

Farm Policy Design

We support development of the 2012 Farm Bill focused on the following principles:

- Baseline funds should not be diverted outside the farm bill;
- Extend the concepts of the 2008 Farm Bill;
- Provide a strong and effective safety net that does not necessarily guarantee a profit, but protects crop and livestock producers from catastrophic occurrences;
- Provide strong and effective risk management programs;
- Provide funding for conservation programs that will continue to protect natural resources;
- Maintain a strong and effective safety net that consists of direct payments, crop insurance, and a simplified Average Crop Revenue Election (ACRE) program;
- Farm program payments should be classified as personal financial information, the same as social security payments;
- Reduced complexity while allowing producers increased flexibility to plant in response to market demand;
- Maintenance of a farm income safety net while encouraging efficiency, including consideration of an energy escalator clause because of the high prices of fuel and fertilizer;
- Driven by the needs of production agriculture;
- Be compliant with WTO agreements;
- The specialty crop industry be given consideration in the farm bill with emphasis focused on fundamental research, food safety, nutrition, marketing and promotions, and investment in the competitiveness and sustainability of the U.S. specialty crop industry;
- Trade-distorting domestic support (amber box) may be reduced in exchange for an economically proportionate increase in agricultural market access and elimination of export subsidies. Such reduction in U.S. "amber box" supports should be offset by a transfer to fully funded "green and blue box" eligible programs. This could be accomplished through working lands conservation programs, risk management, the Market Access Program, enhanced crop insurance, the concept of a revenue based safety net program, or government programs that increase producer profitability that may include direct payments and/or tax credits; and
- Inclusion of a commodity loan program and counter-cyclical program.

Continues onto next page...

We oppose:

- New mandatory government supply management programs and acreage reduction programs, excluding Conservation Reserve Program and conservation easements, for marketing loan commodities under the current farm program;
- A farmer-owned reserve or any federally controlled grain reserve with the exception of the existing, capped emergency commodity reserve;
- Income means testing;
- Payment limitations; and
- Targeting of benefits being applied to farm program payment eligibility.