

## **Agriculture and Natural Resources Policy Committee**

**Wednesday, February 15, 2012 · 10:00 a.m. – 12:00 p.m.**

**CSAC First Floor Conference Room**

**1100 K Street, 1<sup>st</sup> Floor, Sacramento, CA 95814**

**Conference Call Line: 916-445-5476**

### **AGENDA**

Supervisor, Richard Forster, Amador County, Chair  
Supervisor Kim Vann, Colusa County, Vice- Chair

- |                   |             |   |
|-------------------|-------------|---|
| 10:00- 10:10 a.m. | <b>I.</b>   | <b>Welcome and Introductions</b><br><i>Supervisor Richard Forster, Amador County</i><br><i>Supervisor Kim Vann, Colusa County</i>   |
| 10:10- 10:40      | <b>II.</b>  | <b>Review &amp; Discussion of Governor's Regional Water Quality Control Board (RWQCB) Budget Proposal</b><br><i>Karen Keene, CSAC Senior Legislative Representative</i><br><i>Cara Martinson, CSAC Senior Legislative Analyst</i> |
| 10:40- 11:20      | <b>III.</b> | <b>Overview: Proposed National Flood Insurance Program (NFIP) Federal Legislation</b><br><i>Karen Keene, CSAC Senior Legislative Representative</i><br><i>Cara Martinson, CSAC Senior Legislative Analyst</i>                     |
| 11:20- 11:50      | <b>IV.</b>  | <b>Discussion of Farm Bill Reauthorization</b><br><i>Rayne Pegg, California Farm Bureau Federation</i>  |
| 11:50-12:00 p.m.  | <b>V.</b>   | <b>Other Items &amp; Adjournment</b>  |

## **ATTACHMENTS**

---

Attachment One: .....CSAC Background Memo: RWQCB

Attachment Two: .....CSAC Letter on H.R. 2765

Attachment Three: .....Draft Garamendi Legislation on NFIP

Attachment Four.....NFIP Coalition White Paper

Attachment Five..... Farm Bureau Farm Bill 2012 Priorities

Attachment Six..... State of California's Farm Bill Recommendations

---

**Attachment One**  
CSAC Background Memo on RWQCB Proposal



February 3, 2012

1100 K Street  
Suite 101  
Sacramento  
California  
95814

Telephone  
916.327-7500

Facsimile  
916.441.5507

To: CSAC Agriculture & Natural Resources Committee  
From: Karen Keene, CSAC Senior Legislative Representative  
Cara Martinson, CSAC Senior Legislative Analyst

**Re: Governor's Regional Water Board Consolidation Proposal**

---

The Governor's January budget proposes a reorganization of state government, including the elimination and consolidation of 48 boards, commissions, programs, and departments. Included as part of that reorganization, is a proposal to consolidate the California Regional Water Quality Control Boards (RWQCB). Over the past several years, a number of proposals have attempted to make changes to and reorganize the structure and performance of the RWQCBs. The latest proposal comes through the Governor's January budget. In brief, the Governor's budget proposal would reduce the number of RWQCBs from nine to eight, consolidating the Colorado River Basin Water Board into neighboring regions, reduce the number of members on the boards from nine to seven, adjust board member conflict of interest rules, increase the per diem rates for board members, and allow the Governor to select the chair of each regional board.

While CSAC does not oppose the reduction in size of the regional boards, we do have serious concerns with the elimination of the county government seat. In addition, staff has concerns with the provision of the proposal that would allow the Governor to appoint the Chair of each RWQCB as well as concerns regarding increases in per diem rates. However, other elements of the proposal are less concerning. The ten percent and conflict of interest rules have been a stumbling block for city and county representatives who wish to serve on the regional water boards. CSAC would support changes to these provisions, thus allowing qualified parties to be eligible to serve on RWQCBs.

On a related note, Representative Gary Miller has sponsored legislation titled the Sunshine on Conflicts Act (H.R. 2765) that would provide for a conflict of interest approach to ensure that no state appointee may participate in a Clean Water Act (CWA) permitting decision in which he or she has a direct or indirect financial interest. The legislation is necessary to revise outdated provisions of the CWA and replace the percent of income test now applied under U.S. Environmental Protection Agency (U.S. EPA) regulation. CSAC and the Regional Council of Rural Counties (RCRC) have expressed support for H.R. 2765. Congressman Miller is currently in the process of seeking co-sponsors to this measure.

The following describes Governor Brown's RWQCB proposal in greater detail:

**Reduction of Board Members.** The Governor's proposal would reduce the number of RWQCB members from nine to seven, and would eliminate the existing associational requirements and instead use a modified version of criteria that would require appointees to demonstrate interest and proven ability in fields related to water quality. Current law requires appointments to each RWQCB to represent particular experience or interests, including: water supply, conservation, production; irrigated agriculture; industrial water

use; City Council or Mayor; County Supervisor; NGO associated with recreation, fish or wildlife; special competence in water quality (two seats); and, public member.

**Adjust the Ten Percent Rule.** The proposal would revise provisions of state law pertaining to the ten percent rule which states that ten percent of appointee's gross personal income cannot come from NPDES permittees. The argument has been made in recent years that it has become increasingly difficult to find qualified people to fill board seats because so many people with knowledge of the issues have become subject to NPDES permits.

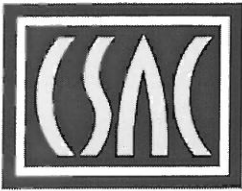
**Conflict of Interest Rules.** Current law prohibits regional board members from participating in any board action which involves the board member or any waste discharger where the board member is a director, officer or employee. Board members are also prohibited from participating in any decision in which the board member has a financial interest. The Governor's proposal would conform the Water Code's conflict of interest rules to the rules that apply to other state officials under the Political Reform Act.

**Regional Water Board Chair Selected by the Governor.** This proposal would allow the Governor to appoint the Chairperson of all the RWQCBs. Current law allows the boards to select the Chairperson at their first meeting of the year.

**Increase Per Diem for Regional Board Members.** The Governor's proposal would increase the per diem compensation from \$100 per day to \$500 per day and increase the annual cap from \$13,500 to \$60,000.

---

**Attachment Two**  
CSAC Letter on H.R. 2765



California State Association of Counties  
1100 K Street, Suite 101  
Sacramento, CA 95814



Regional Council of Rural Counties  
1215 K Street, Suite 1650  
Sacramento, CA 95814

January 31, 2012

Dear Members of the California Congressional Delegation:

On behalf of the Regional Council of Rural Counties (RCRC) and the California State Association of Counties (CSAC), we are writing to urge you to cosponsor H.R. 2765, *The Sunshine on Conflicts Act of 2011* by Representative Gary Miller. This legislation addresses a pressing issue of concern that is hindering the ability to ensure that the most qualified individuals are considered for appointment to state water quality positions charged with the important task of regulating National Pollutant Discharge Elimination System (NPDES) permittees.

