

Farm Bill Wins of Key Interest to the Good Food Network

Ferd Hoefner

Policy Director

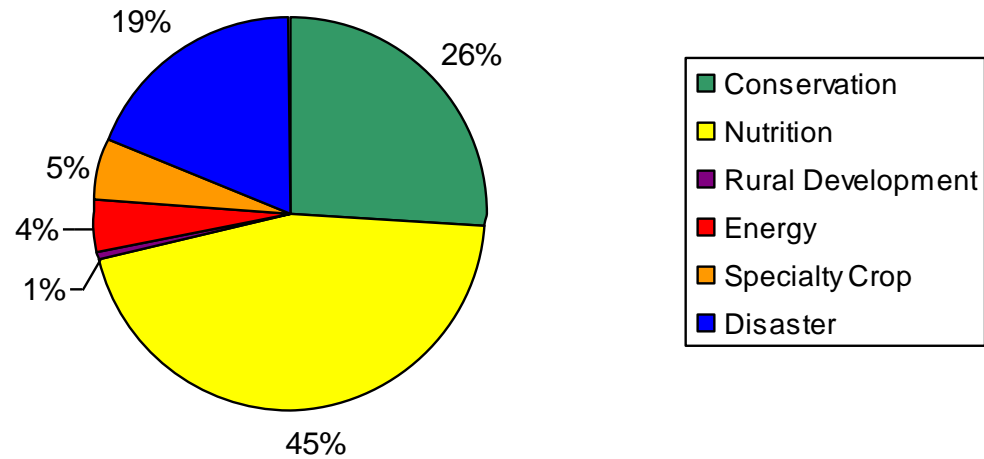
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Big Picture: Where Did Net Increase in \$ Go?

**Distribution of the 14.5 Billion Net Increase in
2008 Farm Bill Spending**



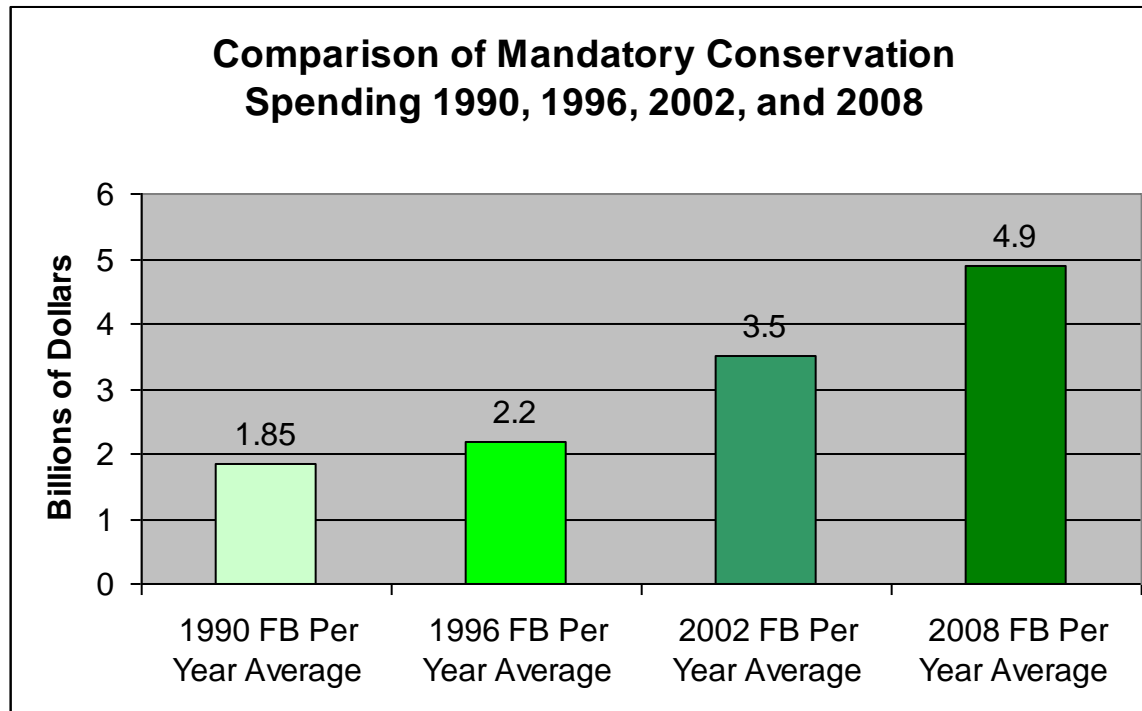
Big Picture:

