American farmers efficiently and safely produce food to meet the needs of individuals around the globe. Because of the innovation and resilience of the nation’s farmers, American agriculture is a model for the world. If farmers are allowed to operate without unnecessary government intervention, American agriculture will continue to flourish, producing plentiful, safe, nutritious, and affordable food.

The U.S. Department of Agriculture (USDA) can and should play a limited role, with much of its focus on removing governmental barriers that hinder food production or otherwise undermine efforts to meet consumer demand. The USDA should recognize what should be self-evident: Agricultural production should first and foremost be focused on efficiently producing safe food.

This chapter provides important background on the USDA and identifies many of the USDA-specific issues that will be faced by an incoming Administration. It provides specific recommendations for the next Administration about how to address these issues and lays out a conservative vision for what the USDA should look like in the future.

MISSION STATEMENT

The current mission statement as stated by the Biden Administration highlights the broad scope of the USDA:

To serve all Americans by providing effective, innovative, science-based public policy leadership in agriculture, food and nutrition, natural resource
protection and management, rural development, and related issues with a commitment to delivering equitable and climate smart opportunities that inspire and help America thrive.¹

The first part of the mission statement regarding the issues covered is not new to the Biden Administration; it reflects the overly broad nature of the USDA's work. However, the language bringing in equity and climate change is new to the Biden Administration and part of the USDA's express effort to transform agricultural production.²

The USDA's new vision statement illuminates the focus of this effort:

An equitable and climate smart food and agriculture economy that protects and improves the health, nutrition and quality of life of all Americans, yields healthy land, forests and clean water, helps rural America thrive, and feeds the world.³

This effort is one of a federal central plan to put climate change and environmental issues ahead of the most important requirements of agriculture—to efficiently produce safe food. The USDA would apparently use its power to change the very nature of the food and agriculture economy into one that is “equitable and climate smart.” As an initial matter, the USDA should not try to control and shape the economy, but should instead remove obstacles that hinder food production. Further, it should not place ancillary issues, such as environmental issues, ahead of agricultural production itself.

A Proper Mission Statement. Even before the Biden Administration’s radical effort to reshape the USDA's work, the USDA's mission was and is too broad, including serving as a major welfare agency through implementation of programs such as food stamps. This far-reaching mission is not the fault of the USDA, but of Congress, which has given the department its extensive power.

Congress must limit the USDA's role. A proper mission would clarify that the department's primary focus is on agriculture and that the USDA serves all Americans. The USDA’s “client” is the American people in general, not a subset of interests, such as farmers, meatpackers, environmental groups, etc.

Within this agricultural focus, the USDA should develop and disseminate information and research (the historical role of the USDA); identify and address concrete threats to public health and safety arising directly from food and agriculture; remove unjustified foreign trade barriers blocking market access for American agricultural goods; and generally remove government barriers that undermine access to safe and affordable food across the food supply chain.

Core principles should be included within any mission statement, including a recognition that farmers, and the food system in general, should be free from unnecessary government intervention. Further, there should be clear statements
about the importance of sound science to inform the USDA’s work and respect for personal freedom and individual dietary choices, private property rights, and the rule of law.

Taking these factors into account, below is a model USDA mission statement:

To develop and disseminate agricultural information and research, identify and address concrete public health and safety threats directly connected to food and agriculture, and remove both unjustified foreign trade barriers for U.S. goods and domestic government barriers that undermine access to safe and affordable food absent a compelling need—all based on the importance of sound science, personal freedom, private property, the rule of law, and service to all Americans.

OVERVIEW

In 1862, President Abraham Lincoln signed into law the legislation that created the USDA. The department had a very narrow mission focused on the dissemination of information connected to agriculture and “to procure, propagate and distribute among the people new valuable seeds and plants.” During the last 160 years, the scope of the USDA’s work has expanded well beyond that narrow mission—and well beyond agriculture itself. In addition to being a distributor of farm subsidies, the USDA runs the food stamp program and other food-related welfare programs and covers issues including conservation, biofuels, forestry, and rural programs.

Based on the USDA’s fiscal year (FY) 2023 budget summary, outlays are estimated at $261 billion: $221 billion for mandatory programs and $39 billion for discretionary programs. These outlays are broken down as follows: nutrition assistance (70 percent); farm, conservation, and commodity programs (14 percent); “all other,” which includes rural development, research, food safety, marketing and regulatory, and departmental management (11 percent); and forestry (5 percent).

The USDA has provided a summary of its size, explaining, “Today, USDA is comprised of 29 agencies organized under eight Mission Areas and 16 Staff Offices, with nearly 100,000 employees serving the American people at more than 6,000 locations across the country and abroad.”

MAJOR PRIORITY ISSUES AND SPECIFIC RECOMMENDATIONS

For an incoming Administration, there are numerous issues that should be addressed at the USDA. This chapter identifies and discusses many of the most important issues. The initial issues discussed should be priority issues for the next Administration:

Defend American Agriculture. It is deeply unfortunate that the first issue identified must be a willingness of the incoming Administration to defend American agriculture, but this is precisely what the top priority for that Administration
should be. As previously discussed, the Biden Administration is seeking to use the federal government to transform the American food system. The USDA web site explains:

The U.S. Department of Agriculture (USDA), alongside Biden–Harris Administration leadership and the people of this great country, has embarked on another historic journey: transforming the food system as we know it—from farm to fork, and at every stage along the supply chain.

The federal government does not need to transform the food system or develop a national plan to intervene across the supply chain. Instead, it should respect American farmers, truckers, and everyone who makes the food supply chain so resilient and successful. One of the important lessons learned during the COVID-19 pandemic was how critical it is to remove barriers in the food supply chain—not to increase them.

