



Sustainable Agriculture Coalition

Working for public policies that support the social, economic and environmental sustainability of agriculture, natural resources and rural communities.

Marketing and Rural Development Policy Options for the 2007 Farm Bill

Why Now?

American agriculture is experiencing a transformation. A resurgence in consumer demand for healthy and sustainably-produced food, increasing interest in local and regional markets, and rapid advances in information and farming technology—all of these factors are coalescing to form a unique set of opportunities and challenges for farmers and rural communities. The current farm bill contains some nascent programs to help farmers and rural communities tap these emerging alternative markets and new business trends, but relative to demand and opportunity, these efforts need to be greatly expanded. We must act now to ensure that farmers and rural communities will be able to tap emerging markets and new business trends.

At the same time, rural communities are looking to leverage their local resources into the entrepreneurial and small business successes necessary to ensure lasting economic vitality. Revitalization of family farming and ranching should be pursued as part of a larger strategy to revitalize agricultural communities in an equitable manner that provides meaningful employment and gives people a stake in the community. Farm bill funding should help support the establishment of owner-operated farms and rural businesses. Priority should be placed on proposals that enhance self-employment opportunities for low and moderate income people and communities and also achieve lasting environmental benefits.



What We Need

We need a comprehensive set of marketing and rural development policies that will help farmers realize the potential of new markets and foster lasting rural economic revitalization. SAC and its partners have developed innovative initiatives with a documented track record of increasing sustainable family farm production and fostering rural small business development. The package includes federal support to spur value-adding enterprises, organic farming, farmers' markets, and rural micro-enterprise and entrepreneurial development.

Act Now

Ask your Senators & Member of Congress to pass a new farm bill now, without delay. Urge them to support policies to foster new market opportunities, value-added agriculture, and sustainable rural development. See other side for specific proposals.

SUSTAINABLE AGRICULTURE COALITION
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SAC supports redirecting significant federal resources to programs that serve the marketing and business development needs of producers seeking to improve farm income by entering niche and value-added markets. Key components of this increased investment should include:

- **Value-Added Producer Grants Program:** The VAPG program provides assistance to independent producers to pursue market opportunities that will add value to their agricultural operations and raise their incomes. Funding for this program should be raised to \$50 million annually, with a priority for projects that improve the profitability of small and mid-sized farms and improve land stewardship. Congress should create a new granting category for the development of food value chains that help mid-sized farms thrive through the marketing of high value, differentiated products.
- **Organic Certification Cost Share and Organic Transition Support:** The existing cost share program should be expanded to cover the increasing farmer demand for, and cost of, organic certification services. A new organic transitions support program should be enacted and funded to spur transition by providing technical and financial assistance for the adoption of organic farming-based conservation practices and systems.
- **Farmers Market Promotion Program:** The FMPP provides competitive grants to develop direct farmer-to-consumer marketing ventures, including farmers' markets. FMPP should be reauthorized and allocated \$20 million in annual farm bill funding.



To revitalize our rural areas, the Rural Development Title of the 2007 Farm Bill should focus on entrepreneurial development and asset- and wealth-building for rural people and communities. The following initiative proposals create a sound policy framework in which to pursue these twin goals:

- **Rural Entrepreneurs and Micro-Enterprise Program:** Most new jobs in predominantly rural areas come from small non-farm proprietorships. Micro-enterprises are businesses that employ five or fewer individuals and do not have access to the commercial banking sector. Congress nearly passed a rural micro-enterprise program in the last farm bill; the 2007 Farm Bill should authorize the program and fund it at no less than \$50 million a year.
- **Community-based Entrepreneurial Development Program:** The 2007 Farm Bill should create a \$75 million a year Community Entrepreneurial Development Program based on four pillars of rural economic and community development: mobilizing local leaders; capturing local wealth; energizing entrepreneurship; and attracting youth.
- **Individual Homestead Accounts:** The 2007 Farm Bill should include an Individual Homestead Account program, funded at \$250 million annually, to invest in matched savings accounts for individuals in rural high out-migration areas to improve skills and build assets, allowing communities to institute strategies that address depopulation.

For SAC's full Farm Bill Platform and for more information, see www.msawg.org