

## Federal Farm Policy

# Making Our Voices Count on Ag Policy

*The 2023 Farm Bill Will Have a Huge Impact on Farming, Food & the Land*

By Jessica Kochick

In late January, over 60 Land Stewardship Project members participated in LSP's virtual event to kick-off discussion of perhaps the most influential piece of farm/food/rural community legislation on the horizon: the 2023 Farm Bill. Farmers from our newly launched Farm Bill Organizing Committee led discussions based on the following question: What would you consider to be a Farm Bill victory?

Some of the responses included:

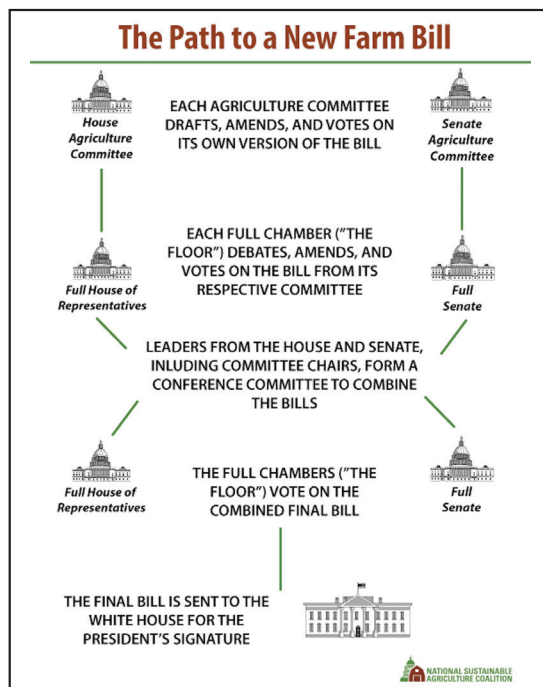
- Support for small farmers, BIPOC (Black, Indigenous, and people of color) farmers, and new farmers through infrastructure development, land access, insurance reform, and more.
- Fewer or no subsidies for large cropping operations or concentrated animal feeding operations (CAFOs).
- Direct Conservation Stewardship Program (CSP) and Environmental Quality Incentives Program (EQIP) funding toward small and mid-sized farmers, including those implementing managed rotational grazing, agroforestry, and perennial crops.
- Support food security and strong local food systems, both urban and rural.
- Promote people power to counterbalance corporate interests.

And a question was asked back to the group: How is LSP going to have a voice that counts?

The year 2023 may seem like a long way off, but lawmakers, lobbyists, Big Ag, and commodity groups are already discussing what the next federal Farm Bill will look like. And that's why we need to get involved now. The Farm Bill is a comprehensive piece of legislation reauthorized every five years that dictates which food is produced, how it is grown and distributed, and who makes money off it. It has lasting implications for soil health and water quality, rural

community growth and investment, racial equity, and climate resilience. Key sections of the Farm Bill, known as "titles," include Conservation, Nutrition, Credit, Trade, Rural Development, Research, and Crop Insurance. In short, this legislation has a huge impact on the land and people. We can't afford to let Big Ag and its supporters drive this law's destiny.

The upcoming Farm Bill cycle (*see the graphic below*) provides an opportunity for LSP and its members to influence the direc-



**While the current Farm Bill does not expire until September 30, 2023, the process of reauthorization has already begun.** (*Graphic courtesy of the National Sustainable Agriculture Coalition*)

tion of federal ag policy—and hundreds of billions of dollars in spending—for years to come. But our ability to influence policy at the federal level depends on all of you; organized people power is our greatest strength.

## LSP & Past Farm Bills

LSP has advocated for federal farm policy that supports small to mid-sized farmers and rural communities since the

organization's inception 40 years ago. Major policy and organizing campaigns of note in recent Farm Bill cycles include:

**1) Conservation:** LSP farmer-members advocated — along with coalition partners — for CSP, which was originally known as the "Conservation Security Program" when it was established by the 2002 Farm Bill as a revolutionary way to support farmers utilizing regenerative/conservation production methods. In subsequent Farm Bills, we met with Congressional Agriculture Committee members to push for CSP improvements and expanded mandatory funding. LSP member lobbying efforts played a role in saving the CSP program from being cut out of the 2018 Farm Bill. In addition, members have advocated for EQIP funding to support small and mid-sized farmers employing soil health and rotational grazing practices and to disqualify factory farms from receiving EQIP funding or USDA guaranteed loans.

