

STATEMENT BY RALPH GROSSI President American Farmland Trust

To the

U.S. House of Representatives Committee on Agriculture Subcommittee on Conservation, Credit, Energy, and Research

April 19, 2007

Good afternoon. Mr. Chairman and Members of the committee, I am pleased to speak before you today. My name is Ralph Grossi. I am a third-generation Marin County, California, dairy and beef producer, here today in my capacity as president of American Farmland Trust. Established in 1980 to stop the loss of productive farmland and to promote farming practices that lead to healthy environment, American Farmland Trust has been involved in every farm bill since then. Our focus has primarily been on working lands conservation, especially the preservation of working farms and ranches in the face of urban encroachment. We also focus on the development of voluntary, incentive-base programs to help farmers and ranchers address the increasing environmental expectations that our society places on them.

Over the past three years, American Farmland Trust has conducted more than a dozen forums and workshops across the country, involving hundreds of farmers and ranchers from 48 states. This extensive research, outreach and consultation also included policy experts, academics, environmentalists, nutritionists and rural activists. These meetings made it clear to us that a new approach to U.S. farm policy is called for, and they led us to release, on May 8, 2006, *Agenda 2007: A New Direction and Framework for U.S. Farm Policy*. That report has been widely endorsed by leaders in the farm community, causing us to believe that producers across the country are ready to support a farm policy built for the future: one that evolves into a system that responds to contemporary public concerns, supports producers, helps the environment and ensures an adequate food, fiber and fuel supply for our nation. Let me share some thoughts on how this farm bill can help producers with regard to the conservation and commodity titles.

Conservation

Farms and ranches account for nearly half the land in America. These working lands are used to produce food, fiber and energy and have an enormous impact on the natural and human environment. From that standpoint, the farm bill's voluntary, incentive-based conservation programs are the largest environmental programs in the federal budget. They are critical to cleaner water, improved air quality, expanded wildlife habitat and protected land for future generations. American Farmland Trust proposes a combination of improvements that will:

Increase investment in environmental quality. In recent years, three out of four farmers and ranchers have been left unfunded when applying for financial assistance from conservation programs. Increasingly, many are simply not bothering to apply due to the lack of funds and the confusing and often redundant application process. The nation must match the commitment to conservation that is evidenced by this farmer interest—doing more by investing greater resources in conservation so we can deliver the benefits of healthy land to all Americans. This is especially critical as we enter an era of intensifying pressure on productive farmland due to the growing renewable fuels industry. As more producers forgo their traditional corn-soy rotations—and as marginal lands are brought into production—increased soil erosion, along with additional fertilizer, herbicide, and pesticide applications can be expected. While we are pleased to see farmers have this new economic opportunity, increases in working lands conservation funds are needed to mitigate any potential negative environmental consequences. Specifically, we urge you to increase authorized funding for the Environmental Quality Incentives Program (EQIP).

Improve effectiveness through cooperative conservation. This farm bill should ensure that conservation resources are used as efficiently as possible to deal with pressing natural resource problems. To improve on the current "ala carte" approach to conservation, a competitive grants program should be established to promote multiproducer, collaborative conservation efforts. Cooperative conservation partnerships will improve the effectiveness of existing conservation programs by <u>focusing</u> conservation implementation efforts (getting the *right practices* in the *right places* at the *right time*) and by attaining critical mass (getting enough producers to do the right things in a particular geographic area so that their *collective effort* is enough to improve environmental quality).

Increase conservation by leveraging dollars. The 2007 Farm Bill should create a conservation loan guarantee program to help farmers and ranchers finance conservation measures on their lands. This new program would fill a void in the current system for producers unable to qualify for cost-share assistance, whether because of the lack of cost-sharing dollars, different needs compared to the current year's conservation priorities, or because the producer exceeds the cost-share caps. A loan guarantee would also help producers amortize their share of conservation system costs if some cost share assistance were approved. This is particularly helpful to socially disadvantaged farmers. Government guaranteed, private sector loans with a reduced interest rate for producer borrowers would provide a highly leveraged way for federal dollars to boost implementation of conservation practices. We propose that USDA be given the authority to guarantee up to \$1 billion of loans, with additional authority to buy-down the effective interest rate to qualified borrowers.

Ensure the protection of farm and ranch land from non-agricultural development and fragmentation. The Farm and Ranch Land Protection Program (FRPP) is critical to preserving working farms and ranches across the country in the face of increasing urban pressure. A growing web of bureaucratic rules and regulations has beset this program, making it difficult for some state and local programs to utilize available funds. The 2007 Farm Bill should eliminate duplicative requirements and streamline the program to make it more responsive to the many diverse farm and ranch land protection programs across

the country. AFT believes that this can be accomplished while also making the program more farmer-friendly, saving taxpayer money and maintaining safeguards to ensure that working farm and ranch land is adequately protected. Specifically, reforms to FRPP should allow those state and local programs with proven track records of success in protecting working farms and ranches to receive funding in the form of grants. They should also be given the authority to use their own well-established procedures and policies in the execution of projects.

When passed in 1981, the Farmland Protection Policy Act (FPPA) was landmark legislation that, for the first time, acknowledged the importance of our nation's agricultural land resources and the need to carefully consider and reduce the impact of federal actions that may result in the permanent loss of agricultural lands. Unfortunately, the application of the law has fallen short of what was originally envisioned. Federal projects and actions, from direct development to permits and funding, have indeed contributed to the direct and indirect conversion of valuable and irreplaceable agricultural lands across the country. We should reform the FPPA to strengthen its original intent and make sure that the impacts of federal actions on agricultural lands are adequately addressed in the planning and assessment of such actions. By doing so, we can ensure that the federal government leads by example in efforts to reduce the unnecessary and irretrievable loss of our nation's important farm and ranch lands.

