

Department of Agriculture

The U.S. Department of Agriculture (USDA) should focus on collecting and disseminating agricultural information and research, identifying and addressing threats to public health and safety connected to food and agriculture, and promoting free trade.

The recommendations below detail specific steps that the new Administration can take immediately to shift the USDA's focus from protecting special interests to serving the American people. Adopting these priorities will signal clearly that the new President and Secretary of Agriculture are determined to reverse costly, market-distorting policies, respect states and local communities, and promote free markets and individual freedom.

PRIORITIES FOR THE PRESIDENT

Call on Congress to Eliminate Farm Subsidies. The President should work with Congress to push a free-market-based agricultural policy by eliminating costly and harmful farm subsidies. These subsidies, such as the federal crop insurance program, cost roughly \$15 billion a year, crowd out private solutions to risk management, distort planting decisions, and discourage farmers from private risk management.

By moving away from subsidies, agricultural producers would be free to privately manage their businesses, including risk mitigation, just like any other business owner. The current system is not so much a taxpayer-subsidized “safety net” as it is a system designed to protect many farmers from almost all their risk.

The President should draw attention to the expansive nature of the current system and move the country away from this overly generous federal scheme.

Daren Bakst, “A Primer for the Next President on Reducing Washington’s Role in Agriculture,” Heritage Foundation *Issue Brief* No. 3095, February 10, 2016,

<http://www.heritage.org/research/reports/2016/02/a-primer-for-the-next-president-on-reducing-washingtons-role-in-agriculture>.

Daren Bakst, Scott Lincicome, Nicolas D. Loris, Josh Sewell, and Brian Wright, *Farms and Free Enterprise: A Blueprint for Agricultural Policy*, The Heritage Foundation, September 21, 2016,

<http://www.heritage.org/research/reports/2016/09/farms-and-free-enterprise>.

Call for Food Stamps and Agricultural Programs to Be Considered in Separate Legislation.

The President should urge Congress to consider food stamps and agricultural programs in separate pieces of legislation and to transfer authority to run the food stamp program to the Department of Health and Human Services, the primary welfare department of the federal government.

At present, food stamps are combined together with agricultural programs in the farm bill, making it more difficult to reform either program. The Congressional Budget Office, prior to passage of the 2014 farm bill, projected that the costs of food stamps accounted for 79 percent of the farm bill. If these programs can be considered on their own merits, the President and Members of Congress have a better chance for policy reform.

Daren Bakst, “Congress Should Separate Food Stamps from Agricultural Programs,” Heritage Foundation *Issue Brief* No. 4375, April 7, 2015,

<http://www.heritage.org/research/reports/2015/04/congress-should-separate-food-stamps-from-agricultural-programs>.

Daren Bakst, Scott Lincicome, Nicolas D. Loris, Josh Sewell, and Brian Wright, *Farms and Free Enterprise: A Blueprint for Agricultural Policy*, The Heritage Foundation, September 21, 2016,

<http://www.heritage.org/research/reports/2016/09/farms-and-free-enterprise>.

Promote Free Trade in Agriculture. The President should urge Congress to eliminate any policies or barriers—such as tariffs and agricultural subsidies—that obstruct the free exchange of agricultural goods and services. The President should also work to aggressively knock down foreign trade barriers as part of any trade talks. This includes making greater demands (and offers) in trade negotiations and making greater use of the World Trade Organization dispute-settlement process. These changes will help increase both exports and imports, helping both agricultural producers (better access to markets) and consumers (greater choice and value).

Free trade in agriculture has many benefits for the nation. For example, according to the USDA’s Economic Research Service, the \$150 billion in agricultural exports in 2014 created an additional \$190.6 billion in economic activity and over 1 million full-time jobs.

Scott Lincicome, "Promoting Free Trade in Agriculture," Heritage Foundation *Backgrounder* No. 3136, July 11, 2016, <http://www.heritage.org/research/reports/2016/07/promoting-free-trade-in-agriculture>.