**2) Beginning Farmers and Ranchers:** LSP also played a key role in making the Beginning Farmer and Rancher Development Program (BFRDP) part of the 2008 Farm Bill. It provides mandatory funding for state, tribal, and local groups that are assisting beginning farmers and ranchers with training, planning, and technical assistance, as well as assisting them in overcoming barriers they may be facing in acquiring land, accessing credit, or meeting other farming needs. LSP's Farm Beginnings program now serves as a model for BFRDP-funded projects across the country. During the 2018 Farm Bill cycle, LSP members advocated for the Farming Opportunities Training and Outreach (FOTO) program and expanded funding for BFRDP and "socially disadvantaged" farmers.

**3) Crop insurance reform:** Under the current federally subsidized crop insurance program, public dollars in the form of premium subsidies go disproportionately to the largest operators using the most harmful monocropping practices. Studies show that crop insurance subsidies increase land prices and undermine conservation, cutting smaller scale and beginning farmers out of the market (*see "The Crop Insurance Conundrum" on page 11*). During the 2018 Farm Bill cycle, LSP advocated for two crop insurance reforms: a premium subsidy limit of \$50,000 per year per farmer, and a risk management system that rewards farmers who use cover crops and other conservation practices.

## 2023 Farm Bill Timeline

While the current Farm Bill does not expire until September 30, 2023, the pro-

**Farm Bill, see page 9...**

cess of reauthorization has already begun. Agriculture Committees in the U.S. House and Senate are holding formal hearings to gather input from constituents and food and farming stakeholders. Over the next few months, members of Congress will continue to engage constituents as they scope out priorities, determine issues they want to champion, and draft or sign on to marker bills. Marker bills are introduced in order to build support for specific issues; they aren't meant to pass on their own, but rather to win enough support in Congress for inclusion in Farm Bill legislation. Many important marker bills will be introduced in 2022.

Midterm elections in November will likely change the composition of the Agriculture Committees, which will lead to another push from Committee members in the new Congress to reintroduce marker bills in early 2023. If things go as planned, during the spring and summer of 2023 the U.S. House and Senate Agriculture Committees will draft initial Farm Bill text, which will be hammered out in conference committee before being sent to the President for signing. In short, LSP members and our allies have plenty of opportunities to have a say in what the next Farm Bill looks like.

### You Can Advocate for a Better Bill

The COVID-19 pandemic and climate catastrophes that our communities have weath-

ered these past few years have deepened public awareness that something is wrong with our food system. We have an opportunity to fight for a Farm Bill that supports local farmers and regional food systems that protect the soil and water, instead of exacerbating the advantages of corporate agribusinesses that exploit workers.

This spring, hundreds of LSP farmers and ranchers responded to the "Farm Bill Survey" LSP launched earlier this year in collaboration with the National Young Farmers Coalition and Midwest Farmers of Color Collective. We aimed to reach thousands of farmers nationwide, and LSP collected close to 700 surveys in the Upper Midwest alone. The purpose of the survey is to paint a fuller picture of how the Farm Bill impacts farmers and ranchers in our communities — especially farmers who are often overlooked in U.S. Census of Agriculture data collection efforts. The survey seeks to identify the needs and programmatic barriers for beginning farmers, farmers of color, and small to mid-sized farms across the country. The data will become the backbone of LSP's advocacy efforts to create a Farm Bill that works for our communities.

LSP's Farm Bill Organizing Committee, made up of farmers, ranchers, and food system business owners, is organizing a series of Farm Bill listening sessions in coming months for LSP members. Listening sessions will be offered in a virtual format for now, but in-person sessions may happen later in the spring and summer. Whether

you are a farmer, a food system worker, or a concerned community member, please join a listening session to share your perspective and knowledge. LSP's policy team will develop our Farm Bill platform and policy priorities through member engagement on the issues. You can help drive LSP's grassroots approach. Building power by raising farmer and community member voices has been essential in past Farm Bill wins.

Another way to join LSP's Farm Bill campaign is to attend meetings, farm tours, or field hearings in your Congressional district this summer. These are powerful opportunities to share your story and to join your community in advocating for a Farm Bill that promotes racial equity, conservation, and community investment. You can advocate for key marker bills by calling and e-mailing your members of Congress.