The Biden Administration’s centrally planned transformational effort minimizes the importance of efficient agricultural production and instead places issues such as climate change and equity front and center. The USDA’s Strategic Plan Fiscal Years 2022–2026 identifies six strategic goals, the first three of which focus on issues such as climate change, renewable energy, and systemic racism. In the Secretary of Agriculture’s message, there is only one mention of affordable food—and nothing about efficient production and the incredible innovation and respect for the environment that already exists within the agricultural community.

The Biden Administration’s USDA strongly supported the recent United Nations (U.N.) Food Systems Summit. According to the USDA:

The stated goal of the Food Systems Summit was to transform the way the world produces, consumes and thinks about foods within the context of the 2030 Agenda for Sustainable Development and to meet the challenges of poverty, food security, malnutrition, population growth, climate change, and natural resource degradation.

Not unlike those who oppose reliable and affordable energy production, there is a disdain, especially by some on the Left, for American agriculture and the food system. The Biden Administration’s vision of a federal government developing a plan that “fixes” agriculture and focuses on issues secondary to food production is very disturbing.

A recent USDA-created program captures both the disrespect for American farmers and the Biden Administration’s effort to dictate agricultural practices. The USDA explained that it was concerned with farmers not transitioning to organic farming, and therefore announced that it will dedicate $300 million to
induce farmers to adopt organic farming.\textsuperscript{15} There was no recognition that farmers know how to farm better than D.C. politicians\textsuperscript{16} or that organic food is expensive\textsuperscript{17} and land-intensive.\textsuperscript{18} The Biden Administration has also been pushing so-called “climate-smart”\textsuperscript{19} agricultural practices which received additional support in the partisan Inflation Reduction Act.\textsuperscript{20}

American agriculture should not need defending. According to the USDA’s latest data, farm output nearly tripled (a 175 percent increase) from 1948 to 2019, while the amount of land farmed decreased. In fact, as farm output increased by 175 percent, all agricultural inputs increased by only 4 percent.\textsuperscript{21}

In 2021, despite high food prices—a major problem and regressive—American consumers spent an average of about 10 percent of their personal disposable income on food, which is close to historic lows. For decades, this share has been in decline.\textsuperscript{22} America’s farmers efficiently produce food using fewer resources, making it possible for food to be affordable. This reality is not only something that should be defended but also touted as a prime example of what makes American agriculture so successful. The connection between efficiency and affordability seems lost in the Biden Administration’s effort to transform the food system.

**RECOMMENDATIONS**

**Proactively Defend Agriculture.** From the outset, the next Administration should: Denounce efforts to place ancillary issues like climate change ahead of food productivity and affordability when it comes to agriculture.

- Remove the U.S. from any association with U.N. and other efforts to push sustainable-development schemes connected to food production.

- Defend American agriculture and advance the critical importance of efficient and innovative food production, especially to advance safe and affordable food.

- Stress that ideal policy should remove obstacles imposed on American farmers and individuals across the food supply chain so that they can meet the food needs of Americans.

- Clarify the critical importance of efficiency to food affordability, and why a failure to recognize this fact especially hurts low-income households who spend a disproportionate share of after-tax income on food compared to higher-income households.\textsuperscript{23}

To accomplish these objectives, a new Administration should announce its principles through an executive order, the USDA should remove all references
to transforming the food system on its web site and other department-disseminated material, and it should expressly and regularly communicate the principles informing the objectives listed above, as well as promote these principles through legislative efforts. The USDA should also carefully review existing efforts that involve inappropriately imposing its preferred agricultural practices onto farmers.

**Address the Abuse of CCC Discretionary Authority.** With the exception of federal crop insurance, the Commodity Credit Corporation (CCC) is generally the means by which agricultural-related farm bill programs are funded. The CCC is a funding mechanism, which, in simple terms, has $30 billion a year at its disposal.\(^{24}\)

Section 5 of the Commodity Credit Corporation Charter Act (Charter Act)\(^{25}\) gives the Secretary of Agriculture broad discretionary authority to spend “unused” CCC money. However, in general, past Agriculture Secretaries have not used this power to any meaningful extent. This changed dramatically during the Trump Administration, when this discretionary authority was used to fund $28 billion in “trade aid” to farmers, consisting primarily of the Market Facilitation Program. In 2020, this authority was used for $20.5 billion in food purchases and income subsidies in response to the COVID-19 pandemic.\(^{26}\)

At the time, critics warned that this use of the CCC, which in effect created a USDA slush fund, would lead future Administrations to abuse the CCC, such as by pushing climate-change policies.\(^{27}\) Predictably, this is precisely what the Biden Administration has done, using the discretionary authority to create programs out of whole cloth, arguably without statutory authority,\(^{28}\) for what it refers to as climate-smart agricultural practices.\(^{29}\)

The merits of the various programs funded through the CCC discretionary authority is not the focus of this discussion. The major problem is that the Secretary of Agriculture is empowered to use a slush fund. Billions of dollars are being used for programs that Congress never envisioned or intended.

Concern about this type of abuse is not new. In fact, from 2012 to 2017, Congress expressly limited the Agriculture Secretary’s discretionary spending authority under the Charter Act.\(^{30}\) And this was before the recent massive discretionary CCC spending occurred.

The use of the discretionary power is a separation of powers problem, with Congress abrogating its spending power. This power is ripe for abuse—as could be expected with any slush fund—and it is a possible way to get around the farm bill process to achieve policy goals not secured during the legislative process.

The next Administration should:

- **Refrain from using section 5 discretionary authority.** The USDA can address this abuse on its own by following the lead of most Administrations and not using this discretionary authority.
• **Promote legislative fixes to address abuse.** Ideally, Congress would repeal the Secretary’s discretionary authority under section 5 of the Charter Act. There is no reason to maintain such authority. If Congress needs to spend money to assist farmers, it has legislative tools, including the farm bill and the annual appropriations process, to do so in a timely fashion. While not an ideal solution, Congress could also amend the Charter Act to require prior congressional approval through duly enacted legislation before any money is spent.

At a minimum, Congress should amend the Charter Act to:

• Limit spending to directly help farmers and ranchers address issues due to unforeseen events not already covered by existing programs and that constitute genuine emergencies that must be addressed immediately.

