



National Farmers Union Board of Directors Resolution on the Farm Safety Net

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 slump in commodity prices persists and ongoing trade disputes compound market challenges, family farmers' and ranchers' economic security is at significant risk. National Farmers Union's Board of Directors 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.

Ongoing disputes with China and other key trading partners have caused further damage to our agricultural markets. The short-term assistance provided through the United States Department of Agriculture's Market Facilitation Program was appreciated but fails to provide long-term relief. Regardless of when and how existing trade disputes are resolved, it will take decades to overcome the self-inflicted damage to our markets.

The recently passed farm bill provides meaningful but modest relief. Changes to the Price Loss Coverage and Agriculture Risk Coverage will improve each program's effectiveness and will eventually strengthen the levels of support they provide. The Dairy Margin Coverage program is a significant improvement from its predecessor, the Margin Protection Program. However, in neither case do the changes reflect the severity of existing market challenges and the immediacy of the financial crisis facing family farmers and ranchers.

We urge Congress and the Administration to work together to find solutions that will provide significant, long-term solutions to strengthen the farm safety net. We further urge Congress to examine options to meaningfully address chronic oversupply in the marketplace by including programs that divert acres toward conservation uses, which can provide environmental benefits while helping to balance production with current market demands.

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