demonstrated interest in not only farming and ranching but also agri-business and food-related careers.

food waste. The campaign also featured Tennessee farmer Brandon Whitt (PAL graduate), who uses GPS technology to target just the right amount of inputs such as fertilizer to only the areas of a field where they are needed, and Pennsylvania dairy farmer Brett Reinford, who uses methane digesters to transform non-edible food waste into energy.

An AFBF-National 4-H Council collaboration to support agricultural education and highlight the impact agriculture plays in our daily lives continued with cross-promotion of initiatives including the Purple Plow Challenge and Raise Your Hand for 4-H.

An AFBF-FFA collaboration to grow leaders, build communities and strengthen agriculture



Landowners and farmers are uniquely situated to support the monarch, as the majority of the land along the migration path in North America is in private hands.

was expanded, with work ongoing across a number of organizational platforms.

AFBF partnered with Farmers for Monarchs, a united effort by farmers, ranchers, landowners, the agriculture industry, conservation groups and others to encourage and enable the establishment and expansion of pollinator

and conservation habitat, including milkweed, along the monarch butterfly seasonal migration route.

Habitat plantings can fit into many niches on the agricultural landscape, including conservation lands, grazing lands, rights-of-way, field margins, and yard and garden areas. Milkweed and other nectar-producing flowers planted in these areas yield multiple on-farm benefits.

The Agriculture Council of America, which organizes National Ag Day and National Ag Week, elected Isabella Chism to serve as board chair. An Indiana farmer, Chism serves as vice chair of the AFBF Women's Leadership Committee. Agriculture: Food for Life was the theme of National Ag Day and National Ag Week in 2018.

Through National Ag Day and National Ag Week programs, each year in March, farm-

ers, agricultural associations, corporations, universities, government agencies and countless others across America join together to recognize the contributions of agriculture.

AFBF continued to offer leadership to the U.S. Farmers and Ranchers Alliance, the Center for Food Integrity and the Field to Market Alliance, helping them share the stories of modern farmers and ranchers with consumers on topics such as sustainability, environmental stewardship and food security.

AFBF and the AFB Foundation for Agriculture received seven Golden ARC Awards from the Ag Relations Council. This recognition reflects the collaborative, strategic work of AFBF staff on behalf of state Farm Bureaus and their grassroots members.



The Ag Relations Council recognized the collaborative, strategic work of AFBF staff on behalf of state Farm Bureaus and their grassroots members.

in the news

PRESIDENT TRUMP PRIORITIZES AGRICULTURE

The Washington Post quoted Dale Moore, AFBF's executive vice president, in an article on President Donald Trump's address to members at the annual convention in January. "I would say most farmers and ranchers are feeling confident in the president, and more assured," said Moore. "The fact that the president takes time to come to our convention and talk to our members... that signals that he prioritizes agriculture."



CULTIVATING LEADERS

— FOR THE FUTURE —

AFBF provides opportunities for leadership development and training in effective outreach and education. This strengthen farmers' and ranchers' ability to connect with elected officials, the news media and consumers.



Martha Smith of Colorado (left) won the Young Farmers & Ranchers Discussion Meet at annual convention.

Young Farmers & Ranchers competitive events - Achievement Award, Excellence in Agriculture Award and Discussion Meet - provided an opportunity to recognize outstanding members.

During the inaugural Farm Bureau Target: Food Consumer Engagement Training, more than 40 Farm Bureau members from 15 states learned to make a strong connection with consumers about all things agriculture, including misunderstood topics like biotechnology and the labeling of food with GMO ingredients. AFBF's Promotion &



Krista Swanson, a member from Illinois, participated in mock media interviews at Women's Communications Boot Camp.

Education Committee, in partnership with AFBF staff, hosted and provided the training.

Women's Communications Boot Camp, an intensive three-day course conducted for 15 agricultural leaders, featured hands-on sessions on public speaking, working with the media and engagement. The AFB Women's Leadership Committee, in partnership with AFBF staff, hosted and provided training for Boot Camp. More than 180 Farm Bureau women have completed this training over the past 12 years.



Members of AFBF's ninth Partners in Advocacy Leadership class will complete their two-year program in early 2019.

Farm and ranch families of Farm Bureau donated millions of pounds of food, raised hundreds of thousands of dollars and tallied hundreds of volunteer hours to assist hungry Americans in their local communities as part of Farm Bureau's "Harvest for All" program.

Members of AFBF's Partners in Advocacy Leadership class traveled to the UK and Brussels to study how Brexit will affect agriculture.

The American Farm Bureau Foundation for Agriculture strives to build awareness, understanding and a positive public perception of agriculture through education. The Foundation offers a variety of standards-based programs and activities at all grade levels for educators, volunteers and families.



FOUNDATION ACTIVITIES IN 2018:

Launched a publishing company, Feeding Minds Press, with the mission to create accurate and engaging books about agriculture. The first title, "Right This Very Minute," is slated for publication in 2019. www.feedingmindspress.com

Hosted three "On The Farm STEM Experiences" for more than 100 teachers and health professionals in different locations across the country. www.onthefarmstem.com

Inspired kids and teachers to solve real-world agricultural problems by prototyping and testing solutions in the classroom as part of the "Purple Plow Challenge." www.purpleplow.org

Rolled out three new games for the popular My American Farm online education platform. Each game features a different aspect of U.S. agriculture. www.myamericanfarm.org

Presented 22 White-Reinhard Mini Grants to fund ag-literacy projects, in addition to offering scholarships for 10 educators to attend the national Agriculture in the Classroom conference. www.agfoundation.org



LEARN MORE ABOUT FARM BUREAU ISSUES www.fb.org/issues

Join Farm Bureau
www.fb.org/about/join

CONNECT ON SOCIAL MEDIA

 @FarmBureau  @americanfarmbureau

 www.facebook.com/AmericanFarmBureau

American Farm Bureau Federation®

600 Maryland Avenue, S.W.
Suite 1000W
Washington, D.C. 20024