• Prohibit the CCC from being used to assist parties beyond farmers and ranchers.

• Clarify that spending is only to address problems that are temporary in nature and ensure that funding is targeted to address such problems.

• Tighten the discretion within section 5 and identify ways for improper application of the Charter Act to be challenged in court.

**Reform Farm Subsidies.** Too often, agricultural policy becomes synonymous with farm subsidy policy. This is unfortunate, because making them synonymous fails to recognize that agricultural policy covers a wide range of issues, including issues that are outside the proper scope of the USDA, such as environmental regulation.

However, there is no question that farm subsidies are an important issue within agricultural policy that should be addressed by any incoming Administration. There are several principles that even subsidy supporters would likely agree upon, including the need to reduce market distortions. Subsidies should not influence planting decisions, discourage proper risk management and innovation, incentivize planting on environmentally sensitive land, or create barriers to entry for new farmers. Farm subsidies can lead to these market distortions and therefore, it would hardly be controversial to ensure that any subsidy scheme should be designed to avoid such problems.

The overall goal should be to eliminate subsidy dependence. Despite what might be conventional wisdom, many farmers receive few to no subsidies, with most subsidies going to only a handful of commodities. According to the Congressional Research Service (CRS), from 2014 to 2016, 94 percent of farm program
support went to just six commodities—corn, cotton, peanuts, rice, soybeans, and wheat—that together account for only 28 percent of farm receipts.\textsuperscript{32} Although many farmers do not receive much in the way of subsidies, especially those in the areas of livestock and specialty crops (fruit, vegetable, and nuts),\textsuperscript{33} there are still a significant number of farmers growing row crops like corn and cotton that do receive significant farm subsidies.

The primary subsidy programs include the Agriculture Risk Coverage (ARC) program,\textsuperscript{34} the Price Loss Coverage (PLC) program,\textsuperscript{35} and the federal crop insurance program.\textsuperscript{36} Farmers can participate on a crop-by-crop basis in the ARC program or the PLC program. These programs cover about 20 different crops.\textsuperscript{37} The ARC program protects farmers from what are referred to as “shallow” losses, providing payments when their actual revenues fall below 86 percent of the expected revenues for their crops.\textsuperscript{38} The PLC program provides payments to farmers when commodity prices fall below a fixed, statutorily established reference price.\textsuperscript{39}

The federal crop insurance program is broader in scope than ARC and PLC, and in crop year 2019 covered 124 commodities.\textsuperscript{40} Farmers pay a portion of a premium to participate in the program. Taxpayers on average pay about 60 percent\textsuperscript{41} of the premium. As explained by CRS, “Revenue Protection was the most frequently purchased policy type in 2019, accounting for almost 70 [percent] of policies purchased.”\textsuperscript{42}

While there are certainly other subsidy programs besides ARC, PLC, and federal crop insurance, one program that deserves special mention is the federal sugar program. This program, unlike most other subsidy programs, intentionally tries to restrict supply\textsuperscript{43} and thereby drives up prices. The program costs consumers as much as $3.7 billion a year.\textsuperscript{44}

When it comes to reforming subsidy programs, the next Administration will primarily have to look to legislative solutions. The next Administration should champion legislation that would:

- **Repeal the federal sugar program.** The federal government should not be in the central planning business, and the sugar program is a prime example of harmful central planning. Its very purpose is to limit the sugar supply in order to increase prices. The program has a regressive effect, since lower-income households spend more of their money to meet food needs compared to higher income households.\textsuperscript{45}

- **Ideally, repeal the ARC and PLC programs.** Farmers eligible to participate in ARC or PLC are generally already able to purchase federal crop insurance, policies that protect against shortfalls in expected revenue whether caused by lower prices or smaller harvests. The ARC program is especially egregious because farmers are being protected from shallow
losses, which is another way of saying minor dips in expected revenue. This is hardly consistent with the concept of providing a safety net to help farmers when they fall on hard times. The Congressional Budget Office (CBO), in one of its options to reduce the federal deficit, has once again identified repealing all Title I farm programs, including ARC, PLC, and the federal sugar program.\footnote{46}

- **Stop paying farmers twice for price and revenue losses during the same year.** Farmers can receive support from the ARC or PLC programs and the federal crop insurance program to cover price declines and revenue shortfalls during the same year. Congress should prohibit this duplication by prohibiting farmers from receiving an ARC or PLC payment the same year they receive a crop insurance indemnity.

- **Reduce the premium subsidy rate for crop insurance.** On average, taxpayers cover about 60 percent\footnote{47} of the premium cost for policies purchased in the federal crop insurance program. One of the most widely supported and bipartisan policy reforms is to reduce the premium subsidy that taxpayers are forced to pay.\footnote{48} At a minimum, taxpayers should not pay more than 50 percent of the premium. After all, taxpayers should not have to pay more than the farmers who benefit from the crop insurance policies.

CBO has found that reducing the premium subsidy to 47 percent would save $8.1 billion over 10 years and have little impact on crop insurance participation or on the number of covered acres.\footnote{49} In that analysis, there would be a reduction in insured acres of just one-half of 1 percent, and only 1.5 percent of acres would have lower coverage levels.\footnote{50} This reform is basically all benefit with little to no cost. In its recently released report identifying options to reduce the federal deficit, CBO found that reducing the premium subsidy to 40 percent would save $20.9 billion over 10 years.\footnote{51}

Beyond these legislative reforms, the next Administration should:

- **Communicate to Congress the necessity of transparency and a genuine reform process.** The White House and the USDA should make it very clear that the farm bill process, including reform of farm subsidies, must be conducted through an open process with time for mark-up and the opportunity for changes to be made outside the Agriculture Committee process.