Join LSP's Farm Bill campaign today by visiting our federal policy page at [landstewardshipproject.org/federal-policy](https://landstewardshipproject.org/federal-policy). Together, we can win food and farm policy that benefits communities, farmers, and the Earth. ☐

*Before departing LSP in March, Jessica Kochick organized around federal policy issues. For more information on LSP's work related to the Farm Bill, see [landstewardshipproject.org/federal-policy](https://landstewardshipproject.org/federal-policy) or contact LSP organizer Sarah Goldman at [sgoldman@landstewardshipproject.org](mailto:sgoldman@landstewardshipproject.org), 612-400-6341.*

---

## Why Should You Care About the Farm Bill?

### *Ag Policy's Past Does Not Have to be its Future*

*By Jessica Kochick*

In order to determine what kind of positive path we can take the Farm Bill on in 2023 (see page 8), it's useful to examine where it originated from and what impacts it's had on the land, people, and communities in past decades. The history of the Farm Bill has its roots in the Agriculture Adjustment Act of 1933, but farm policy's influence over what our country looks like began long before that.

### The Color of Land Ownership

For example, during westward expansion of the United States in the 19<sup>th</sup> century, land theft and genocide of Indigenous populations was government sanctioned policy. As Janie Simms Hipp and Colby Duren described in a 2017 Farm Bill assessment for the Shakopee Mdewakanton Sioux Com-

munity, forced removals and assimilation requirements stripped Indigenous peoples of their food sovereignty, making Indian Country's relationship with farming and ranching a "tale of two worlds." They write:

"We were told to be 'farmers' in our early treaties, yet forced to ignore the food systems that existed in this country for centuries in favor of establishing farming and ranching practices more familiar to the new settlers... These new federal policies led to significant disconnections between us and our existing food systems, and the sheer act of feeding ourselves, which was the embodiment of self-determination and self-governance in food we had exercised for so long, was lost."

Another influential moment in U.S. farming history was the passage of The Homestead Act, signed by Abraham Lincoln in

1862. This bill gave away 270 million acres of land in 160-acre parcels, almost entirely to white people, in the greatest land transfer in U.S. history. The generational wealth set in motion by this policy continues to impact who owns farmland today, as families amassed wealth through land and passed it along to their descendants.

During that same era, enslaved African-Americans in the South were promised 40 acres and a mule upon emancipation at the end of the Civil War, but that promise was broken after Andrew Johnson became President and returned the land to former plantation owners. Despite that betrayal, Black farmers amassed 19 million acres of land — 14% of farm owner-operators were Black by 1910 — only to see that percentage drop to 1.5% by 2012, according to Megan Horst, an assistant professor of urban studies and planning at Portland State University. A 2020 policy brief by the Union of Concerned

---

**Farm Bill History, see page 10...**

---

### ...Farm Bill History, from page 9

Scientists and the HEAL Food Alliance describes how Black farmers lost land in large part due to the impact of heirs' property laws as well as documented and systemic USDA discrimination when it comes to making available the loans necessary to operate their farm businesses.

### Unequal Acres

Given this history, it is understandable why, when the Agriculture Adjustment Act was established in 1933, its impact was not shared equally. Led by then-President Franklin Roosevelt, this nascent Farm Bill was an essential piece of the response to the Great Depression and to the environmental catastrophe known as the Dust Bowl. It subsidized farmers to cut production and increase prices at a time when they were suffering and in need of economic relief. At the same time, because landowning farmers no longer needed their labor, sharecroppers and tenant farmers were left out and often displaced by the new policy. It codified the structural inequities in land and capital already in place.

Another development to come out of the Dust Bowl era was the USDA's establishment of the Soil Conservation Service (now the National Resources Conservation Service), meant to combat soil erosion and to create soil conservation districts to support farmers at the local level. Since then, many

## National Sustainable Agriculture Oral History Archive

Interested in learning more about the history of federal sustainable agriculture policy in the U.S.? Land Stewardship Project co-founder Ron Kroese has created the "National Sustainable Agriculture Oral History Archive," a Minnesota Institute for Sustainable Agriculture initiative which documents the development and evolution of public policies to advance sustainable and organic agriculture going back to the 1970s.

The more than 40 women and men — including many LSPers — featured in these video interviews are among the key leaders

and advocates who played significant roles in devising and promoting the laws and government programs that continue to undergird efforts to achieve a sustainable farm and food system in the U.S. Earlier this year, the Center for Rural Affairs, an LSP ally, made the oral history interviews available via podcast platforms.