H.R. 2765 will provide for a conflict of interest approach to ensure that no state appointee may participate in a Clean Water Act (CWA) permitting decision in which he or she has a direct or indirect financial interest. The legislation is necessary to revise outdated provisions of the CWA and replace the percent of income test now applied under U.S. Environmental Protection Agency (U.S. EPA) regulation.

Section 304 of the CWA directed the U.S. EPA to develop regulations to prevent individuals who receive "significant income" from an entity that holds, or is applying for, a Clean Water Act NPDES permit from being nominated and appointed to a state water quality authority that implements the CWA. In a decades-old rule, EPA interpreted "significant income" to be 10% or more of an individual's income derived from an NPDES permit holder or an applicant seeking an NPDES permit. Additionally, the definition extends to immediate family members' income, creating an additional hurdle for qualification that has no relationship to actual conflict situations. The rule has led to numerous instances where highly qualified individuals with decades of technical experience have been prohibited from serving as state water quality regulators in the absence of any actual or perceived conflict of interest.

General and individual NPDES permits now cover the vast majority of local governments, school districts, and small businesses. For example, in California a former member of a local special district governing board was deemed ineligible for appointment to a California water quality board. The determination was made because his wife was employed by a public school district covered by the statewide general NPDES permit for small municipal stormwater discharges. In another instance, a part owner of a vineyard was ruled ineligible for appointment. The basis of this determination was simply because the vineyard sold grapes on the "open" market and the grapes were purchased by

vintners holding a general stormwater permit under the Clean Water Act. Reports of similar impacts have been experienced throughout California and in other parts of the country.

H.R. 2765 would address this inequitable situation by replacing the "significant income" definition governing eligibility with an updated and appropriate conflict standard that protects the interests of the public. The language would prevent a sitting member of a water quality authority from voting upon, or seeking to influence, any permit in which the member has a direct or indirect financial interest. This approach is familiar to virtually every town council, city council, county board of supervisors, not to mention the Congress.

In addition to RCRC and CSAC, the following groups support H.R. 2765: California Association of Sanitation Agencies, National Association of Clean Water Agencies, Association of California Water Agencies, California Chamber of Commerce, League of California Cities, Partnership for Sound Science in Environmental Policy, and the Western States Petroleum Association.

In conclusion, RCRC and CSAC again urges that you join Representative Gary Miller and cosponsor H.R. 2765. Please feel free to contact Kathy Mannion at (916) 447-4806 or Karen Keene at (916) 327-7500 with any questions.

Sincerely,



Karen Keene, CSAC  
Deputy Director, Federal Affairs



Kathy Mannion, RCRC  
Legislative Advocate

cc: Congressman Gary Miller



---

**Attachment Three**  
Draft Garamendi Legislation on NFIP

[DISCUSSION DRAFT]

112TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To amend the National Flood Insurance Act of 1968 to allow the construction and improvement of structures used solely for agricultural production in floodplains, and for other purposes.

---

IN THE HOUSE OF REPRESENTATIVES

Mr. GARAMENDI introduced the following bill; which was referred to the Committee on \_\_\_\_\_

---

**A BILL**

To amend the National Flood Insurance Act of 1968 to allow the construction and improvement of structures used solely for agricultural production in floodplains, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “\_\_\_\_\_ Act  
5 of 2011”.

1 **SEC. 2. FLOOD INSURANCE PROGRAM TREATMENT OF NEW**  
2 **OR SUBSTANTIALLY IMPROVED AGRICUL-**  
3 **TURAL STRUCTURES LOCATED IN**  
4 **FLOODPLAINS.**

5 **SEC. 3. FLOODPLAIN MANAGEMENT CRITERIA.**

6 (a) IN GENERAL.—Section 1361 of the National  
7 Flood Insurance Act of 1968 (42 U.S.C. 4102) is amended  
8 by adding at the end the following new subsection:

9 “(d) TREATMENT OF CERTAIN STRUCTURES AND  
10 AREAS.—

11 “(1) REQUIREMENTS.—After the date of the  
12 enactment of this subsection, the comprehensive cri-  
13 teria for land management and use established pur-  
14 suant to this section shall provide as follows:

15 “(A) TREATMENT OF CERTAIN AGRICUL-  
16 TURAL STRUCTURES.—Such criteria may not  
17 prohibit, limit, restrict, or condition, including  
18 requiring any floodproofing or flood damage  
19 mitigation activities or features with respect to,  
20 the new construction or substantial improve-  
21 ment of any agricultural structure in any area  
22 identified by the Director as having special  
23 flood hazards, except to the extent provided in  
24 section 1315(a)(2) [and subject to subpara-  
25 graphs (B) and (C) of this paragraph].

1           “(B) TREATMENT OF STRUCTURES IN  
2 CERTAIN AREAS PROTECTED BY LEVEES.—Such  
3 criteria, with respect only to structures in a  
4 covered levee-protected area—

5           “(i) may not prohibit, limit, restrict,  
6 or condition, including requiring any  
7 floodproofing or flood damage mitigation  
8 activities or features with respect to, the  
9 new construction or substantial improve-  
10 ment of any agricultural structure; and

11           “(ii) shall provide that any substantial  
12 improvement made to an existing residen-  
13 tial structure shall have the lowest floor  
14 (including any basement) elevated to or  
15 above the base flood level, except that for  
16 purposes of determining whether any im-  
17 provement of residential structures in such  
18 an area is substantial or not, the term  
19 ‘substantial damage’ shall mean, for any  
20 damage caused other than by a flood  
21 event, damage for which the cost of restor-  
22 ing the structure to its before-damaged  
23 condition would equal or exceed 100 per-  
24 cent of the market value of the structure  
25 before the damage occurred.

1           “(C) TREATMENT OF EXISTING STRUC-  
2           TURES IN LEGACY COMMUNITIES PROTECTED  
3           BY LEVEES.—Such criteria shall provide that a  
4           legacy community located in a covered levee-  
5           protected area may adopt adequate land use  
6           and control measures that provide for the re-  
7           pair, restoration to pre-damaged conditions, or  
8           replacement of existing residential and non-resi-  
9           dential structures other than repetitive loss  
10          structures (as such term is defined in section  
11          1370).

12          “(2) DEFINITIONS.—For purposes of this sub-  
13          section, the following definitions shall apply:

14                 “(A) AGRICULTURAL STRUCTURE.—The  
15                 term ‘agricultural structure’ has the meaning  
16                 given such term in section 1315(a)(2)(D).