The farm bill too often is developed behind closed doors and without any chance for real reform. The White House, given the power of the bully pulpit,
must demand a genuine reform process and express unwavering support for a USDA that shapes a safety net that considers the interests of farmers, while also remembering the interests of taxpayers and consumers. Any safety net for farmers should be a true safety net—one that helps farmers when they have experienced serious unforeseen losses (preferably when there has been a disaster or unforeseen natural event causing damage) and that exists to help them in unusual situations.

- **Separate the agricultural provisions of the farm bill from the nutrition provisions.** To have genuine reform and proper consideration of the issues, agricultural programs should be considered in separate legislation distinct from food stamps and the nutrition part of the farm bill, and reauthorization of such programs should be fixed on different timelines to ensure this separation. Agricultural and nutritional programs, which are distinct from each other, have been combined together for political reasons, something which is readily admitted by proponents of this logrolling. When it comes to American agriculture and welfare programs, they deserve sound policy debates, not political tactics at the expense of thoughtful discourse.

  **Move the Work of the Food and Nutrition Service.** The USDA implements many means-tested federal support programs, including the largest food assistance program, Supplemental Nutrition Assistance Program (SNAP, also known as food stamps), and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Food Program. The Food and Nutrition Service (FNS) oversees these programs and other food and nutrition programs, including the Center for Nutrition Policy and Promotion, which handles the USDA’s work on the “Dietary Guidelines for Americans” (Dietary Guidelines). Food nutrition programs include: SNAP; WIC; the National School Lunch Program (NSLP); the School Breakfast Program (SBP); the Child and Adult Care Food Program; the Nutrition Program for the Elderly; Nutrition Service Incentives; the Summer Food Service Program; the Commodity Supplemental Food Program; the Temporary Emergency Food Program; the Farmer’s Market Nutrition Program; and the Special Milk Program.

  The next Administration should:

- **Move the USDA food and nutrition programs to the Department of Health and Human Services.** There are more than 89 current means-tested welfare programs, and total means-tested spending has been estimated to surpass $1.2 trillion between federal and state resources. Because means-tested federal programs are siloed and administered in separate agencies, the effectiveness and size of the welfare state remains
largely hidden. There are means-tested food-support programs in the USDA (specially FNS), whereas most means-tested programs are at the Department of Health and Human Services (HHS). All means-tested anti-poverty programs should be overseen by one department—specifically HHS, which handles most welfare programs.

Reform SNAP. Ostensibly, SNAP sends money through electronic-benefit-transfer (EBT) cards to help “low-income” individuals buy food. It is the largest of the federal nutrition programs. Food stamps are designed to be supplemented by other forms of income—whether through paid employment or nonprofit support. SNAP serves 41.1 million individuals—an increase of 4.3 million people during the Biden years.\(^ {55} \) In 2020, the food stamp program cost $79.1 billion. That number continued to rise—by 2022, outlays hit $119.5 billion.\(^ {56} \)

The next Administration should:

- **Re- implement work requirements.** The statutory language covering food stamps allows states to waive work requirements that otherwise apply to work-capable individuals—that is, adult beneficiaries between the ages 18 and 50 who are not disabled and do not have any children or other dependents in the home.\(^ {57} \)

Even in a strong economy, work expectations are fairly limited: Individuals who are work-capable and without dependents are required to work or prepare for work for 20 hours per week.\(^ {58} \) The work requirements are then implemented unless the state requests a waiver from the USDA’s Food and Nutrition Services.\(^ {59} \) Waivers from statutory work requirements can be approved in two instances: an unemployment rate of more than 10 percent or a lack of sufficient jobs.\(^ {60} \)

The Trump Administration bolstered USDA work expectations in the food stamp program. In February 2019, FNS issued a modest regulatory change that applied only to able-bodied individuals without dependents—beneficiaries aged 18 to 49, not elderly or disabled, who did not have children or other dependents in the home (ABAWD).\(^ {61} \) The FNS rule changed when a state could receive a waiver from implementing the ABAWD work requirement.

Under the new rule, in order to waive the work requirement, the state’s unemployment rate had to be above 6 percent for more than 24 months. The rule also defined “area” in such a way that states would be unable to combine non-contiguous counties in order to maximize their waivers.\(^ {62} \) Of
the more than 40 million food stamp beneficiaries, the Trump rule would have applied only to 688,000 individuals in fiscal year 2021.\textsuperscript{63}

The Trump reform was scheduled to go into effect, but a D.C. district court federal judge enjoined the rule.\textsuperscript{64} The USDA filed an appeal in late December 2020,\textsuperscript{65} but the Biden Administration withdrew from defending the challenge, and the rule was never implemented.\textsuperscript{66}

Beyond the able-bodied work requirement, FNS should implement better regulation to clarify options for states to implement the general work requirement. This requirement is an option states can apply to work-capable beneficiaries aged 16 to 59. If beneficiaries’ work hours are below 30 hours a week, states can implement the general work requirements to oblige beneficiaries to register for work or participate in SNAP Employment and Training or workfare assigned by the state SNAP agency.\textsuperscript{67} Increased clarity for states would include items like states being required to offer employment and training spots for those that request them—not simply budgeting for every currently enrolled able-bodied adult.

- **Reform broad-based categorical eligibility.** Federal law permits states to enroll individuals in food stamps if they receive a benefit from another program, such as the Temporary Assistance for Needy Families (TANF) program. However, under an administrative option in TANF called broad-based categorical eligibility (BBCE), “benefit” is defined so broadly that it includes simply receiving distributed pamphlets and 1–800 numbers.\textsuperscript{68} This definition, with its low threshold to trigger a “benefit,” allows individuals to bypass eligibility limits—particularly the asset requirement (how much the applicant has in resources, such as bank accounts or property).\textsuperscript{69} Adopting the BBCE option has even allowed millionaires to enroll in the food stamp program.\textsuperscript{70}

The Trump Administration proposed to close the loophole with a rule to “increase program integrity and reduce fraud, waste, and abuse.”\textsuperscript{71} The regulation was not finalized before the end of the Trump Administration.