To view the interviews, see [misa.umn.edu/publications/sustainableagoralhistoryarchive](https://misa.umn.edu/publications/sustainableagoralhistoryarchive). The Center for Rural Affairs podcast series can be found at [cfra.org/sustainableag-podcast](https://cfra.org/sustainableag-podcast) or on major podcast platforms.

important conservation programs have been created through the Farm Bill, and they continue to benefit farmers implementing much-needed soil-friendly practices today. Unfortunately, these programs are increasingly benefiting factory farms and large-scale monocropping operations. For example, conservation funding is subsidizing CAFO manure lagoons and methane digesters. This is propping up a system with huge environmental consequences and prolonging the use of production practices that degrade soil and water quality. Short-sighted policy threatens to make the Dust Bowl not just something that happened in the distant past.

In the decades following the Great Depression, the Farm Bill has transformed the government's approach to risk, abandoning the supply management style of price supports in favor of risk management through federally subsidized crop insurance. This public-private partnership has exacerbated a transfer of wealth away from small and mid-

sized farms, as well as rural communities, and into the pockets of insurance companies (see page 11).

In general, for most small to mid-sized farmers, the Farm Bill makes social, economic, and environmental conditions worse.

### Not Repeating Past Mistakes

But the Farm Bills of the past aren't fated to be the Farm Bills of the future. LSP is working with its allies to build a campaign for federal agriculture policy that promotes racial equity, that centers soil health and climate resilience, and that invests directly in the farmers, ranchers, and food system workers that make up our communities.

As we witness unprecedented climate change disasters, supply chain disruptions, and economic crises in rural communities, the task of transforming future agriculture policy is more critical than ever. □

## Farm Bill Conservation: Why Not Invest in What's Already Working?

The idea that regenerative farming practices can be used to mitigate climate change is gaining traction in Washington, D. C. One idea is to pay farmers "carbon credits" for sequestering greenhouse gases (see page 5). But rather than create a new, untested program that may only benefit polluting industries while producing questionable environmental results, why not fully support existing, proven initiatives?

That's the argument behind a report by the Institute for Agriculture and Trade Policy (IATP), a Land Stewardship Project ally. IATP analyzed USDA data from 2010 and 2020 and found that just 31% of farmers who applied to the Environmental Quality Incentives Program (EQIP) and 42% who applied to the Conservation Stewardship Program (CSP) were awarded contracts. In some major agricultural states, the number

of awarded contracts for the two programs was well under 20%. In 2020, Minnesota awarded CSP contracts to only 223 farmers, or 14% of those who applied. Only 611 farmers won EQIP contracts in Minnesota that year — representing 17% of those who applied. Iowa didn't fare much better, with only 21% of farmers being successful when applying for CSP and EQIP contracts.

The news that a small percentage of farmers are being allowed to participate in these two popular programs is particularly unfortunate when one considers how effective they've been at helping farmers put in place soil healthy practices that build organic carbon, among other things. In the case of CSP, it rewards the use of innovative practices. EQIP provides cost-share funds to put systems such as managed rotational grazing in place.

At the request of the Trump Administra-

tion, Congress reduced appropriations for both programs in the 2018 Farm Bill, vastly reducing their ability to meet demand. LSP and IATP, along with other member groups of the National Sustainable Agriculture Coalition, argue that rather than create a new conservation program based on something like carbon credits, the 2023 Farm Bill could simply make it possible for existing initiatives like CSP and EQIP to meet demand by providing the funding they need.

"They got it figured out, how to help farmers," northeastern Minnesota livestock producer Hannah Bernhardt recently told the *Star Tribune* newspaper. She serves on LSP's Farm Bill Organizing Committee and was lucky enough to recently receive an EQIP grant to put in fencing and water lines for a rotational grazing system. "But if everyone can't access it, it's not doing what it could."



# The Crop Insurance Conundrum

*More Evidence that a 'Safety Net' has Weaved its way into a Web of Destruction*

By Brian DeVore

When one sees the word “unambiguously” used in a carefully researched academic paper, it’s time to take notice. For example, a recent *Journal of Policy Modeling* study reports results that are “...unambiguously suggestive of a crop insurance policy regime that is biased in the direction of increasing consolidation in crop farming...” That conclusion is based on an analysis of 426 counties from five corn and soybean producing states: Minnesota, Iowa, Nebraska, Illinois, and Indiana. The study, which covers the crop years 1992 to 2012, makes one thing clear, according to the authors: “...subsidized crop insurance can only accelerate the trend toward further consolidation, with consequences for sustainability and depopulation of rural communities.”