<u>Simplify assistance for producers.</u> The current onerous paperwork process—involving separate forms for each program, redundant entries of information and confusing program regulations—takes away from the land management activities of farmers and ranchers and adds unnecessary costs to administration. Advanced technology and streamlining of the process could save manpower, improve accuracy and simplify the process for producers.

Strengthen stewardship rewards for all farmers and ranchers. In 2002, our nation committed to a new vision of farm support—a way to support those farmers who are good stewards of the land and to inspire others to reach higher levels of environmental performance. I am, of course, talking about the Conservation Security Program (CSP). During the course of the last five years, this program has unfortunately not fulfilled its promise. I believe, however, that the concept of a rewards program is valid and has broad support among farmers and the American public. Farmers today are seen as producers of more than food, fiber and fuel; they are the primary providers of our nation's wildlife habitat, open spaces and watershed management. These are farm products just like traditional crops, and we must find a way to reward those who deliver these public goods. Indeed, I urge the Committee to again examine the ideals behind CSP, recommit to needed funding and find a more workable "green payments" program as an additional stream of income to reward producers for their stewardship of our nation's natural resources.

Mr. Chairman, I thank you again for this opportunity to appear before this committee to present a vision of a new agricultural policy. I look forward to your questions.



Ralph E. Grossi

Since August 1985, Ralph E. Grossi has served as president of American Farmland Trust (AFT), a national nonprofit organization working to stop the loss of productive farmland and to promote farming practices that lead to a healthy environment. During his tenure, AFT has become the leading national non-profit organization focused on farmland protection.

Grossi, a third-generation Marin County, Calif. farmer, graduated from California Polytechnic State University in 1971, and since then has been managing partner of Marindale Ranch, a family partnership that has been in the dairy and beef business for more than eighty years, spanning four generations. He holds a number of national awards in his field, including the 1976 Outstanding Young Farmer and Rancher of the California Farm Bureau Federation, the 1985 Feinstone Environmental Award and the 2002 Man of the Year in Service to Agriculture presented by Progressive Farmer magazine.

Grossi was a co-founder and chairman of the Marin Agricultural Land Trust, which protects Marin County, Calif. agricultural land by acquisition of conservation easements. From 1979 to 1981, he served as president of Marin County Farm Bureau and from 1980 until he became president, as a member of AFT's Board of Directors.

He has served on the boards of directors of the Charles Valentine Riley Memorial Foundation, Smart Growth America, the USDA Graduate School, as well as the National Commission on Non-Point Source Pollution, the Maryland Greenways Commission, the California Williamson Act Task Force, the California Agricultural Water Problems Advisory Committee, the University of California President's Advisory Commission on Agriculture and Natural Resources, the Yale School of Forestry and Environmental Studies, the University of California Agricultural Issues Center, the Wallace Institute for Alternative Agriculture Advisory Board, Pennsylvania's 21st Century Commission on the Environment, the California Polytechnic State University School of Agriculture Advisory Board, and the California Holstein Association Board of Directors.

Grossi and his wife, the former Judy Lamb, live in Rockville, Maryland. They have three adult daughters.

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Committee on Agriculture U.S. House of Representatives Information Required From Non-governmental Witnesses

House rules require non-governmental witnesses to provide their resume or biographical sketch prior to testifying. If you do not have a resume or biographical sketch available, please complete this form.

1.	Name:	Ralph Grossi	
2.	Business Address:	1200 18 th Street, N.W. Suite 800 Washington, D.C. 20036	
3.	Business Phone Number:	202-378-1212	
4.	Organization you represent:	American Farmland Trust	
5.	Please list any occupational, employment, or work-related experience you have which add to your qualification to provide testimony before the Committee:		
	President of American Farmland Trust since August 1985		
	Co-founder and chairman of the Marin Agricultural Land Trust, 1979 to 1981		
	President of Marin County Farm	Bureau, 1980 to 1985	
6.	Please list any special training, education, or professional experience you have which add to your qualifications to provide testimony before the Committee:		
	Third-generation farmer and managing partner of a dairy and beef business.		
7.	If you are appearing on behalf of an organization, please list the capacity in which you are representing that organization, including any offices or elected positions you hold:		
	President of American Farmland	Trust	
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PLEASE ATTACH THIS FORM OR YOUR BIOGRAPHY TO EACH COPY OF TESTIMONY.

Committee on Agriculture U.S. House of Representatives Required Witness Disclosure Form

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2004.

Name:	Ralph Grossi 1200 18th Street, N.W., Suite 800, Washington, DC 20036		
Address:			
Telephone:	202-378-1212		
Organization	you represent (if any): American Farmlar	nd Trust	
each g to indi	list any federal grants or contracts (including the received since October 1, 2004, as well as trant or contract. House Rules do NOT requividuals, such as Social Security or Medicare ents, or assistance to agricultural producers:	the source and the amount of tire disclosure of federal paymen benefits, farm program	
Source: N	/A	Amount:	
Source: N	/A	Amount:	
Octobe	are appearing on behalf of an organization, cts (including subgrants and subcontracts) ter 1, 2004, as well as the source and the amount	he organization has received sing	
Source: U.S.	Environmental Protection Agency	Amount: \$2,323,131	
Source: U.S.	Department of Agriculture	Amount: \$1,989,702	
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Please check h	ere if this form is NOT applicable to you:	2.	
Signature:	Such Strong		

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.

^{*} Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.