- **Re-evaluate the Thrifty Food Plan.** In a dramatic overreach, the Biden Administration unilaterally increased food stamp benefits by at least 23 percent in October 2021.\textsuperscript{72} Through an update to the Thrifty Food Plan, in which the USDA analyzes a basket of foods intended to provide a nutritious diet, the USDA increased food stamp outlays by between $250 billion and $300 billion over 10 years.\textsuperscript{73}
Although the 2018 farm bill instructed FNS to update the Thrifty Food Plan by 2023 and every five years thereafter, every previous Thrifty Food Plan has been always cost-neutral (just an inflation update)—exactly what CBO estimated as cost of the 2018 farm bill.\(^74\)

The Biden Administration may have skirted regulations and congressional authority to increase the overall cost of the program. In fact, Senate and House Republicans requested that the Government Accountability Office investigate the legal authorities and process that the USDA undertook to arrive at such an unprecedented increase.\(^75\)

- **Eliminate the heat-and-eat loophole.** States can artificially boost a household's food stamp benefit by using the heat-and-eat loophole. The amount of food stamps a household receives is based on its “countable” income (income minus certain deductions). Households that receive benefits from the Low-Income Heat and Energy Assistance Program (LIHEAP) are eligible for a larger utility deduction. In order to make households eligible for the higher deduction, and thus for greater food stamp benefits, states have distributed LIHEAP checks for amounts as small as $1 to food stamp recipients.

  The 2014 farm bill tightened this loophole by requiring that a household must receive more than $20 annually in LIHEAP payments to be eligible for the larger utility deduction and subsequently higher food stamp benefits.\(^76\) Nonetheless, states continue to inflate their standard utility allowances. Under the Trump Administration, the USDA proposed a rule, which was not finalized, that would have standardized the utility allowance.\(^77\)

  **Reform WIC.** Turning to WIC, this program distributes money through EBT cards to help low-income women, infants, and children under six purchase nutrition-rich foods and nutrition education (including breastfeeding support). As of August 2022, approximately 6.3 million people participated in WIC each month to purchase food.\(^78\) In 2021, WIC federal outlays were $5 billion.\(^79\)

  The next Administration should:

  - **Reform the state voucher system.** State agencies control WIC costs by approving only one brand of infant formula through competitive bidding for infant formula rebate contracts. Because 50 percent of baby formula is purchased through the federal WIC program, it is vital that regulation for these competitive bidding contracts does not unintentionally create monopolies.
• **Re-evaluate excessive regulation.** As for baby formula regulations generally, labeling regulations and regulations that unnecessarily delay the manufacture and sale of baby formula should be re-evaluated. During the Biden Administration, there have been devastating baby formula shortages.

**Return to the Original Purpose of School Meals.** Federal meal programs for K–12 students were created to provide food to children from low-income families while at school. Today, however, federal school meals increasingly resemble entitlement programs that have strayed far from their original objective and represent an example of the ever-expanding federal footprint in local school operations.

The NSLP and SBP are the two largest K–12 meal programs provided by federal taxpayer money. The NSLP launched in 1946 and the SBP in 1966, both as options specifically for children in poverty. During the COVID-19 pandemic, federal policymakers temporarily expanded access to school meal programs, but some lawmakers and federal officials have now proposed making this expansion permanent. Yet even before the pandemic, research found that federal officials had already expanded these programs to serve children from upper-income homes, and these programs are rife with improper payments and inefficiencies.

Heritage Foundation research from 2019 found that after the enactment of the Community Eligibility Provision (CEP) in 2010, the share of students from middle- and upper-income homes receiving free meals in states that participated in CEP doubled, and in some cases tripled—all in a program meant for children from families with incomes at or below 185 percent of the federal poverty line (Children from homes at or below 130 percent of the federal poverty line are eligible for free lunches, while students from families at or below 185 percent of poverty are eligible for reduced-priced lunches). Under CEP, if 40 percent of students in a school or school district are eligible for federal meals, all students in that school or district can receive free meals. However, the USDA has taken it even further, improperly interpreting the law to allow a subset of schools within a district to be grouped together to reach the 40 percent threshold. As a result, a school with zero low-income students could be grouped together with schools with high levels of low-income students, and as a result all the students in the schools within that group (even schools without a single low-income student) can receive free federal meals. Schools can direct resources meant for students in poverty to children from wealthier families.

Furthermore, the NSLP and SBP are among the most inaccurate federal programs according to PaymentAccuracy.gov, a project of the U.S. Office of Management and Budget and the Office of the Inspector General. Before federal auditors reduced the rigor of annual reporting requirements in 2018, the NSLP had wasted nearly $2 billion in taxpayer resources through payments provided to ineligible recipients. Even after the auditing changes, which the U.S. Government
Accountability Office said results in the USDA not “regularly assess[ing] the programs’ fraud risks,” the NSLP wasted nearly $500 million in FY 2021. The SBP now wastes nearly $200 million annually.

Despite the ongoing effort to expand school meals under CEP and the evidence of waste and inefficiency, left-of-center Members of Congress and President Biden’s Administration have nonetheless proposed further expansions to extend federal school meals to include every K–12 student—regardless of need. The Administration recently proposed expanding federal school meal programs offered during the school year to be offered during the summer as part of the “American Families Plan,” and also proposed expanding CEP. Other federal officials, including Senator Bernie Sanders (I–VT), have, in recent years, proposed expanding the NSLP to all students.

To serve students in need and prevent the misuse of taxpayer money, the next Administration should focus on students in need and reject efforts to transform federal school meals into an entitlement program.

Specifically, the next Administration should:

- **Promulgate a rule properly interpreting CEP.** The USDA should issue a rule that clarifies that only an individual school or a school district as a whole, not a subset of schools within a district, must meet the 40-percent criteria to be eligible for CEP. Education officials should be prohibited from grouping schools together.