Rough translation: there is little doubt our country’s biggest tax-funded agricultural safety net program is destroying farmers and the rural communities that rely on them, which is polar opposite of what its creators had in mind over 80 years ago. Compound that with the fact that it’s long been known the current crop insurance program encourages an environmentally harmful duo-culture of corn and soybeans, and the argument for major reform is more powerful than ever.

This study is one of the first to ask a blunt question: Does subsidized crop insurance affect farm industry structure? The answer is yes, and mostly in a negative way. This falls in line with other research that shows how, in general, our agricultural subsidy system benefits the biggest, most well-financed players to the detriment of everyone else. This latest study puts hard numbers to what Land Stewardship Project farmer-members have been reporting over the years — the

way federal crop insurance is implemented is having major unintended consequences.

The *Journal of Policy Modeling* analysis, which takes into account other factors that might affect consolidation such as technological advances, points out that, on average, the counties studied by the economists lost almost 24% of their farms after 2000.

This is why, for the past decade, LSP has been working with allies across the country to return crop insurance to its roots as a way to shield farmers from major weather



**Federally subsidized crop insurance has played a major role in reducing the diversity of Midwestern agriculture. Recent research shows it is also depopulating the countryside. (LSP Photo)**

disasters. In fact, LSP has issued several reports that outline the negative impacts the program is having on small and mid-sized farmers, beginning farmers, and the land itself (*see sidebar on page 12*).

These reports relay concerns voiced by farmers who are seeing firsthand how large cropping operations are using the benefits they receive through subsidized insurance to outbid average-sized farmers on land purchase and rental rates, creating fewer, and bigger operations. This has repercussions all the way to rural Main Streets, which are increasingly being depopulated. This hits beginning farmers and diverse operations particularly hard, since they are more likely to be involved in enterprises that don’t qualify for extensive insurance coverage, such as vegetables or pasture-based livestock.

In addition, because of the guaranteed income these mega-operations can glean from even the most marginal of farmland, corn and soybeans are being raised on acres normally considered too

low-producing to bother tilling. That inflates the bushels of crops sent to market, deflating prices. This is particularly ironic given that crop insurance now offers a way for farmers to not only be protected against weather disasters, but from drops in crop prices. This produces counterintuitive situations where even when the weather cooperates and there are bumper harvests of corn and soybeans, farmers receive tax-funded payouts through their insurance. This encourages more production of corn and soybeans, particularly on land that maybe shouldn’t be row-cropped in the first place, which perpetuates the cycle of record harvests and thus higher indemnity payments.

What’s particularly troubling is that those marginal acres — too wet, too dry, too hilly, low fertility, etc. — that now produce guaranteed income for large cropping operations have been in the past the only real estate beginning farmers could afford to rent or buy. On top of that, when a weather disaster triggers big payouts to large cropping operations, they have even more money in their war chest to take control of land, particularly in areas where acres haven’t historically produced high yields. Indeed, the *Journal of Policy Modeling* study found that crop insurance premium subsidies paid to farmers have the biggest effect on consolidation in counties where production is the riskiest.

## What Happened?

How did a system what was launched in 1938 to keep farmers from being wiped out by catastrophic weather disasters such as the Dust Bowl become such a negative determiner of how the landscape and our rural communities look? Farming is inherently risky, given the vagaries of weather and markets, and that’s part of the reason programs like crop insurance were created. But there’s a difference between cushioning the blow and fueling endeavors that have widespread negative consequences,

The insurance program is administered by the USDA as a quasi-private initiative, with policies sold and serviced through some 14 private companies. For decades, it was relatively straightforward — if yields were severely cut or wiped out, farmers who bought a policy received an indemnity.

The program underwent a dramatic shift

• • •  
**“...subsidized crop insurance can only accelerate the trend toward further consolidation, with consequences for sustainability and depopulation of rural communities.”**

— *Journal of Policy Modeling*

• • •

**Crop Insurance, see page 12...**

### ...Crop Insurance, from page 11

in the 1990s. Following the devastating floods of 1993, Congress sought to increase crop insurance enrollment by ratcheting up how much of the farmer's premium cost the government would cover.

Premium subsidies were increased again in subsequent years and today the federal government takes on around 60% of the farmer's premium cost (depending on the level of coverage), which is almost double what it was in 2000. Even more significantly, it was in the 1990s that "revenue insurance" options were added to the program. For the first time, crop producers were able to assure themselves a target level of income based on projected prices and historic yields.

