



November 13, 2024

President-Elect Donald Trump
Transition Team Office

Dear President-Elect Trump:

Congratulations on your election to serve once again as president of the United States. As the transition to your administration begins, your team will have no time to waste when preparing the executive branch for the next four years. National Farmers Union (NFU) is made up of family farmers and ranchers across the country who are committed to preserving the vitality of rural America and ensuring the environmental and economic sustainability of our farm and food system. We know that food security is national security, and that a healthy agricultural economy is the lifeblood of rural communities across the country. Furthermore, as Americans, we enjoy an abundant, high-quality, and low-cost food supply, but farmers and ranchers receive only about 14 cents of every dollar consumers spend on food at grocery stores. We want to work with you and your administration to ensure that we can continue to provide food, fiber, and fuel for the more than 330 million Americans and billions around the world while ensuring that family farmers and ranchers can succeed. As such, we respectfully urge you to swiftly and effectively carry out a smooth transition and prioritize the following policy issues that are crucial to the well-being of American farmers, ranchers, and their communities.

The Farm Safety Net

Family farmers and ranchers are facing increasingly burdensome financial pressures. While volatile commodity prices and input costs are a constant concern, agriculture economists predict 2025 will be particularly challenging for American farmers. The safety net established in the 2018 Farm Bill is not sufficient to help farmers withstand rapidly declining crop prices, high interest rates, and natural disasters. Congress must pass a new five-year farm bill this year, and the next administration will need to be ready to quickly and effectively implement that important legislation. Family farmers and ranchers cannot wait any longer.

Beyond the pending farm bill, your administration must also think big about the policies that influence the control and ownership of agriculture, especially in terms of profitability. Family farms have the right to a fair and competitive environment in their pursuit to be financially viable, and we support farm policy that protects family farmers' net farm

income. National farm policy of the future should ensure that family farmers and ranchers remain at the center of agriculture. Elected officials must enact policies that reverse the ongoing decline in the number of family farms and help the next generation of farmers and ranchers succeed.

Competitive Markets

For too long, unchecked mergers in the agriculture industry and throughout our nation's economy have come at the expense of family farmers. We can't have a free market system without competition, and when our food system is dominated by only a few multinational corporations, consumers and farmers alike become the victims of price gouging and inflation. We support recent executive actions to create fair and competitive markets for family farmers, as well as bipartisan bills in the 118th Congress to address this issue, such as the Meat and Poultry Special Investigator Act (S. 346), the Cattle Price Discovery and Transparency Act (S. 228), and the Strengthening Local Processing Act (S. 354).

The Trump administration can build upon this work to ensure greater fairness for farmers by actively enforcing antitrust and competition laws, such as the Packers and Stockyards Act (P&S Act); finalizing pending P&S Act rules and ensuring they strengthen protections for family farmers and ranchers; increasing market transparency and openness; and supporting local and regional processing capacity and resiliency. These actions are of great importance to the family farmers and ranchers that the law protects and are also popular among rural America and consumers who are especially concerned with the lack of resilience in our food system.

Furthermore, the Department of Justice and Federal Trade Commission should continue to emphasize enforcement of antitrust and competition laws in agriculture, in part by maintaining close collaboration with the U.S. Department of Agriculture (USDA).

Right to Repair

Farmers and ranchers deserve the right to repair their own farm equipment, or to do business with the mechanic of their choosing. But some farm equipment manufacturers are standing in the way. Modern farm equipment requires software tools to complete certain repairs and manufacturers have withheld full access to those tools, giving farmers no choice but to take equipment to a dealership. This has created a repair monopoly for manufacturers and dealers, reducing competition, inflating service prices, and creating service delays during tight planting and harvest windows. The Trump administration should use the full force of the federal government to ensure that farmers have the right to repair their own equipment.