Daren Bakst, Scott Lincicome, Nicolas D. Loris, Josh Sewell, and Brian Wright, *Farms and Free Enterprise: A Blueprint for Agricultural Policy*, The Heritage Foundation, September 21, 2016, <http://www.heritage.org/research/reports/2016/09/farms-and-free-enterprise>.

PRIORITIES FOR THE SECRETARY

Oppose Mandatory Labeling of Genetically Engineered Food. President Obama recently signed into law a federal mandatory labeling requirement for genetically engineered food. The Secretary should work to minimize the misleading nature and effect of the law, by providing as much flexibility as possible in information disclosure, such as allowing food manufacturers to provide contextual information about genetic engineering.

At the same time, the Secretary should work with Congress to repeal the law. Mandatory labeling—whether through a bar code or the text on the package—compels companies to engage in misleading speech by giving the false impression that there is something wrong with genetically engineered food. Repealing this law would address major problems like these that could prove detrimental to the future of agricultural biotechnology.

Daren Bakst, "Federal and State Governments Should Not Require Mandatory Labeling of Genetically Engineered Food," Heritage Foundation *Issue Brief* No. 4567, May 20, 2016, <http://www.heritage.org/research/reports/2016/05/federal-and-state-governments-should-not-require-mandatory-labeling-of-genetically-engineered-food>.

Daren Bakst, Scott Lincicome, Nicolas D. Loris, Josh Sewell, and Brian Wright, *Farms and Free Enterprise: A Blueprint for Agricultural Policy*, The Heritage Foundation, September 21, 2016, <http://www.heritage.org/research/reports/2016/09/farms-and-free-enterprise>.

Reduce Federal Role in School Meal Programs. The Healthy Hunger-Free Kids Act of 2010 (42 U.S.C. 1751) greatly expanded federal control over the food that can be served in schools. The new school meal standards mandated by the law provide little flexibility to schools and dictate everything from calorie limits to the type of milk that schools can provide.

To have flexible and parent-driven standards, the Secretary should work with Congress to change existing law to create minimal federal requirements. A parent-driven and local-driven approach would allow local officials to tailor their standards to the needs of their communities and the demands of parents and students. Unlike Washington, DC, bureaucrats who often want to push a one-size-fits-all approach, local officials are far more likely to listen to and address the concerns of parents, since these officials are closer to the people and can be held accountable by them.

Rachel Sheffield and Daren Bakst, "Child Nutrition Reauthorization: Time for Serious Reform, Not Tinkering," Heritage Foundation *Issue Brief* No. 4570, May 26, 2016, <http://www.heritage.org/research/reports/2016/05/child-nutrition-reauthorization-time-for-serious-reform-not-tinkering>.

Work to Eliminate the Provision that Expands Free Lunches to Middle-class and Wealthy Families. The Secretary should work with Congress to eliminate the provision of the Healthy Hunger-Free Kids Act (42 U.S.C. 1759a—the community eligibility provision), which developed a backdoor approach to push universal school meals.

As a result of this provision, welfare benefits are being handed out to many middle-class and wealthy families. If a certain number of children are eligible for free meals at a school, based on certain criteria, then all the students are eligible for free meals. As a result of this provision, welfare benefits are being handed out to many middle-class and wealthy families. If a certain number of children are eligible for free meals within a school, school district, or a group of schools within a district, based on certain criteria, then all the students are eligible for free meals. Because schools can be grouped together, this provision makes it possible for a school with no low-income students to provide free meals for all of its students. By eliminating this provision, free meals will only go to those students from low-income families who truly need them.

Rachel Sheffield and Daren Bakst, "Child Nutrition Reauthorization: Time for Serious Reform, Not Tinkering," Heritage Foundation *Issue Brief* No. 4570, May 26, 2016, <http://www.heritage.org/research/reports/2016/05/child-nutrition-reauthorization-time-for-serious-reform-not-tinkering>.