In an attempt to increase farmer participation even more, the government made another key change to crop insurance in the mid-1990s by no longer requiring farmers to undertake basic soil conservation practices in order to qualify for indemnities. The 2014 Farm Bill tried to correct the problem by adding "conservation compliance" to eligibility requirements for crop insurance. Conservation compliance requires farmers to put in place certain soil-friendly practices in order to remain eligible for enrollment in government farm programs. Unfortunately, conservation compliance has been inconsistently enforced, if at all.

### Insuring Resilience

In addition, crop diversification, cover cropping, and other methods that build soil health and thus create more resilient farms in the face of extreme weather have traditionally not been recognized by USDA officials as "good farming practices" and thus have, ironically, long been considered too risky to qualify for government subsidized insurance coverage.

It's more important than ever to return resilience to farmland, given the havoc climate change is playing on crop acres. One Stanford University study estimated that between 1991 and 2017, \$27 billion — or 19% — of the national-level crop insurance losses were caused by climate change.

Farmers received more than \$143.5 billion in federal crop insurance payments between 1995 and 2020, according to the Environmental Working Group's recent analysis of USDA data. (That doesn't even count the \$103.5 billion in subsidies that went toward covering farmers' insurance premiums.) Just under two-thirds of indemnity payments were for damage caused by excessive moisture and drought — two problems that will only get worse as climate change creates more extreme weather events. Indemnities for drought were \$325.6 million in 1995 and rose to \$1.65 billion in 2020, a 400% increase. Insurance payouts for soggy fields were \$685.4 million in 1995 and increased to \$2.6 billion in 2020, a 300% rise.

### Path to Reform

Should we dump crop insurance? No. It's critical to have a safety net that's true to its roots as a tool for managing risk in a way that benefits the land and communities and

doesn't depopulate the countryside.

LSP has long called for reform of crop insurance. Limiting the payouts mega-operations can receive, recognizing the risk-reducing benefits of soil health practices, and making it easier for organic/regenerative farming operations to get insured are good places to start. As the biggest player in agricultural crop policy, insurance could go a long ways toward encouraging regenerative farming.

Farmers participating in LSP's Soil Builders' Network (*see page 25*) are proving that cover cropping, managed rotational grazing, no-till, and diverse rotations can make agriculture less of a gamble in the long run, and an improved crop insurance system could help producers make the transition into these innovative systems.

Fortunately, the USDA's Risk Management Agency is starting to recognize the climate mitigation benefits of regenerative agriculture and, thanks to the work LSP and others have done in recent years to highlight the benefits of soil health, have adjusted the crop insurance program's rules to make it more accommodating to practices like cover cropping.

Crop insurance falls under the purview of the federal Farm Bill, which is up for renewal in 2023 (*see page 8*). Discussions around the development of this massive legislation have already begun, and LSP is seeking input from our members and allies on how to transform it into the kind of public policy that benefits family farmers, the land, and communities — not corporate Big Ag and its boosters.

It's time to transform crop insurance from a web of destruction to a true safety net. □

## LSP Crop Insurance Special Reports

Over the years, the Land Stewardship Project has issued several reports that outline the negative impacts federally subsidized crop insurance in its current form is having on small and mid-sized farmers, beginning farmers, and the land itself:

### Crop Insurance: How a Safety Net Became a Farm Policy Disaster

- White Paper #1: Crop Insurance — The Corporate Connection
- White Paper #2: Crop Insurance Ensures the Big Get Bigger
- White Paper #3: How Crop Insurance Hurts the Next Generation of Farmers
- Principles of Reform
- Why Investigate Crop Insurance?
- Fact Sheet: How Federally Subsidized Crop Insurance Works

### Crop Insurance: A Torn Safety Net

- Why the Farm Bill's Biggest Agricultural Program is a Boon to Corporations and a Bust for Family Farmers & the Land

The reports can be downloaded at [landstewardshipproject.org/publications](http://landstewardshipproject.org/publications).

### Crop Insurance: A Torn Safety Net



Why the Farm Bill's Biggest Agricultural Program is a Boon to Corporations and a Bust for Family Farmers & the Land



A Land Stewardship Project Special Report

March 2018

[www.landstewardshipproject.org/organizingforchange/cropinsurance](http://www.landstewardshipproject.org/organizingforchange/cropinsurance)