\$\$ Increases for SAC Priorities

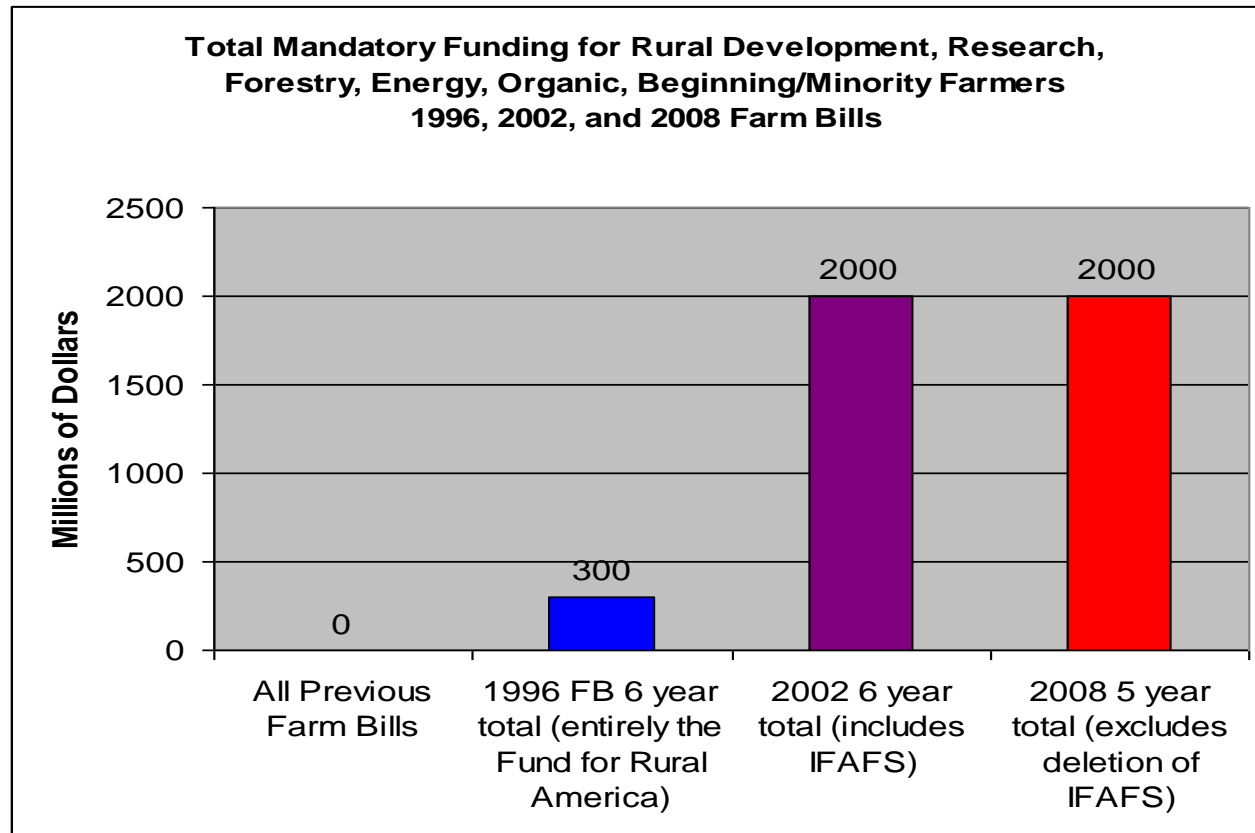
Total new funding for the priorities of the sustainable agriculture movement:

- **\$4 billion (120%) net increase over baseline in direct, mandatory spending**
- conservation, beginning farmers, socially disadvantaged farmers, organic, local/regional food systems, renewable energy, rural development, sustainable and organic research

Putting it in Historical Context: Gains in Conservation Spending



Putting it in Historical Context: Gains in Other SAC Priority Areas



Local/Regional Food Systems **Farm Bill Wins & Losses**

WINS

- Value-Added Producer Grants
- Loan Guarantees for Local & Regional Food Enterprises
- Farmers Market Promotion Program
- Community Food Project Grants
- Rural Microentrepreneurs Assistance
- State-Inspected Meat
- Specialty Crop Block Grants
- Defeat for Marketing Order GAPs

LOSS

- Planting Flex for Fresh Produce



Photo: Zoe Bradbury

Other Related Farm Bill Wins

- Beginning Farmer and Rancher loans, grants, conservation assistance
- Minority Farmer and Rancher loans, grants, conservation assistance
- Organic certification cost-share, conversion assistance, research
- Livestock and poultry fair competition and contract reform
- Conservation stewardship and innovation programs

Farm Bill Guide

- ***The Sustainable Agriculture Coalition's Grassroots Guide to the 2008 Farm Bill***
- 34 programs and policies
- Report from the trenches
- Policy and funding opportunities
- Electronically updated
- Sustainableagriculturecoalition.org

Value-Added Producer Grants

- Competitive grants to create or develop value-added producer-owned businesses
- Eligible - individual independent agricultural producers, groups of independent producers, producer-controlled entities, organizations representing agricultural producers, & farmer coops
- Two grant categories – business plans, marketing plans, feasibility studies; working capital grants

Value-Added Producer Grants

- Original 2000 legislation – (a) processing, (b) commodity segregation, (c) on-farm renewable energy
- 2002 farm bill added market differentiation (organic, grass-fed, etc.)
- 2008 farm bill added (a) aggregating/marketing for local food systems and (b) mid-tier value chains, plus priority for small and mid-sized farms and funding set-aside for beginning and minority farms

VAPG Funding Information

Most Recent VAPG Grant Year Funding Information – FY 2008	
Estimated Total Program Funding	\$18.4m in competitive grant funds
Award Caps	\$100,000 for planning grants; \$300,000 for working capital grants
Average Grant Amount	\$130,000
Cost Sharing Requirements	Matching funds required

Loan Guarantees for Local & Regional Food Enterprises

- New loan and loan guarantee authority for **local and regional food enterprises** through the Business and Industry (B&I) Loan program administered by USDA Rural Development.
- Loans can be used to support and establish enterprises that **process, distribute, aggregate, store, and market** foods produced either **in-state or transported less than 400 miles from the origin of the product**
- Purpose is to support farm and ranch incomes, renewal of local food system infrastructure, and rural community development.