17                 “(B) COVERED LEVEE-PROTECTED  
18                 AREA.—The term ‘covered levee-protected area’  
19                 means any area that is protected by a levee that  
20                 is not accredited by the Administrator, but pro-  
21                 vides protection [as determined by who?] with  
22                 at least 1 foot of freeboard above the water sur-  
23                 face elevation of the base flood for such area.

1           “(C) LEGACY COMMUNITY.—The term ‘leg-  
2           acy community’ means a community having a  
3           population of less than 2,000 that is [——?].”.

4           [(b) EXCEPTION TO EXISTING REQUIREMENTS FOR  
5 AGRICULTURAL STRUCTURES.—Section 1315(a)(2) of the  
6 National Flood Insurance Act of 1968 (42 U.S.C.  
7 4022(a)) is amended—]

8           [(1) in subparagraph (A), by striking “Not-  
9           withstanding” and inserting “Subject to subpara-  
10          graphs (B) and (C) of section 1361(d)(1) and not-  
11          withstanding”; and]

12          [(2) in subparagraph (B), by striking “To” and  
13          inserting “Subject to subparagraphs (B) and (C) of  
14          section 1361(d)(1) and to”.]

15 **SEC. 4. AVAILABILITY OF FLOOD INSURANCE COVERAGE**  
16 **AND CHARGEABLE RATES.**

17          Section 1308 of the National Flood Insurance Act of  
18 1968 (42 U.S.C. 4015) is amended—

19           (1) in subsection (c), in the matter preceding  
20          paragraph (1), by inserting “of this subsection and  
21          to subsections (g) and (h)” before the comma; and

22           (2) by adding at the end the following new sub-  
23          section:

24          “(g) NEW CONSTRUCTION AND SUBSTANTIAL IM-  
25 PROVEMENT OF AGRICULTURAL STRUCTURES.—Subject

1 to section 1315(a)(2)(B) [and subsection (h) of this sec-  
2 tion], and notwithstanding any other provision of this Act,  
3 the Director shall make flood insurance coverage available  
4 upon request for any agricultural structure described in  
5 section 1361(d) that is located in any area identified by  
6 the Director as having special flood hazards. Such cov-  
7 erage shall be made available at chargeable premium rates  
8 that are based on estimated rates under section  
9 1307(a)(2) and are consistent with the provisions of sec-  
10 tion 1308((b)(2) applicable to such rates.

11 “(h) STRUCTURES IN COVERED LEVEE-PROTECTED  
12 AREAS.—The Director shall make flood insurance cov-  
13 erage available upon request for any structure that is lo-  
14 cated in an area described in subparagraph (B) or (C)  
15 of section 1361(d)(1) and is constructed, improved, re-  
16 paired, restored, or replaced as described in such subpara-  
17 graph, as applicable. Such coverage shall be made avail-  
18 able at chargeable premium rates applicable to areas hav-  
19 ing a low or moderate risk of flooding (zone X).”.

20 **SEC. 5. TASK FORCE ON LEGACY COMMUNITY FLOOD IN-**  
21 **SURANCE ISSUES.**

22 (a) ESTABLISHMENT; STUDY.—The Administrator of  
23 the Federal Emergency Management Agency and the Sec-  
24 retary of Agriculture shall jointly establish a task force  
25 that shall conduct a study to analyze the challenges faced

1 by [legacy communities] located in areas designated as  
2 an area having special flood hazards for purposes of the  
3 national flood insurance program under the National  
4 Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).

5 (b) MEMBERSHIP.— The task force shall consist of  
6 15 members, appointed [jointly by the Administrator of  
7 the Federal Emergency Management Agency and the Sec-  
8 retary of Agriculture?], as follows:

9 (1) One individual who is a representative of a  
10 national farm organization.

11 (2) One individual who is a representative of a  
12 national banking organization.

13 (3) One individual who is a representative of a  
14 national floodplain management organization.

15 (4) One individual who is a representative of a  
16 national organization of flood and stormwater man-  
17 agement agencies.

18 (5) One individual who is a representative of a  
19 national agricultural commodities organization.

20 (6) Two individuals, each of whom is a rep-  
21 resentative of a State affected by the issues specified  
22 in subsection (a).

23 (7) Three individuals, who shall include one  
24 representative each of the flood control associations  
25 for—



1 (A) the Central Valley of California;

2 (B) the Mississippi Valley; and

3 (C) the Missouri Valley.

4 (8) Two individuals who are representatives of  
5 **[units of general local government?]** that are **[leg-**  
6 **acy communities]**.

7 (9) Three individuals who have an interest or  
8 expertise in the issues specified in subsection (a)..

9 (c) CO-CHAIRS.— The Administrator of the Federal  
10 Emergency Management Agency and the Secretary of Ag-  
11 riculture shall serve as co-chairs of the task force, or their  
12 designees.

13 (d) TRAVEL EXPENSES; PER DIEM.—Members of the  
14 task force members shall not receive compensation for  
15 their service on the task force, **[but shall receive travel**  
16 **expenses, including per diem in lieu of subsistence, in ac-**  
17 **cordance with sections 5702 and 5703 of title 5, United**  
18 **States Code]**.

19 (e) STAFF.—The Administrator of the Federal Emer-  
20 gency Management Agency and the Secretary of Agri-  
21 culture may detail, on a reimbursable basis, any of the  
22 personnel of such agencies to the task force to assist the  
23 task force in carrying out its duties under this section.

24 (f) REPORT.—Not later than the expiration of the 12-  
25 month period beginning on the date of the enactment of

1 this Act, the task force shall submit to the Committee on  
2 Financial Services of the House of Representative and the  
3 Committee on Banking, Housing, and Urban Affairs of  
4 the Senate a report regarding the study conducted pursu-  
5 ant to subsection (a) that shall include any findings and  
6 conclusions of the study and recommended changes to the  
7 national flood insurance program to strengthen the eco-  
8 nomic viability and vitality of legacy communities, includ-  
9 ing an analysis and recommendations regarding allowing  
10 infill development and building expansion.

11 (g) LEGACY COMMUNITIES.—For purposes of this  
12 section, the term “legacy community” means a community  
13 having a population of less than 2,000 that is [—?].

14 (h) TERMINATION.—The task force shall terminate  
15 upon the expiration of the [\_\_\_\_]-day period beginning  
16 upon the submission of the report required under sub-  
17 section (f).

---

**Attachment Four**  
NFIP Coalition White Paper

# COALITION FOR THE CREATION OF AN AGRICULTURAL FLOOD HAZARD AREA UNDER THE NATIONAL FLOOD INSURANCE PROGRAM

DECEMBER 2011

On November 14<sup>th</sup>, 2011, a kick-off meeting was held by a coalition of local agencies and landowners interested in the creation of a new agricultural flood hazard area under the National Flood Insurance Program (NFIP). This new zone would apply to established agricultural areas that would otherwise be mapped into the 100-year floodplain and would help ensure that agriculture, and the communities it supports, continues to thrive.