Trade

We view tariffs as an important tool for trade negotiations and for shielding domestic producers from the effects of foreign unfair trade practices. With that in mind, we urge you to be measured and cooperative when negotiating trade policy in your second term because we know from experience that drastic measures will jeopardize the short-term

and long-term financial health of family farmers. Although we appreciate your stated goal of holding our trading partners accountable and increasing American manufacturing, tariffs on imported goods from China enacted during your first term resulted in severe and damaging consequences for American family farmers and ranchers. Our members suffered significant losses due to the trade dispute with China, and we lost valuable market share, particularly for soybeans, to competitors like Brazil.

Country of Origin Labeling

Consumers increasingly want to know where their food comes from, and meat is no exception. Your administration should clearly communicate support for the reauthorization and full implementation of mandatory country of origin labeling (COOL) for beef. This includes support for legislation in the 118th Congress like the bipartisan American Beef Labeling Act (S. 52) that reinstates beef as among the numerous food commodities currently subject to the U.S. mandatory COOL law that was originally passed by Congress in the 2002 Farm Bill. Congress reversed the law in 2015 after an international dispute panel at the World Trade Organization ruled against COOL and allowed Mexico and Canada to move forward with retaliatory tariffs. Your administration can protect the rights of American family farmers and ranchers by reinstating COOL.

Climate Change

Climate change poses a serious threat to agriculture, impacting crop yields, water resources, and farmer and rancher livelihoods. We urge you to support policies that promote climate resilience through investment in agricultural practices that help farmers produce more with fewer resources, research and development of broadly accessible climate-smart technologies, and incentives for farmers to adopt or continue conservation practices shown to mitigate the agricultural impacts of climate change and volatile weather patterns. As the wide-ranging effects and costs of climate change and related disasters mount, voluntary, incentive-based conservation and renewable energy programs are more important than ever.

The farm bill's conservation and energy titles provide farmers and ranchers with critical technical and financial assistance to confront climate volatility and increase stewardship of natural resources, while increasing the productivity and sustainability of farm operations. The Inflation Reduction Act (IRA) provided significant new investments to support voluntary climate action through these programs and the next farm bill should protect this vital funding. USDA's innovative Partnerships for Climate-Smart Commodities program is also setting the stage for the development of more climate-smart value-added opportunities for family farmers. Your administration's approach towards environmental and climate policy must include investments in agriculture.

Biofuels

Homegrown biofuels are an essential part of an American energy independence strategy. The Trump administration should promote the growth of clean, value-added, renewable transportation fuels by removing barriers to higher blends of ethanol beyond E10 and supporting advanced biofuels. We urge your administration to implement federal policies

to boost our liquid fuel supply and require new vehicles to use advanced engines that take advantage of higher-octane fuels. These changes would decrease greenhouse gas emissions through increased fuel efficiency, lower prices at the pump for farmers and consumers, and move toward the use of higher-level blends of ethanol like E30. Your administration should also expedite implementation of the Environmental Protection Agency's rules to allow year-round E15.

Sustainable aviation fuel (SAF) and clean fuel production tax credits have the potential to benefit farmers while lowering carbon emissions, but shortcomings in tax credit design could put the benefits out of reach for many family farmers. The Clean Fuel Production Credit (Section 45Z) has the potential to incentivize the production and use of biofuels that will lower carbon emissions. However, the tax credit does not currently require that feedstocks be grown domestically, which would use taxpayer dollars to support our foreign competitors and hurt family farmers and rural communities.

Additionally, the SAF guidance's bundling of climate-smart agriculture practices and cumbersome reporting requirements will exclude many farmers from benefitting from the tax credit. The Trump administration must implement the Section 45Z tax credit with a domestic feedstock requirement, a broader suite of eligible production practices for emissions reductions, and reasonable reporting requirements.