Loan Guarantees for Local & Regional Food Enterprises

- At current appropriation level = **\$50 million per year** in loan volume
- Priority for food insecure or poverty areas
- Generally rural (less than 50,000); exception for coop processing facilities within 80 miles of farmer base

Farmers' Market Promotion Program

- **Aim:** increase & strengthen direct producer-to-consumer marketing of all kinds
- **Competitive grants:** community-supported agriculture, farmers' markets, roadside stands, agri-tourism, and other direct marketing strategies.
- **Eligible:** producer networks, NGOs, coops, local agencies, regional authorities, public benefit corporations
- **Uses:** organizing markets and networks, financial and marketing development, business planning, improving market access, consumer education, supporting innovative approaches to market management and operations, EBT

FMPP Funding Information

- 2008 Farm Bill: funding for FMPP became mandatory for the first time, with an eleven-fold increase over previous discretionary levels.
- EBT: Minimum 10% set-aside

Farmers' Market Promotion Program Funding				
2008	2009	2010	2011	2012
\$ 3 M	\$ 5 M	\$ 5 M	\$ 10 M	\$ 10 M

Community Food Project Grants

- **Aim:** to fight food insecurity by supporting the development of community-based food projects in low-income communities.
- **Competitive grants:**
 - ✓ Meet the food needs of low-income people
 - ✓ Increase community self-reliance re: providing for food needs
 - ✓ Promote comprehensive responses to local farm & food issues
 - ✓ Meet specific local agriculture needs, including infrastructure development and improvement
 - ✓ Create innovative marketing activities that mutually benefit agricultural producers and low-income consumers.

CFP Funding Information

Most Recent Community Food Project Grant Funding Info – FY2008	
Estimated Total Program Funding	\$4,600,000
Range of Awards	\$10,000 - \$300,000
% Applications Funded	28%
Cost Sharing Requirements	Dollar for dollar matching required, except for T&TA projects

Rural Microentrepreneur Assistance Program

- **Aim:** provide entrepreneurs in rural areas with the skills necessary to establish new businesses and continue operation of existing rural microenterprises.
- **Provides:** loans and grants to Microenterprise Development Organizations (MDOs), which in turn provide technical services and distribute microloans to rural microentrepreneurs.
- Microenterprises may be, but do not have to be, food or agriculture-related.

RMAP Funding Information

First Year in RMAP Funding - FY 2009

Estimated Total Program Funding	\$4m in grants and loans for fiscal year 2009
Average Microloan	\$12,300*
Cost Sharing Requirements	<ul style="list-style-type: none">● Federal share cannot exceed 75% of the total cost● MDOs must match at least 15% of the total in the form of matching funds, indirect costs, or in-kind goods or services.● Non-federal share may be provided in cash or in the form of in-kind contributions.

Specialty Crop Block Grant Program

- Grants to State departments of agriculture
- May be used to supplement own programs
- May be used to provide grants, competitive or earmarked
- Wide range of purposes – food safety, marketing, nutrition, buy local, international trade, product development, environment, coop development, etc.

Specialty Crop Block Grant Funding

- Mandatory funding for 1st time
- \$10M, \$49M, \$55M, \$55M, \$55M for FY 2008-2012
- No fixed percentage for grants
- \$100,000 to each state and then allocated by state's share of total specialty crop production

Interstate Shipment of State-Inspected Meat

- Allows interstate shipment of meat and poultry products from small state-inspected packing and processing establishments with 25 or fewer employees
- Creates hybrid federal-state inspection process; feds will have a state coordinator and pay 60% of cost of inspection service
- New inspection training division within FSIS; will provide grants to states for training and technical assistance

Food Safety Regulation & GAPs through Marketing Order

- Pushed by Specialty Crop Farm Bill Alliance and included in House Farm Bill
- Opposed by coalition – CAFF, SAC, DOW, WFA, CFA
- Compromise offered for 1 crop pilot project but rejected by specialty crop industry
- Removed from bill, but may be back

Still No Planting Flexibility

- Attempt to remove planting flexibility prohibition never gets off the ground
- Small pilot program for specific **processed veggies** in specific Midwest states with state acreage cap
- SAC proposal to allow up to 25 acres per farm for **fresh, local** market defeated by Specialty Crop Farm Bill Alliance

Resources

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www.sustainableagriculturecoalition.org

SAC Weekly Update

Grassroots Guide to 2008 Farm Bill

Presidential Transition Team Project