Participants in the initial meetings include representatives from the following organizations:

- California Central Valley Flood Control Association
- California Farm Bureau
- Colusa County
- Landowners
- Reclamation District 108
- Reclamation District 1500
- Sacramento County
- Sacramento River Conservation Area Forum
- Sutter Butte Flood Control Agency
- Sutter County
- Yolo County
- Yolo County Farm Bureau
- Yuba County
- Yuba County Water Agency
- Yuba Sutter Farm Bureau

The coalition is in the initial stages of organization and invites participation from any interested agency, group, or individual. Three working committees were formed at the kick-off meeting that will be responsible for coordinating efforts in three general areas. These workgroups and their respective contact information are outlined below:

1. **Financial Issues Technical Work Group (disaster relief and insurance)**  
Scott Shapiro of Downey Brand  
sshapiro@downeybrand.com
2. **Building Restrictions Technical Work Group**  
Ric Reinhardt of MBK Engineers  
Reinhardt@mbkengineers.com
3. **Lobbying and Outreach Work Group**  
Kristi More of The Ferguson Group  
kmore@tfgnet.com

The work groups will meet regularly and a meeting of the full coalition will occur sometime in January. If you are interested in learning more about this issue and how it may affect your community, please contact Scott Shapiro, Ric Reinhardt, and Kristi More for additional information.

# PROPOSAL FOR AN AGRICULTURAL FLOOD HAZARD AREA

## INTRODUCTION:

California is the top producer of agricultural products in the nation, with an average industry value of more than \$35 billion, which is 12.3 percent of the national output. It is estimated that more than 1 million jobs in California are agriculture related. While no other state has as much agricultural production, dozens of states have critically important agricultural economies, and cumulatively the agricultural economies of all of these states have a dramatic impact on the economy of the United States. In these states a significant portion of agricultural lands are being mapped within FEMA's regulated floodplain. In order for these states to continue to sustain a robust agricultural economy and discourage urbanization of the rural areas in the floodplain, changes are needed to the National Flood Insurance Program (NFIP) that will promote the sustainability of agriculture in the floodplain. The proposed changes will promote prudent floodplain management principles and minimize the risk of increased urbanization of the floodplain.

## DISCUSSION:

Throughout the history of the United States, people have settled near waterways for reasons that include transportation, irrigation and water, aesthetics, and the fertile soils that benefitted from active floodplains. As the nation's population grew, so did the damage associated with flooding from these waterways. Landowners and river communities attempted to protect themselves from flooding by constructing levees around their property. During the 1960s, people began to question the effectiveness of structural facilities to reduce flood losses. Studies indicated that, although flood control structures continued to be built and reinforced, flood losses continued to increase. In response, the NFIP was established by Congress in 1968. The program works by allowing communities to receive federally-backed flood insurance, in return for the community regulating development within the established floodplain.

Through the NFIP FEMA regulates development in areas subject to flooding from a base flood, or a flood that has a 1-percent chance of occurring in any given year. Through the 1970s and 1980s, FEMA comprehensively mapped all communities in the United States within the base floodplain and delineated them on Flood Insurance Rate Maps (FIRMs). The original FIRMs showed areas protected by levees in a Zone X, not an SFHA bound by the requirements of the NFIP floodplain development regulations. These levees often had no engineering documentation supporting the level of protection provided by that levee. After years of repeat stress from flooding, changing hydrology and hydraulics within the levee systems, and changed engineering standards, many levees had become deficient in their ability to protect from the base flood. In 2001, the Map Modernization Program was initiated by FEMA to update FIRMs that had become outdated and digitize those maps to reduce paper and make them more easily accessible by the public.

As a result of FEMA's Map Modernization Program and the limited financial ability of most rural communities to improve their levee systems to meet FEMA's 100-year certification criteria, these rural agricultural communities have been, or will be, remapped into an SFHA. The restrictions on development in an SFHA, while effectively curbing development in the floodplain, do not provide the flexibility needed to sustain agriculture. The strict regulations have made reinvestment in agricultural operation facilities, commercial facilities in support of

agriculture, equipment repair facilities, livestock and crop processing facilities, housing for agricultural operators, or temporary farm worker housing financially infeasible and/or unattainable in these areas. Agriculture represents a necessary and vital component of our nation's economy. In addition, maintaining rural open space and agriculture is an integral component of prudent floodplain management. However, as currently implemented, the result of NFIP policies will be to displace vibrant agricultural communities with rural "ghost towns," which will have long term implications to the decline of agriculture in the floodplain.

### **PROPOSAL:**

Legislative changes are required to allow the NFIP and its implementation to not devastate agricultural communities. Those changes are required to address the inability of these communities, after being mapped into the floodplain, to reinvest in the economic activities that make them strong, and to allow affordable and available flood insurance to help these communities after the rare flood event:

1. Congress should establish a FEMA flood zone for agriculturally-based communities to allow replacement or reinvestment development in historically agricultural floodplains for existing and a limited number of new structures. This program would not require expensive elevation of structures or dry flood proofing, but would still have requirements for wet flood proofing certain structures.
2. Congress should instruct FEMA for these special agricultural zones to adjust the NFIP rate to be more actuarially structured to evaluate the actual flood risk based on levees providing historical protection, as opposed to assuming that no protection actually exists. This would lower the base rates for people in lower risk areas while not affecting rates for frequent claims and higher risk areas.

---

**Attachment Five**  
Farm Bureau Farm Bill 2012 Priorities



# CALIFORNIA FARM BUREAU FEDERATION

NATIONAL AFFAIRS & RESEARCH DIVISION

2300 RIVER PLAZA DRIVE SACRAMENTO, CA 95833-3293 • PHONE (916) 561-5610 • FAX (916) 561-5693

October 31, 2011

The Honorable  
Committee on Agriculture, Nutrition and  
Forestry  
United States Senate  
Washington, DC 20510

The Honorable  
Committee on Agriculture  
United States House of Representatives  
Washington, DC 20515

Dear Chairwoman Stabenow, Chairman Lucas, Ranking Members Roberts and Peterson:

The California Farm Bureau Federation thanks you for your leadership in designing a Farm Bill for the future. We recognize that tough decisions will have to be made. As the representative of 76,500 members in the largest agricultural state, please find below the top Farm Bill priorities for California farmers and ranchers.

### Specialty Crops

Growers of specialty crops now have a Farm Bill title and we call for the Congress to preserve and build upon the title in the next bill. The **Specialty Crop Block Grant Program** allows states to tailor programs to the unique needs of each state and address the issues that are impacting producers. Maintaining the specialty crop block grant program and mandatory dollars is a top priority for California farmers. In addition, the block grant should also encourage more multi-state partnerships.