- **Work with lawmakers to eliminate CEP.** The NSLP and SBP should be directed to serve children in need, not become an entitlement for students from middle- and upper-income homes. Congress should eliminate CEP. Further, the USDA should not provide meals to students during the summer unless students are taking summer-school classes. Currently, students can get meals from schools even if they are not in summer school, which has, in effect, turned school meals into a federal catering program.

- **Restore programs to their original intent and reject efforts to create universal free school meals.** The USDA should work with lawmakers to restore NSLP and SBP to their original goal of providing food to K–12 students who otherwise would not have food to eat while at school.

Federal school meals should be focused on children in need, and any efforts to expand student eligibility for federal school meals to include all K–12 students should be soundly rejected. Such expansion would allow an inefficient, wasteful program to grow, magnifying the amount of wasted taxpayer resources.

**Reform Conservation Programs.** Farmers, in general, are excellent stewards of the land, if not for moral or ethical considerations, then out of self-interest to
make sure their land and—by extension, their livelihoods—remain intact. Farmers are often called the original conservationists.\textsuperscript{94}

When evaluating federal conservation programs, it is important to remember the importance of the land to farmers. In terms of USDA federal conservation programs, both the USDA’s Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS) oversee numerous programs.\textsuperscript{95}

As a general matter, the next Administration should ensure that these programs address genuine and specific environmental concerns with a focus on currently existing environmental problems, not those that are speculative in nature. These conservation programs should have clearly identifiable goals, with the success or failure of these programs being directly measurable. Any assistance to farmers to take specific actions should not be provided unless the assistance will directly and clearly help to address a specific environmental problem. Further, any assistance to encourage farmers to engage in certain practices should only be provided if farmers would not have adopted the practices in the first place.

There are specific issues that the next Administration should address. The Conservation Reserve Program,\textsuperscript{96} which is run by FSA, pays farmers to \textit{not} farm some of their land. This program has recently received attention, as agricultural groups rightfully seek to farm without penalty voluntarily idled land, in light of the consequences to food prices of Russia invading Ukraine.\textsuperscript{97}

There is also a need to reform USDA’s conservation easements. These easements are a powerful tool to incentivize long-term preservation of ecosystems while still allowing farmers to benefit economically. However, when farmers and ranchers sign conservation easements with the USDA, they can be enforced in perpetuity. Future generations, be they the descendants of the landowner or new residents, are bound by those conditions.

Ecosystems and topography naturally change over time, but without legislative change, easement requirements will not.

The next Administration should:

- **Champion the elimination of the Conservation Reserve Program.** Farmers should not be paid in such a sweeping way \textit{not} to farm their land. If there is a desire to ensure that extremely sensitive land is not farmed, this should be addressed through targeted efforts that are clearly connected to addressing a specific and concrete environmental harm. The USDA should work with Congress to eliminate this overbroad program.

- **Reform NRCS wetlands and erodible land compliance and appeals.** Problematic NRCS overreach could be avoided entirely by removing its authority to prescribe specific practices on a particular farm operation in order to ensure continued eligibility to participate in USDA farm programs,
and to require instead that each farm (as a function of eligibility) must have created a general best practices plan. Such a plan could be approved by the local county Soil and Water Conservation District (SWCD). The local SWCD commissioners are elected by their peers in each respective county and are better suited than the NRCS to provide guidance for farm operations in their respective jurisdictions.

At a minimum, a new Administration should support legislation to divest more power to the states (and possibly local SWCDs) regarding erodible land and wetlands conservation.98

- **Reform easements.** The new Administration should, to the extent authorized by law, limit the use of permanent easements and collaborate with lawmakers to prohibit the USDA from creating new permanent easements.99

**Other Major Issues and Specific Recommendations.** Although the following issues have not been listed as “priority,” these issues are still extremely important, and the next Administration should address them.

Only meat and poultry from federally inspected facilities can be sold in interstate commerce.100 Even meat and poultry from USDA-approved state-inspected facilities may only be sold in intrastate commerce, with limited exceptions.101 This is despite the fact that states with USDA-approved inspection programs must meet and enforce requirements that are “at least equal to” those imposed under the Federal Meat and Poultry Products Inspection Acts and the Humane Methods of Slaughter Act of 1978.102 This is an unnecessary regulatory barrier that makes it difficult to get meat and poultry into interstate commerce to create more options for consumers and farmers. Legislation entitled the New Markets for State-Inspected Meat and Poultry Act of 2021 would help to remove this obstacle.103

The next Administration should:

- **Promote legislation that would allow state-inspected meat to be sold in interstate commerce.** These barriers to the sale of meat and poultry from USDA-approved state-inspected facilities should be removed.

**Eliminate or Reform Marketing Orders and Checkoff Programs.** Marketing orders and checkoff programs for agricultural commodities are similar in many ways. They both allow private actors within an industry to collaborate with the federal government to compel other competitors within an industry to fund the respective marketing order or checkoff program. There are currently 22 checkoff programs...
programs, and they focus on research and promotion of commodities such as beef and eggs. Marketing orders cover research and promotion, but also cover issues such as quality regulations and volume controls. The latter issue, volume controls, is a means to restrict supply, which drives up prices for consumers. Fortunately, there are few active volume controls.

Marketing orders and checkoff programs are some of the most egregious programs run by the USDA. They are, in effect, a tax—a means to compel speech—and government-blessed cartels. Instead of getting private cooperation, they are tools for industry actors to work with government to force cooperation.

The next Administration should:

- **Reduce the number and scope of marketing orders and checkoff programs.** The USDA should reject any new requests for marketing orders and checkoff programs to the extent authorized by law and eliminate existing programs when possible. While the programs work differently, there are often petition processes and other ways that make it difficult for affected parties to get rid of the marketing orders and checkoff programs, and the USDA itself may not even be required to honor requests to terminate a program. The USDA should make the process easier. Further, the USDA should reject any effort to bring back volume controls to limit supplies of commodities.

