



Northeast
Agribusiness
& Feed Alliance

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11/7/17

**TESTIMONY FOR THE VERMONT MILK COMMISSION
2018 Federal Farm Bill**

Date: November 7, 2017
Contact: Art Whitman, Chair, Government Relations Committee
Email: kwcornerpeace@yahoo.com
Phone: (802) 733-1186

The Northeast Agribusiness and Feed Alliance is a 300 member network committed to supporting a thriving northeast agricultural community through advocacy, education and collaboration. Members of the Alliance include feed, seed, fertilizer companies, financial service providers, transportation companies, veterinarians, nutritional services providers, and professional advisors, many based in Vermont.

INSURANCE

The dairy Margin Protection Program (MPP) remains the right program for the dairy industry but the changes Congress made to the MPP when writing the 2014 Farm Bill rendered it ineffective when dairy farmers needed it the most. The MPP is designed to help farmers insure against either low milk prices or high feed costs, but the determination of the feed price used in the margin calculation is problematic.

The original feed formula proposed during the 2014 farm bill process was considered accurate by dairy farmers across the country and should be considered for the 2018 Farm Bill. The revised MPP must account for regional feed cost rather than implement a single national feed price formula.

It is also important to expand dairy farmers' access to additional risk management tools like the Livestock Gross Margin for Dairy Cattle (LGM) program and similar programs that could be offered by USDA.

CONSERVATION

Conservation programs provide financial and technical assistance needed to conserve our nation's natural resources and meet increasing regulatory demands. The next Farm Bill must make substantial investments in voluntary locally-driven, flexible, and efficient conservation programs. Additional investments are needed for Vermont farmers to continue conservation, address water quality challenges and face regulatory pressures.

Enhanced flexibility in conservation program delivery and implementation through targeted partnerships with state and local communities to address areas of local concern, such as Regional Conservation Partnership Program (RCPP) and Conservation Innovation Grants (CIG) will increase funding effectiveness.

CONSERVATION (con't)

Increased funding for working lands programs: Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), Agricultural Management Assistance (AMA) and easement programs, such as the Agricultural Conservation Easement Program (ACEP) is needed to address program backlogs and priorities

TRADE

The Market Access Program (MAP) promotes American-grown and produced food and ag products that are in competition with heavily subsidized foreign products. For every \$1 invested in export market development programs, \$24 is returned in export revenue. This means significant positive effects for farmers & ranchers such as increased income and more American jobs in the farm and food sector.

Funding for the Market Access Program (MAP) should be increased from \$200M to \$400M to better promote America's food and ag products in demand across the globe. Current funding to support all US dairy exports is \$4.8 million compared to \$4.1 million for California walnuts and \$3.1 million for California prunes.

Funding for the Foreign Market Development Program should be increased to \$69 million annually from the current \$26 million appropriation.

RURAL DEVELOPMENT

Over the years, rural development programs have multiplied and morphed to the point where it's difficult for farmers, small businesses, entrepreneurs and rural communities to determine which programs are appropriate for the projects they need help with. The 2018 Farm Bill offers an opportunity to consolidate and simplify programs and make them more user-friendly as well as easier to administer.

Lack of broadband connectivity and high-speed internet access is a significant issue for Vermont rural businesses, community service districts, health care providers, education and workforce development and public safety. Funding the 2018 Farm Bill should reflect the needs of Vermont dairy farmers to have connectivity to increase communication efficiency.

RESEARCH AND EXTENSION

Land grant universities provide the basis for advancement of dairy production in the U. S. Insufficient funding over the last decade has crippled the ability of the land grant system to address emerging issues in rural communities. The 2018 Farm should address the following topics:

- Support infrastructure investments (estimated at \$10 billion) at land-grant universities to address deferred maintenance at the nation's agricultural research facilities.
- Expand research funding to address changing climate and weather extremes facing Vermont producers.
- Develop a focused research, extension and education initiative on robotics, agricultural technology, innovation, and workforce development to address ongoing farm labor shortages in the dairy sector.

ANIMAL HEALTH

A robust animal disease program is needed to protect animal agriculture and prevent catastrophic events that could threaten the U.S. food supply. Expanding on the authorization for the National Animal Health Laboratory Network, a comprehensive system will bring together the federal government with states, industry, universities, and other agricultural stakeholders to reduce the impact of high-consequence animal diseases, provide rapid detection and response capabilities, develop disease prevention and mitigation technologies, support a vaccine bank infrastructure, prevent the entrance and spread of foreign animal diseases into the U.S., and identify & support critical research needs.

FOOD SAFETY

The Food Safety Modernization Act (FSMA) is a landmark bill which has overhauled American food safety regulation from response-driven to preventive and farm-focused. Congress should address the variety of implementation challenges with the final FSMA rules. The next Farm Bill should provide resources to assist producers and processors in complying with FSMA, especially via low-cost loans for infrastructure upgrades.