As a state that is facing multiple invasive pest and disease threats we propose maintaining the funding for the APHIS **Plant Pest and Disease Program** (sec. 10201). This program has been an important tool to protecting our agricultural production by maintaining the highest level of detection and eradication of pests and diseases at our points-of-entry. **We ask that the program stay in the Farm Bill and additional dollars be allocated.** The devastation caused by pests, diseases, and resulting in production losses, quarantines, and trade restrictions ought to be vigilantly protected.

As was required in the last Farm Bill, the planting prohibition should continue and the planting flexibility pilot provision in the 2008 bill should be repealed. As long as some farmers receive federal payments, they should not be allowed to plant fruits and vegetables on that program acreage.

### Dairy

The dairy industry is the long time leading agricultural sector in California. Therefore, we support a move away from the federal dairy price support program and the Milk Income Loss Contract (MILC) to a gross margin insurance program. Any program should permit dairy farmers to receive a price that enables them to produce a stable and dependable milk supply.



### Nutrition

*Expand the healthy incentives pilot* that creates incentives for the purchase of fruits and vegetables by people using the Supplemental Nutrition Assistance Program. The Farm Bill allocated \$20m for the pilot program to create new and innovative approaches that empower low-income Americans to consume diets that include optimal levels of fruits and vegetables, whole grains, and other healthful foods. We are proposing additional dollars for the pilot program and making the money eligible to non-profit organizations to distribute the dollars to reach more eligible Americans.

### Organic

To strengthen the authorities of the National Organic Program (NOP) the Farm Bill should provide subpoena authority and stop sale authority of products being sold in violation of the organic standard.

In addition to strengthening the NOP's authorities the Farm Bill should direct the program, by 2014, to create a database for tracking certifiers, producers, complaints and actions taken in the program. Currently, the NOP does not have the IT infrastructure to do these actions effectively. An IT database will allow for remote information input; faster processing of complaints; and the issuing of certificates for export; which are all critical to effectively manage a program.

### Food Safety

There are multiple produce food safety research and technical assistance efforts at USDA, FDA and in the private sector. However, there is a lack of coordination between USDA, FDA and stakeholders to prioritize and fund produce food safety research and technical assistance for a more effective and streamlined implementation of the Food Safety Modernization Act. With the pending FDA produce regulations expected next year and potential research gaps, there should be an effort to focus food safety research on specific priorities that will address the needs of produce growers throughout the nation.

*The Specialty Crops Title should contain language that directs USDA, in consultation with the Department of Health and Human Services, to annually identify food safety research and technical assistance priorities. These priorities should be used by both departments to coordinate funding and resources. A committee of fruit, vegetable and nut growers and handlers should play a role in establishing the priorities.*

### Conservation

Conservation programs are critical to keeping working farmland in California while preserving the landscape and habitat. We propose increasing funding for *Environmental Quality Incentive Program* (EQIP) and *Wildlife Habitat Incentives Program* (WHIP). We propose also reauthorizing and funding the *Grasslands Reserve Program* (GRP) to provide working lands easements on grazing lands. These programs are beneficial to California agriculture.

### Research

California producers benefit from a strong research title and we believe that the next Farm Bill should preserve research funds. To ensure the best use of the dollars the *specialty crop research initiative project* proposals should be reviewed by industry stakeholders. This could be achieved by having an industry panel review the proposals and rank those projects that have merit.

### Market Development

Recognizing that there is a growing customer base outside the U.S. we strongly support

USDA's market development programs to improve trade. As we face increased competition in foreign markets, the U.S. must be more aggressive, with increased funding for programs that result in greater market development and access for U.S. agriculture. *The Market Access Program (MAP)* has shown to be effective by leveraging industry dollars with Federal funds to develop new markets. We support *mandatory funding of \$200 million per year*.

As producers who face a number of non-tariff trade barriers that limit the movement of products to foreign markets, we want to see continued authorization and funding for the *Technical Assistance for Specialty Crops (TASC)*. *Mandatory funding of \$45 million over 5 years* should be in the Farm Bill.

#### **Rural Development**

Many areas in California are not eligible to participate in Farm Bill programs because of the "rural" designation required by USDA. Due to the increased population throughout our state, the definition precludes communities such as Fresno, Chico, and Stockton from participating in rural development programs. Producers in these areas should be eligible for programs they are currently denied.

Also, the Congress should continue to provide funding for *Value-added producer* grants through mandatory funding.

#### **California Rice, Wheat and Cotton**

CFBF supports California rice, cotton and wheat farmers who are a vital part to California's rural communities and landscape. We support these producers as they define a farm program (risk management and crop insurance) that keeps them working on the land.

The California Farm Bureau Federation works to protect family farms and ranches on behalf of approximately 76,500 members statewide and as part of a nationwide network of nearly 6.3 million Farm Bureau members.

Sincerely,



Paul Wenger  
President

cc: Congressman Cardoza  
Congressman Costa  
Congressman Baca  
Senator Feinstein  
Senator Boxer

---

**Attachment Six**  
State of California's Farm Bill Recommendations



October 14, 2011

The Honorable Debbie Stabenow  
Chairwoman  
U.S. Senate Committee on  
Agriculture, Nutrition and Forestry  
United States Senate - Michigan  
Senate Russell Office Building  
Washington, DC 20510

The Honorable Pat Roberts  
Ranking Member  
U.S. Senate Committee on  
Agriculture, Nutrition and Forestry  
United States Senate - Kansas  
Senate Russell Office Building  
Washington, DC 20510

The Honorable Frank D. Lucas  
Chairman  
House Committee on Agriculture  
United States House of Representatives –  
Oklahoma - 3rd  
Longworth House Office Building  
Washington, DC 20515

The Honorable Collin Peterson  
Ranking Member  
House Committee on Agriculture  
United States House of Representatives –  
Minnesota - 7th  
Longworth House Office Building  
Washington, DC 20515

Dear Madam Chairwoman, Ranking Member Roberts, Mr. Chairman and Ranking Member Peterson:

Enclosed, please find California's Farm Bill recommendations for your consideration. As the largest agricultural producer and exporter, California plays a vital role in this nation's economic vitality. With more than 400 different agricultural commodities, California's farms and ranches are vital to feeding and clothing the nation and the world. Protecting our farms and ranches is an investment in our nation's future.

The Farm Bill is critical to the nation's communities, farming and environment. California's Farm Bill recommendations represent the collective input of more than 70 diverse stakeholder organizations, five public listening sessions across the state attended by hundreds of people and contributions from state government agencies. Together, these viewpoints and our Farm Bill recommendations reflect the scope of California and the nation's agricultural diversity and the overarching themes shared by the organizations and individuals that participated in the process.