Agricultural Workforce

Many family farmers depend on access to a stable, consistent, and legal workforce. The next administration should encourage Congress to continue funding existing programs like the H-2A Temporary Agricultural Visa Program and new grant initiatives, such as USDA's Farm Labor Stabilization and Protection Pilot Program (FLSP), that aim to improve the supply, stability, and training of the agricultural labor force. However, family farmers and ranchers need a long-term solution to our labor challenges. The Trump administration should encourage and enable Congress to pass comprehensive immigration reform legislation like the Farm Workforce Modernization Act, a bipartisan bill introduced in the 116th, 117th, and 118th Congresses. Furthermore, we recommend that your administration create a position at the Department of Labor that will serve as a liaison to USDA and the agriculture sector to ensure that farmers' concerns are heard across federal agencies.

Taxes

With several provisions in the Tax Cuts and Jobs Act expiring at the end of 2025, we anticipate a robust debate on tax policy in the year ahead. NFU supports a simplified and more progressive tax code that supports our communities and that helps ensure family farmers and ranchers can continue farming. Tax policy should not favor the wealthiest individuals and the largest corporations; instead, the wealthiest should pay their fair share. The tax code should help create the conditions and flexibility for farmers to successfully manage their operations from one season to the next and help them pass the farm to the next generation when it is time to do so.

Program Administration

NFU signed a memorandum of understanding (MOU) with USDA's Farm Service Agency (FSA) in September 2024 with a goal of convening a series of listening sessions to gather ideas for improving the customer experience at FSA county offices. Farmers Union members rely on these offices and the public servants who staff them to access USDA programs and resources. Our members stand ready to partner with FSA to strengthen the agency and its services. We look forward to continuing this MOU in the Trump administration and working closely with FSA to identify improvements and solutions to the challenges facing the agency.

Farm Stress

NFU supports increased funding for the Farm and Ranch Stress Assistance Network (FRSAN), to meet the urgent need to address farm stress and save lives. Farmers and ranchers face significantly higher rates of stress and depression compared to the general population. More than 60 percent of rural residents live in areas with mental and behavioral health shortages and FRSAN is essential for serving populations where the need is great and resources are limited.

Particularly as the agricultural economy faces a downturn in the coming years, the next administration should prioritize the effective implementation of FRSAN to address the needs of family farmers. However, the Trump administration must also confront the broader socioeconomic challenges – many of which are discussed in this letter – that contribute to stress among farmers, ranchers, and rural residents.

Health Care

Access to high-quality health care is extremely important to family farmers and ranchers. As entrepreneurs and rural residents, Farmers Union members face more obstacles to health care than most other Americans. For example, since 2005, nearly 200 rural hospitals have closed. The Trump administration should continue building on the Affordable Care Act to ensure all Americans have access to quality and affordable health care. Your administration should also protect Medicare and Medicaid funding and boost efforts to expand Medicaid in every state.

Education

We consider federal investment in schools and educational infrastructure to be an integral part of a comprehensive rural development strategy. Our grassroots policy calls for the continuation of the U.S. Department of Education and urges the establishment of a new position of assistant secretary for rural education. We also support additional resources for early childhood education, increasing funding for primary and secondary instruction, bolstering national career and technical education, offering better student loan options and forgiveness programs for those who take up farming or live in rural areas, and more federal funding for agricultural research to increase farm productivity and profits.

Infrastructure

We urge the Trump administration to continue deploying infrastructure resources to rural areas, which face unique infrastructure challenges exacerbated by their distance from urban centers and low population density. These investments must include the continued expansion of accessible and affordable broadband which will ensure family farmers have the technology to run a modern farm business and make our communities vital and vibrant. We also need strong investment to improve our inland waterway transportation system including funding to repair locks and dams. Inland waterways, like the Mississippi River, continue to be the most affordable option for farmers to get their crops to market. It is vital that we maximize our own supply chain infrastructure, especially as other countries maximize investments on their own domestic waterway systems.

Conclusion

Thank you for your attention to these important issues. I look forward to working with your transition team in the coming weeks and your staff in the coming years. Please reach out any time we may be helpful.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Larew". The signature is fluid and cursive, with a large initial "R" and "L".

Rob Larew
President

CC: Co-chair Howard Lutnick, Trump Presidential Transition Team
Co-chair Linda McMahon, Trump Presidential Transition Team