- **Work with Congress to eliminate marketing orders and checkoff programs.** These programs should be eliminated, and if industry actors want to collaborate, they should do so through private means, not using the government to compel cooperation.

- **Promote legislation that would require regular votes.** There should be regular voting for parties subject to checkoff programs and marketing orders. For example, the voting should occur at least every five years, to determine whether a marketing order or checkoff program should continue. The USDA should be required to honor the results of such a vote. Through regular voting, parties can demonstrate their support for a marketing order or checkoff program and ensure that those administering them will be held accountable.

**Focus on Trade Policy, Not Trade Promotion.** The USDA’s Foreign Agricultural Service (FAS) covers numerous issues, including “trade policy,” which is a reference to removing trade barriers, among other things, to ensure an environment conducive to trade. It also covers trade promotion. This includes programs like the Market Access Program that subsidizes trade associations,
businesses, and other private entities to market and promote their products overseas. FAS should play a proactive and leading role to help open up markets for American farmers and ranchers. There are numerous barriers, such as sanitary and phytosanitary measures, blocking American agricultural products from gaining access to foreign markets. However, FAS should not help businesses and industries promote their exports, something these businesses and industries can and should do on their own.

The next Administration should:

- **Push legislation to repeal export promotion programs.** The USDA should work with Congress to repeal market development programs like the Market Access Program and similar programs.

Remove Obstacles for Agricultural Biotechnology. Innovation is critical to agricultural production and the ability to meet future food needs. The next Administration should embrace innovation and technology, not hinder its use—especially because of scare tactics that ignore sound science. One of the key innovations in agriculture is genetic engineering. According to the USDA, “[C]urrently, over 90 percent of U.S. corn, upland cotton, and soybeans are produced using GE [genetically engineered] varieties.”

Despite the importance of agricultural biotechnology, in 2016, Congress passed a federal mandate to label genetically engineered food. This legislation was arguably just a means to try to provide a negative connotation to GE food. There are other challenges as well for agricultural biotechnology. For example, Mexico plans to ban the importation of U.S. genetically modified yellow corn.

The next Administration should:

- **Counter scare tactics and remove obstacles.** The USDA should strongly counter scare tactics regarding agricultural biotechnology and adopt policies to remove unnecessary barriers to approvals and the adoption of biotechnology.

- **Repeal the federal labeling mandate.** The USDA should work with Congress to repeal the federal labeling law, while maintaining federal preemption, and stress that voluntary labeling is allowed.

- **Use all tools available to remove improper trade barriers against agricultural biotechnology.** The USDA should work closely with the Office of the United States Trade Representative to remove improper barriers imposed by other countries to block U.S. agricultural goods.
Reform Forest Service Wildfire Management. The United States Forest Service is one of four federal government land management agencies that administer 606 million acres, or 95 percent of the 640 million acres of surface land area managed by the federal government. Located within the USDA, the Forest Service manages the National Forest System, which is comprised of 193 million acres. As explained by the USDA, “The USDA Forest Service’s mission is to sustain the health, diversity, and productivity of the nation’s forests and grasslands to meet the needs of present and future generations.”

The Forest Service should focus on proactive management of the forests and grasslands that does not depend heavily on burning. There should be resilient forests and grasslands in the wake of management actions. Wildfires have become a primary vegetation management regime for national forests and grasslands. Recognizing the need for vegetation management, the Forest Service has adopted “pyro-silviculture” using “unplanned” fire, such as unplanned human-caused fires, to otherwise accomplish vegetation management.

The Forest Service should instead be focusing on addressing the precipitous annual amassing of biomass in the national forests that drive the behavior of wildfires. By thinning trees, removing live fuels and deadwood, and taking other preventive steps, the Forest Service can help to minimize the consequences of wildfires.

Increasing timber sales could also play an important role in the effort to change the behavior of wildfire because there would be less biomass. Timber sales and timber harvested in public forests dropped precipitously in the early 1990s and still remain very low. For example, in 1988, the volume of timber sold and harvested by volume was about 11 billion and 12.6 billion board feet (BBF), respectively. In 2021, timber sold was 2.8 BBF and timber harvested was 2.4 BBF.

In 2018, President Donald Trump issued Executive Order 13855 to, among other things, promote active management of forests and reduce wildfire risks. The executive order stated, “Active management of vegetation is needed to treat these dangerous conditions on Federal lands but is often delayed due to challenges associated with regulatory analysis and current consultation requirements.” It further explained the need to reduce regulatory obstacles to fuel reduction in forests created by the National Environmental Policy Act and the Endangered Species Act.

The next Administration should:

- Champion executive action, consistent with law, and proactive legislation to reduce wildfires. This would involve embracing Executive Order 13855, building upon it, and working with lawmakers to promote active management of vegetation, reduce regulatory obstacles to reducing fuel buildup, and increase timber sales.


**Eliminate or Reform the Dietary Guidelines.** The USDA, in collaboration with HHS, publishes the Dietary Guidelines every five years. For more than 40 years, the federal government has been releasing Dietary Guidelines, and during this time, there has been constant controversy due to questionable recommendations and claims regarding the politicization of the process.

In the 2015 Dietary Guidelines process, the influential Dietary Guidelines Advisory Committee veered off mission and attempted to persuade the USDA and HHS to adopt nutritional advice that focused not just on human health, but the health of the planet. Issues such as climate change and sustainability infiltrated the process. Fortunately, the 2020 process did not get diverted in this manner. However, the Dietary Guidelines remain a potential tool to influence dietary choices to achieve objectives unrelated to the nutritional and dietary well-being of Americans.

There is no shortage of private sector dietary advice for the public, and nutrition and dietary choices are best left to individuals to address their personal needs. This includes working with their own health professionals. As it is, there is constantly changing advice provided by the government, with insufficient qualifications on the advice, oversimplification to the point of miscommunicating important points, questionable use of science, and potential political influence.

