

**KENTUCKY FARM BUREAU FEDERATION  
FARM BILL WORKING GROUP  
SUMMARY OF PRIORITY ITEMS**

*(As addressed in HR 2: Agriculture and Nutrition Act of 2018)*

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Eight discussion sub-groups reviewed various titles of the current farm bill and identified a number of overall priorities including keeping the farm bill intact -- not separating farm programs from the nutrition title. Maintaining the crop insurance program at or above current levels is important since it is the basis of the farm bill safety net.

*Titles include: Title 1-Commodities; Title 2-Conservation; Title 3-Trade; Title 4-Nutrition; Title 5-Credit; Title 6-Rural Infrastructure and Economic Development; Title 7-Research, Extension and Related Matters; Title 8-Forestry; Title 9-Horticulture; Title 10-Crop Insurance; and, Title 11 Miscellaneous.*

**Program Crops and Risk Management Discussion Group**

- Crop insurance
  - *Title 10: Crop Insurance is maintained*
- Ensure the reports ARC/PLC payments are based upon are accurate
  - *PLC is strengthened by allowing reference prices to adjust when markets improve and allowing farmers affected by long-term drought to update yields.*
  - *ARC is strengthened by using actual yields collected by RMA, by separately calculating revenues for dry-land and irrigated land and by using the physical county of the farm when determining ARC benefits.*
- Exploring how base acres might be reallocated to areas where base acres don't reflect current production
- Access to adequate capital through ag credit
  - *Beginning Farmers and Ranchers incentives are maintained and strengthened in Title 5-Credit.*

**Dairy Discussion Group**

- Fix the Dairy Margin Protection Program (DMPP) to be more reflective of actual costs (increase feed ration formula by 10 percent)
  - *DMPP is renamed the Dairy Risk Management (DRM) program. Field costs are studied to ensure accuracy in the DRM.*
- Support a two-tiered approach to a dairy safety net treating production of 4 million pounds of milk annually differently than production over 4 million pounds
  - *The first 5 million pounds of milk production on a dairy is made eligible for higher coverage levels at lower premiums. Class 1 milk calculations are adjusted to help dairy farmers better manage risk in the futures market.*
- Adjust administrative fees, premium rates, and coverage levels to effective levels
  - *Changes were made under the Bipartisan Budget Act of 2018 to include calculations of the margin period monthly rather than bi-monthly, covered production is increased to 5 million pounds on the Tier 1 premium schedule with premiums adjusted.*

- Explore a dairy revenue insurance program that could provide additional benefits
  - *Milk production not covered under DRM is made fully eligible for a comparable crop insurance-type policy. A dairy operation would be eligible to participate in both the DRM and livestock gross margin for dairy programs, but not on the same production.*

#### Conservation Discussion Group

- Maintain or increase EQIP funding
  - *EQIP is maintained and strengthened with increased funding for EQIP to \$3 billion per year over the life of the farm bill.*
- Maintain or increase “boots on the ground” technical assistance
  - *Primarily includes new definitions for “eligible participants” and “third-party provider” and includes new certification methods for third-party providers.*
- Create more simplicity and flexibility in existing programs
  - *CRP acreage would be increased from 25 to 29 million acres over the life of the farm bill while capping rental rates and targeting acreage toward the most fragile lands.*
- Address program payment limits
  - *Unchanged*
- Continue work on water resource development needs
  - *Does include some language on expanding the list of practices available for water conservation and irrigation efficiency and creates the authority for new stewardship contracts of 5 to 10 year terms within EQIP for the purposes of payments for practices that address locally established priority concerns. Allows the Secretary of Ag to use of up to \$25 million of EQIP funds each fiscal year to enter agreements for on-farm conservation innovation trials. Increases mandatory funding for source water protection programs and maintains Watershed Protection and Flood Prevention Act funding while amending the act to include a new section making an additional \$100 million available for the purposes of carrying out programs under the Act, but it doesn't specify the programs.*

#### Trade Discussion Group

- Maintain or grow the Market Access Program (MAP) and Foreign Market Development Program (FMD)
  - *Maintains and strengthens the program purposes of MAP, FMD, the Technical Assistance for Specialty Crops (TASC) Program and the Emerging Markets Program (EMP) bringing these initiatives under the single umbrella of a \$255 million/year International Market Development Program, with no less than \$200 million for MAP, no less than \$34.5 million for FMD, \$10 million for EMP, and \$9 million for TASC.*
- Continuation of the Emerging Markets Program
  - *Addressed above. Emerging Markets program is maintained.*

## Research and Extension Discussion Group

- Continuation of a mix of competitive and formula capacity funding
  - [Streamlines the planning and reporting process for the land-grant formula funds. Provides full funding for the Specialty Crop Research Initiative and increases funding for the Organic Agriculture Research & Extension Initiative.](#)
- An emphasis on beginning farmer and rancher development grant programs
- Continuation of full funding for the Agriculture and Food Research Initiative (AFRI)

## Energy Discussion Group

[Energy Title is eliminated in HR 2 with most provisions rolled into Title 6, Rural Infrastructure and Economic Development.](#)

- Rural Energy for America Program (REAP)
  - [REAP is Section 6407 of Title 6-Rural Infrastructure and Economic Development and is reauthorized at \\$45 million per fiscal year through 2023.](#)
- The Renewable Fuels Standard (RFS) is a major safety net program for grain producers
  - [The farm bill does not include the RFS, but Title 6-Rural Infrastructure and Economic Development contains language under Subtitle E-Farm Security and Rural Investment Act of 2002 that includes the bio-based markets program \(Section 6402\); Biorefinery, renewable, chemical and bio-based product manufacturing assistance \(Section 6403\); Repowering assistance program \(Section 6404\); Bioenergy program for advanced biofuels \(Section 6405\); and, Biodiesel fuel education program \(Section 6406\). The Biomass Crop Assistance Program \(BCAP\) is reauthorized.](#)

## Specialty Crops Discussion Group

- Continuation of grants for producers to use in expanding and starting operations
  - [Maintains and improves the Specialty Crop Block Grants Program providing \\$85 million per year for Specialty Crop Block Grants.](#)
- Funding for broadband buildout are extremely important programs
  - [Broadband service to rural America is enhanced, especially to unserved and underserved areas through strong incentives for providers to offer quality broadband service under Title 6-Rural Infrastructure and Economic Development, Subtitle B.](#)

## Livestock and Poultry Discussion Group

- Focus on new and beginning farmer programs
  - [Addressed in Program Crops and Risk Management Discussion Group.](#)
- Trade programs (MAP and FMD)
  - [Addressed in Trade Discussion Group.](#)
- Development of effective risk management programs for livestock producers
  - [A new National Animal Disease Preparedness and Response Program is established and the bill establishes a new US-only vaccine bank with priority for stockpiling the Foot-and-Mouth Disease \(FMD\) vaccine and provides for the enhancement of the National Animal Health Laboratory Network.](#)

Overall consensus was farmers must be allowed to re-enroll in farm bill programs when a new farm bill is enacted. Farm labor reform and the need to focus on improving the Nation's infrastructure were also discussed by several groups.

*Generally, it appears HR 2, the Agriculture and Nutrition Act of 2018 is more of an evolutionary versus revolutionary farm bill that builds on, rather than replacing 2014 farm bill programs. It would allow a re-enrollment period for various programs. HR 2 does not address farm labor reform but does deal with some infrastructure issues such as rural broadband services (under the Rural Infrastructure and Economic Development Title).*