California and our stakeholders share the vision that the Farm Bill needs to create jobs, ensure better health and well-being, protect our natural resources and environment, promote thriving communities, and revitalize our food and farming system.



Current budgetary constraints may limit Farm Bill investments within this critical sector of our nation's economy. However, we respectfully request that you consider California's recommendations for inclusion within the Farm Bill and within the Committees recommendations to the Joint Select Committee on Deficit Reduction.

Thank you for your consideration. If you would like to discuss any of this, please do not hesitate to call Karen Ross, Secretary, California Department of Food and Agriculture, at 916-654-0433.

Sincerely,



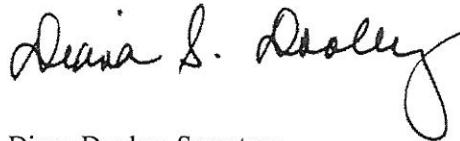
Karen Ross, Secretary  
California Department of Food and Agriculture



Matt Rodriguez, Secretary  
California Environmental Protection Agency



John Laird, Secretary  
California Natural Resources Agency



Diana Dooley, Secretary  
California Health and Human Services Agency

Enclosures

cc: The Honorable Tom Vilsack, Secretary  
The Honorable Kathleen Merrigan, Deputy Secretary  
United States Department of Agriculture

California Congressional Delegation



# California and the Farm Bill

## *A Vision for Farming in the 21<sup>st</sup> Century*

*O beautiful for spacious skies,  
For amber waves of grain,  
For purple mountain majesties  
Above the fruited plain!  
America! America!<sup>1</sup>*



CALIFORNIA DEPARTMENT OF  
FOOD & AGRICULTURE



***The Farm Bill creates jobs, ensures the abundance and safety of our food and fiber, protects our environment and natural resources, revitalizes rural economies, invests in education, promotes renewable energy, and improves public health and nutrition.***

Farming is the backbone of our economy and our daily lives, providing healthy fruits and vegetables, nuts, dairy, grains, lean meats and dairy protein that we eat and drink, cotton and wool for the clothes we wear, and energy to power our lives. California produces more than 400 crops on 81,700 farms employing 800,000 people in all stages of the farming and ranching economy – from the field to our tables. Farm Bill programs expand job training and resources, foster job creation in the green economy, and build resources in rural communities to improve the business environment.

At a time when many sectors of the economy are faltering, agriculture is strong. California agriculture is a \$37.5 billion annual industry generating 12 percent of total U.S. agricultural revenue. California exports 23 percent of the products grown and harvested in the state, making it a trading powerhouse. We grow crops that feed, clothe and power California, the nation and the world.

There is an urgent need to invest in national policy that will ensure our farmers and ranchers can protect our natural resources while dramatically increasing their productivity to feed a global population projected to climb to more than nine billion people within the next few decades. The Farm Bill is that national policy and our priorities for the 2012 Farm Bill focus on:

- a renewed commitment to our farmers and ranchers;
- meeting the nutritional needs of our population;
- protecting the natural resource benefits of our working lands; and
- revitalizing our local communities.

---

<sup>1</sup> America the Beautiful, Katharine Lee Bates

### ***Ensuring Plant and Animal Health and Safety***

Because of our unique climate and vast trade – California is a primary point for goods entering and leaving the country – we are constantly under threat from invasive species and diseases that attack our crops, forests and animals, threatening our food supply and natural resources. California Department of Food and Agriculture (CDFA), farmers and ranchers, and our local and federal partners fight these threats every day, from Sudden Oak Death to exotic Newcastle disease to the Asian citrus psyllid. Yet, federal funding is critical to effectively continue this fight. In 2010, the federal government contributed nearly \$106 million in California, \$70 million directly to CDFA.

- Increase section 10201 pest inspection, prevention, detection, eradication and management funding from \$50 million to \$100 million annually to allow states to adequately address the growing threat of invasive pests.
- Maintain the current risk assessment formula for distributing 10201 funds, prioritizing funding to states that face the largest risk and whose risk of invasives provides the largest threat to the rest of the country.
- Allow the use of AQI user fees for invasive pest and disease prevention and response activities by USDA-APHIS Cooperators for programs outside of port environs that result from detection of a plant pest or disease introduced through an international port of entry or which is not currently known to occur in the U.S.
- Free up the use of Commodity Credit Corporation funds to expeditiously address new invasive species threats by allowing CCC money to be spent on salaries and related administrative expenses, including technical assistance expenses, without regard to limitations on allotments and fund transfers.
- Preserve funding for veterinarian services in APHIS' budget.
- Continue section 7521 funding for alternatives to multi-bacterial strain antibiotic resistant drugs.
- Fund animal and disease traceability and shell egg surveillance.

### ***Promoting Specialty Crops – Fruits, Vegetables, Nuts and Foods that Protect Public Health***

The Specialty Crop Block Grant (SCBG) Program is one of the most effective Farm Bill programs – it is responsive to local and regional needs, timely and focused. Numerous studies show that eating healthy foods – fruits, vegetables and nuts – decrease rates of chronic diseases, providing a more vital workforce and saving funds that would otherwise be spent on health care. SCBGs are critical to ensuring the vitality of this market, the health of our citizens and our domestic and international competitiveness.

- Fund SCBGs at \$350 million over 5 years.
- Retain the discretion for states to distribute SCBG funds to farmers and researchers as appropriate for their states.

The Specialty Crop Research (Initiative) (SCRI) needs to be revamped to make it more effective and useful.

- Reauthorize SCRI funding at least at current levels.
- Make the SCRI review process two-steps: an industry review for relevance, followed by a

scientific review for merit.

- Adjust project timelines as appropriate for specialty crops.
- Modify the definition of “national significance” for SCRI grants to acknowledge the uniqueness of specialty crops – a specialty crop may be grown in two states, yet the research done in these states impacts the nationwide supply of these nutritious foods – and, as appropriate, fund small-scale research projects.
- Parallel conflict of interest requirements on the SCRI review panel with those for other panels. Currently, although diversity of backgrounds is required, frequently individuals are not allowed to participate in decisions within their area of expertise, i.e., the citrus industry representative cannot comment on citrus projects, preventing critical input on the relevance and impact of proposals.

### *Protecting our Environment and Natural Resources and Promoting Renewable Energy*

Resources and tools for California to address natural resource protection, climate change, conservation and renewable energy are found within the Farm Bill. More than 43 percent of the land in California is used for food production. In contrast, our urban footprint is 5.5 million acres, or 5 percent, of California’s land base. Farming and ranching our working landscape provides many benefits in addition to food and fiber. Conservation funds ensure that we continue to have a vibrant farming community that is diverse, while at the same time protecting our natural resource base. Farming byproducts, a rich resource, increasingly provide us with energy to power our homes, buildings and vehicles.

