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## 10 Policy Recommendations for the 2018 Farm Bill

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Congress is due to consider the reauthorization of the farm bill in 2018, and legislators are already discussing ways to update the law. U.S. agriculture policy should reflect free-market principles that promote prosperity, economic growth, and freedom of choice for farmers. The Heritage Foundation has published a series of proposals in *Farms and Free Enterprise: A Blueprint for Agricultural Policy*. Below are 10 key reforms for policymakers as they begin the process of re-envisioning American agricultural policy.

**Safety Net.** The taxpayer-funded safety net, at most, should provide government assistance when farmers and ranchers experience deep (i.e., major) crop losses. The existing safety net can trigger payments even when farmers have bumper crops or just receive less revenue than expected. The federal government should stop insulting farmers by treating them as incapable of operating in a capitalist system like other businesses.

- 1. Eliminate all Title I programs of the farm bill** (e.g., ARC, PLC, sugar, dairy) except disaster assistance programs (permanent disaster assistance programs and Noninsured Crop Disaster Assistance Program).
- 2. Keep yield policies in the crop insurance program**, but get rid of revenue policies. (Require that farmers can only receive indemnities when they experience a major crop loss.) This would offer farmers premium subsidies for up to the 70 percent coverage level for yield policies; farmers could obtain additional coverage but premiums would not be subsidized.
- 3. Place a limit on the total amount of premium subsidies that can benefit individual participating farmers** (no more than \$40,000) and reduce premium subsidy level to no greater than 50 percent.

The Government Accountability Office (GAO) has published reports detailing the history of these programs [here](#) and [here](#).

**Regulation.** Farmers and ranchers face a crushing regulatory burden. The next farm bill should address this burden, as well as ensure that flawed regulations do not exist that will hinder agricultural innovation.

- 4. There should be significant changes to the Clean Water Act**, including clarifying that the normal farming exception is not limited to farms that have been engaged in an ongoing activity, but applies to any farm that engages in an activity that is normal to farming in general, properly defining “navigable waters” generally as traditional navigable waters, and prohibiting the federal government from directly or indirectly regulating non-point sources of water pollution.
- 5. Reform the Endangered Species Act (ESA).** The law needs many changes, but a central theme should be to ensure that the costs of the ESA are not borne by individual property owners but instead by society as a whole.
- 6. Eliminate the just-passed federal genetically modified organism (GMO) mandatory labeling law** and ensure that states cannot impose a mandate, either. (Ideally, this would be done through withholding funds, but preemption might be necessary.)
- 7. Allows states to manage permitting on federal land and water.**

**Energy.** The federal government should not pick winners and losers.
- 8. Repeal the Renewable Fuel Standard and eliminate all energy programs in the farm bill.**

**Trade.** Farmers, ranchers, and consumers benefit tremendously from free trade in agriculture. These benefits do not come merely from exports; imports are beneficial too. The next farm bill offers a chance to get our own “house in order” when it comes to subsidies and to promote ways to aggressively knock down tariff and non-tariff trade barriers of other countries.

**9. Focus on both domestic and foreign trade barriers, specifically:**

- **Eliminate** our own trade-distorting subsidies (such as many Title I subsidies) and non-tariff trade barriers (such as the U.S. Department of Agriculture catfish inspection program), eliminate tariffs and tariff-rate quota on agricultural commodities and inputs, and fully comply with World Trade Organization (WTO) obligations and
- **Advocate** for elimination of other nations’ trade barriers, such as by prohibiting, in relevant statutes, any exemption of certain commodity groups from tariff and non-tariff liberalization, expand and improve the National Trade Estimate regarding details on agricultural trade barriers, and to the extent practicable, promote a more aggressive U.S. position regarding WTO litigation of agricultural trade barriers and subsidies.

**Separation.** The nutrition title of the farm bill (i.e., food stamps) accounts for about 75 percent of the costs of the farm bill; the farm bill is really the food stamp bill.

**10. Develop an agriculture-only farm bill and consider the nutrition title in separate legislation.** This will allow for both to be considered on their own merits, which will help to develop better policy. The nutrition title should authorize programs for a shorter period of time than the programs in the agriculture-only farm bill. There should be at least a two-year difference. This will help ensure these programs are not combined back together again in the future.