



FAMILY FARMING AND THE FARM SAFETY NET 2019 SPECIAL ORDER OF BUSINESS

National Farmers Union serves to protect and enhance the economic well-being and quality of life for family farmers and ranchers across the country. As the free fall in commodity prices persists and ongoing trade disputes compound market challenges, family farmers' and ranchers' economic security has evaporated. National Farmers Union calls on the Administration and Congress to work together to strengthen the farm safety net.

Net farm income in 2018 is estimated to be nearly 50 percent less than 2013 levels. Median farm income is estimated to be -\$1,548, meaning a majority of farms – farms of all sizes – lost money this past year. Banks are tightening lending requirements, putting greater emphasis on cash flow and pressure on equity. These economic challenges have forced many farmers into significant financial strain, particularly beginning farmers and ranchers who have not had the ability to build up equity. Despite their best efforts, many farmers are struggling to stay afloat. For example, the number of dairy farmers in the United States has dropped by more than 30 percent in the last 10 years.

The recently passed farm bill provides insufficient relief. The Dairy Margin Coverage program is an improvement from its predecessor, the Margin Protection Program. However, the changes do not reflect the severity of existing market challenges and the immediacy of the financial crisis facing family farmers and ranchers.

We call on Congress and the Administration to build upon the successes of the 2018 Farm Bill and find solutions that will provide significant, long-term solutions to strengthen the farm safety net.

To achieve that goal, National Farmers Union supports:

- Increased and robust reference prices under the Price Loss Coverage program that account for cost of production;
- Options to meaningfully address chronic oversupply in the marketplace, including programs that divert acres toward conservation uses;
- The establishment of a mandatory, federal dairy program that provides incentives for farmers to balance production with profitable demand, takes into account that cost of production varies based on farm size, is managed by an elected board of dairy farmers and processors, and requires fewer government subsidies;
- Full funding for the Farm and Ranch Stress Assistance Network to address alarming increases in mental health issues; and
- Increased funding for the Agricultural Mediation Program to better meet increasing demand.