The application of conservation cost-sharing programs and technical assistance increase the stewardship of our working lands and multiply the environmental, energy and economic benefits. Conservation programs support renewable energy; air and water quality; stewardship practices on the land that absorb carbon; pest prevention and management; improved irrigation practices; and forest management. In fiscal year 2009-2010 alone, California farmers: reduced nitrous oxide emissions in the San Joaquin Valley by 5.5 tons, equal to taking 408,000 cars off the road; paid for 71 miles of hedgerows, providing habitat for 1,500 species of pollinators and wildlife; and improved irrigation efficiency by 25 percent on over 200 billion gallons of water, enough to fill over 1 million swimming pools.

- Maintain funding for conservation programs, especially working lands programs, at 2008 Farm Bill levels, with particular emphasis on funding for the Environmental Quality Incentives Program (EQIP) and Agriculture Water Enhancement Program.
- Continue current funding for specific areas under EQIP, i.e., air and water quality and invasive pests.
- Continue funding regionally appropriate sources for biofuels and renewable fuels, i.e., cellulosic ethanol and biodigesters, including the Biomass Crop Assistance Program and the Renewable Energy Assistance Program, at 2008 Farm Bill levels.
- Count cost share practices that are conducted in accordance with NRCS technical guidelines towards, or deem them in, compliance with mandatory regulatory requirements at the farmer or rancher’s election.
- Restore education assistance, training and extension to promote conservation practices, increasing the overall percentage of funds going to technical assistance.
- Fund the development of metrics to evaluate and monitor the effectiveness of our conservation efforts and to measure their co-benefits, enabling targeting of conservation



- funding where benefits are the greatest.
- Utilize land retirement and easement programs to get more co-benefits. For instance, allow appropriate grazing on easement lands, preserving wildlife while revitalizing rural economies and ensuring the continued vibrancy of rangeland, and promote bee pollinator forage areas.
- Modify working land easement programs to allow the purchase of easements by qualified third-party entities such as land trusts or local governments.
- Utilize a single portal and application for NRCS programs, saving resources and creating efficiencies.
- Support NRCS' efforts to decrease administrative costs. Were NRCS to merge existing programs into fewer categories, i.e., working lands and land retirement, we would be supportive as long as the basic functions of these programs are not lost and the states maintain their ability to prioritize projects suitable for their needs.

### ***Improving Public Health and Nutrition***

The Farm Bill is not just for farmers; it provides funds to grow, promote and purchase safe and healthy foods. California, one of only five Mediterranean growing regions in the world, is able to provide an abundance of crops – over half the nation's fruits, nuts and vegetables alone. Today, with a renewed interest in nutrition and its role in preventing chronic disease, California's farms are even more important. This resurgence is building bridges between our food policy network, our rural communities and food deserts, between farms and urban environments, and between nutritionists and farmers, allowing us to achieve our goal of having California-grown healthy foods for all Californians and many Americans in their communities and homes.

Approximately 8 million Californians, or roughly 21 percent of the state's population, are eligible for food assistance programs. Statistics show that one in five Californians is at risk of hunger, and these numbers are likely to increase as we see increased need for food assistance by veterans and military personnel, the elderly and children. Faced with another economic downturn, rising food costs, and cuts in state and local safety nets, those least able to pay are the hardest-hit. The importance of programs like The Emergency Food Assistance Program (TEFAP) funding cannot be understated as our food banks struggle in desperate times to feed the increasing numbers of citizens going hungry

Federal investment in food assistance results in the largest economic stimulus return – every dollar in funding generates approximately \$1.73 in economic activity, compared to unemployment insurance (\$1.64), aid to state governments (\$1.36) and infrastructure spending (\$1.59). This Farm Bill is an opportunity to find new and innovative ways to utilize nutrition programs to provide healthier foods and food security, while still providing food choice.

- Maintain nutrition funding at current levels, maintaining existing programs, including Supplemental Nutritional Assistance Program (SNAP, or CalFresh in California), Commodity Supplemental Food Program, TEFAP, school lunches, and fruits, vegetables and tree nuts.
- Remove funding and eligibility barriers to food and nutrition programs by more closely aligning criteria for the various programs and refrain from adding additional barriers. For example, persons eligible for SNAP are automatically eligible for free school meals, but the reverse is not true.
- Remove legal barriers that prevent the exchange of data among programs, thus streamlining

application processing and simplifying multi-program administrative requirements, while protecting privacy rights of applicants and recipients.

- Facilitate efforts to reach seniors, who are underserved, i.e., USDA's Food and Nutrition Service should partner with the Social Security Administration to expand Combined Application Projects to include social security recipients.
- Provide increased and new incentives for purchasing foods that have nutritional value, eliminate food deserts and serve minorities or are locally or regionally sourced, i.e., through expansion of the Healthy Incentives Pilot and by restoring funding for the Farmer's Market Promotion Program.
- Provide for program flexibility within the Specialty Crop Block Grant Program, Farmers' Market Promotion program and other local food marketing programs to allow direct federal funding of nutritional incentives to increase access to nutritious food.
- Educate the public on the nutritional value and safety of our foods.
- Encourage farmers' markets and other local and regional food providers to accept electronic benefits transfer cards and to locate or distribute in low-income areas.
- Modify the Commodity Food Program and Department of Defense program to allow schools to use their line of credit for feeding programs to purchase healthy produce, dairy and other products from local U.S. farmers.

### ***Revitalizing Rural Communities***

The Farm Bill is also about rural communities, supporting healthcare, housing, communications, and economic development within critical areas of our state. In building jobs for the future, we need to develop infrastructure, improve water and sewer facilities and improve employment opportunities. The Farm Bill connects these dots – providing more than \$38 million in water and wastewater loans and over \$115 million for job opportunities and business planning.

However, the Farm Bill also creates barriers for Californians accessing these programs. There are multiple definitions and indicators of "rural" in the Farm Bill, little of which reflect the make-up of rural California.

- Standardize and simplify the definitions of "rural".
- Utilize census block group data instead of county data to determine areas of poverty.
- Upgrade rural development programs so that they support at the least the portion of essential services, i.e. hospitals and schools, in areas considered nonrural but that serve rural populations.
- Allocate funds to states based on the percentage of population that live in eligible areas.
- Change permanently the state non-metropolitan median household income requirement for the grant calculation to median household income of communities eligible for rural development programs in the state.
- Change funding formulas to reward counties working to direct growth to cities to protect agricultural land and open space.
- Expand rural development programs that help the agricultural work force and provide other co-benefits, such as van transportation, water and wastewater infrastructure, farm worker housing, rural medical centers and rural business grants.
- Allow H2A or other guest workers to occupy farm worker housing.
- Provide additional funding for infrastructure development and job training on new farming

- methods and materials, regional food hubs and direct farmer to consumer opportunities.
- Reauthorize USDA's Value Added Grants Program.
- Support funding for Beginning Farmers and Ranchers, the creation of individual development accounts and ensure that beginning farmers and ranchers are eligible for Farm Services Agency loans.
- Include in the Farm Bill a vehicle ensuring a legal and reliable workforce for agriculture.

### *Investing in Research and Education*

Research is critical to advance and sustain productivity and spur innovation as we face new and emerging invasive pests, tighter resource availability (i.e. land and water) and the need to feed a population that will double by 2040. While farmers, ranchers and agricultural enterprises spend hundreds of millions in research dollars, it is critical that USDA continue to participate in research that provides social benefits. The Farm Bill invests in world-class university systems and extension services, providing research funding to improve air and water quality, integrated pest management, food safety, and on-ground resources to enhance farming. Given global food needs, conservation challenges and invasive pest pressures, research and extension programs should be reauthorized at current levels at a minimum. The system in the U.S. is the envy of the world, but there is no question that our investment in the web of agricultural research – inter- and intramural, capacity building and foundational – has stalled and our infrastructure is faltering. By investing in education and research the farm bill assists farmers and ranchers across the country to feed an increasing population while protecting our natural resources more efficiently and effectively.

- Increase funding for preventing the entrance and spread of pests and disease through our borders and ports, and eradication methods when they reach our field and livestock.
- Allow research funds to be used for green technologies, such as alternatives for pest management and other technologies to enhance on-farm environmental performance, promote environmental health, reduce greenhouse gas emissions and protect crops from the effects of climate change.
- Fund nutritional research that leads to verified, peer-reviewed health claims with information available for consumer use in a streamlined process.
- Fund food security research – including disease resistant crops, new and improved species of fruits and vegetables, varieties suited to unique and changing environments and standards of identity – and food safety training emphasizing small and medium sized farmers.
- Direct funding toward development of methodologies to quantify the ecosystem and sustainability benefits of working lands and performance measures of farming methods.
- Revitalize funding for cooperative extension, adding funds for training, technical assistance and trials.
- Provide dedicated funding for the national laboratory network.
- Encourage research faculty to collaborate with industry and other universities.
- Allow research designed to meet regulatory requirements.
- Provide farmers and ranchers with access to the results of these research projects, creating subject matter databases on line that provide summaries and best management practices.

### *Developing International Markets*

California agricultural trade is vital to the nation, comprising 12 percent of the nation's agricultural trade and producing millions of jobs on and off the farm. In addition, the return on investment for these funds is astronomical, averaging \$40 dollars for every \$1 spent. President Obama has a national export initiative calling for exports to be doubled in five years. Because of Farm Bill programs, agriculture is on target to meet this goal.

- Continue Market Access Program funding at no less than \$200 million per year.
- Continue Foreign Market Development funding at \$34.5 million annually.
- Maintain Technical Assistance for Specialty Crops at \$9 million and carry over funds not spent into the next fiscal year.
- Continue Emerging Markets Program funding at \$10 million per year.

### *A Safety Net for Farmers and Ranchers*

Farming is always volatile; agriculture is subject to the whims of weather and policy, both of which can wreak devastation on farmers' crops and livelihoods. This volatility requires a safety net to safeguard our food supply and its infrastructure in bad times. Recognizing that differing crops and conditions throughout California and the United States call for different types of safety nets, the Farm Bill provides an array of tools to safeguard our farms and their resources, including crop insurance, commodity programs, Average Crop Revenue Enhancement, Supplemental Revenue Enhancement and disaster programs.

- Provide a safety net that gives farmers and ranchers flexibility, recognizes differences in commodities and regions, and is robust enough to deal with the variability of weather and markets that farmers' face.
- Apply safety net programs to all commodities, farmers and ranchers, of all sizes and production practices.
- Emphasize, in a safety net, flexible crop insurance that works for all commodities.
- Establish a permanent disaster assistance program that covers all commodities, ensuring that farmers and ranchers receive equitable, sufficient and timely funding.
- Allow crop insurance or disaster payments for pest and animal disease quarantines.
- Take into account regional production cost differences in safety net programs.
- Continue funding Farm Service Agency agricultural credit programs, ensuring access to capital to operate and improve farming and ranching operations.

### *Supporting Organic Agriculture*

California is home to 22 percent of U.S. organic production, with 2,887 organic farms and ranches covering 720,000 acres, comprising 36 percent of U.S. sales, and producing over 2/3 of all organic fruits, vegetables and nuts. This sector grew 49 percent over the last 2 years of Economic Research Service data.

- Retain 2008 Farm Bill funding levels for organic programs: Organic Research and Extension Initiative, Organic Data Initiative, National Organic Certification Program, EQIP organic funds and organic crop insurance.

- Remove the five percent surcharge added to organic crop insurance and allow organic producers to receive an organic market rate under crop insurance programs.
- Reinststate the national organic cost share and increase the maximum dollar cap from \$750 - \$1000, which is critical to small and medium farms, and beginning farmers and ranchers, at \$22 million over the life of the Farm Bill.

***Ensuring all Farmers and Ranchers Have Access to Farm Bill Programs***

California is a leader in farm innovation, management, labor rights and environmental and natural resource protection. This stature comes at a price: higher farm input costs due to labor and increased costs to meet environmental and public health standards. The Farm Bill should focus on giving folks a roadmap for better, smarter projects, rather than the size of the farm or farmer. Focusing on the effectiveness and reach of a project will give us a larger return for smaller amounts of money.

- Maintain commodity program caps at their current levels and remove payment and average gross income limits for conservation programs, basing funding for these programs on the benefits they provide. As California's crops have higher standards and production costs, such limits disproportionately affect our farmers and ranchers.
- Alternatively, factor in the cost of production in a region in determining any caps or limits, ensuring that Farm Bill programs are regionally appropriate.
- Continue support for Beginning Farmers and Ranchers at the same or higher levels, ensuring our ability to feed and clothe 200,000 additional people each day in a time of dwindling resources. Provide funding and technical assistance for beginning farmers and ranchers to develop business plans.

***California needs to speak with one voice to create bold change in food and agricultural policy – becoming a driver for jobs, the environment, rural communities, and improved health for the state and nation.***

California's Farm Bill recommendations represent the collective input of more than 70 diverse stakeholder organizations, 5 public listening sessions across the state attended by hundreds of people and contributions from state government agencies. Together, these viewpoints and our Farm Bill recommendations reflect the scope of California's agricultural diversity and the overarching themes shared by the organizations and individuals that participated in the process.

California and our stakeholders share the vision that the Farm Bill needs to create jobs, ensure better health and well-being, protect our natural resources and environment, promote thriving communities and revitalize our food and farming system.