The Dietary Guidelines have a major impact because they not only can influence how private health providers offer nutritional advice, but they also inform federal programs. School meals are required to be consistent with the guidelines. The next Administration should:

- **Work with lawmakers to repeal the Dietary Guidelines.** The USDA should help lead an effort to repeal the Dietary Guidelines.

- **Minimally, the next Administration should reform the Dietary Guidelines.** The USDA, with HHS, should develop a more transparent process that properly considers the underlying science and does not overstate its findings. It should also ensure that the Dietary Guidelines focus on nutritional issues and do not veer off-mission by focusing on unrelated issues, such as the environment, that have nothing to do with nutritional advice. In fact, if environmental concerns supersede or water down recommendations for human nutritional advice, the public would be receiving misleading health information. The USDA, working with lawmakers, should codify these reforms into law.

**ORGANIZATIONAL ISSUES**

Based on the recommended reforms identified as ideal solutions, the USDA would look different in many respects. One of the biggest changes would be a USDA that is not focused on welfare, given that means-tested welfare programs would
be moved to HHS. The Food and Nutrition Service that administers the food and nutrition programs would be eliminated.

The Farm Service Agency, which administers many of the farm subsidy programs, would be significantly smaller in size if the ideal farm subsidy reforms were adopted.

Most important, a conservative USDA, as envisioned, would not be used as a governmental tool to transform the nation’s food system, but instead would respect the importance of efficient agricultural production and ensure that the government does not hinder farmers and ranchers from producing an abundant supply of safe and affordable food.

For a conservative USDA to become a reality, and for it to stay on course with the mission as outlined, the White House must strongly support these reforms and install strong USDA leaders. These individuals almost certainly will be faced with opposition from some in the agricultural community who would fight changing subsidies in any fashion, although many of the reforms would likely be embraced by those in agriculture.

There would be strong opposition from environmental groups and others who want the federal government to transform American agriculture to meet their ideological objectives. Finally, there would be opposition from left-of-center groups who do not want to reform SNAP and would expand welfare and dependency—such as through universal free school meals—as opposed to reducing dependency.

Reducing the scope of government and promoting individual freedom may not always be easy, but it is something that conservatives regularly should strive for. The listed reforms to the U.S. Department of Agriculture would help to accomplish these objectives and are well worth fighting for to achieve a freer and more prosperous nation.

**CONCLUSION**

This chapter started with a discussion of the incredible success of American farmers and American agriculture in general. This is how the chapter should close as well. Americans are blessed with an agricultural sector, and a food system in general, which are worthy of incredible respect. A conservative USDA should appreciate this while recognizing that its role is to serve the interests of all Americans, not special interests. By being a champion of unleashing the potential of American agriculture, a conservative USDA would help to ensure a future with an abundant supply of safe and affordable food for individuals and families in the United States and across the globe.

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ENDNOTES


5. The law stated, “[T]here are hereby established at the seat of government of the United States a Department of Agriculture, the general designs and duties of which shall be to acquire and to diffuse among the people of the United States useful information on subjects connected with agriculture in the most general and comprehensive sense of that word, and to procure, propagate, and distribute among the people new and valuable seeds and plants.” Gladys L. Baker et al., *Century of Service: The First 100 Years of the United States Department of Agriculture*, (Washington, D.C.: U.S. Government Printing Office, 1963) p. 13, https://babel.hathitrust.org/cgi/pt?id=ucl.b4254098&view=lup&seq=33 (accessed December 16, 2022).


7. Ibid., p. 2.


27. Ibid., p. 3.


29. U.S. Department of Agriculture, “Notice: Climate-Smart Agriculture and Forestry Partnership Program.”


35. Ibid.
5. Ibid.
8. Ibid.
9. 7 U.S. Code § 2015(o)(4). The USDA has approved nearly all waivers under the “lack of sufficient jobs” option.
11. Ibid., p. 66795.
12. Ibid., pp. 66807–66810.
2025 Presidential Transition Project


90. Payment Accuracy, “Payment Integrity Scorecard.”


97. American Bakers Association et al., letter to U.S. Department of Agriculture Secretary Tom Vilsack, March 23, 2022, https://www.dropbox.com/s/ryf04ikkom1lxd/USDA%20Letter%20to%20Secretary%20Vilsack%20on%20Tools%20to%20Address%20Global%20Commodity%20Supply%20Challenges%2023.22.pdf?dl=0 (accessed December 15, 2022). It is also necessary to increase food production to mitigate high food inflation. Approximately 25 percent of idled land is considered prime farmland. Therefore, one-quarter of idled land is merely idling, not producing food—and this does not include other land that may viably be used for food production. The Conservation Reserve Program should be eliminated. There are also two issues connected to property rights and fairness that should be addressed: challenging NRCS determinations and problems with USDA easements. To be eligible for many USDA programs, farmers must comply with certain conservation provisions enforced by NRCS. Conservation compliance of wetlands and highly erodible lands consists of federal restrictions that prevent farmers from using parts of their property. If farmers plant crops or modify the areas federal officials deem protected, farmers can lose all access to USDA programs and support. For farmers, there are real, practical concerns to challenging NRCS determinations, including the time and costs of challenging the federal bureaucracy. NRCS is empowered to declare areas wetlands and highly erodible areas, which are therefore off limits for farming. If these wetland-or-erodible-declared areas are used in a manner deemed unacceptable by federal officials, NRCS may revoke access to federal resources and subsidies by making technical determinations that carry potential penalties. There must be a fair and reasonable process for farmers to challenge such actions. See Daren Bakst, “Food Price Inflation Continues to Worsen. Here’s What Should Be Done About It,” The Daily Signal, April 25, 2022, https://www.dailysignal.com/2022/04/25/food-price-inflation-continuing-to-worsen-heres-what-should-be-done-about-it/ (accessed December 15, 2022); American Bakers Association et al., letter to Vilsack; U.S. Department of Agriculture, Natural Resources Conservation Service, “Conservation Compliance Appeals Process,” https://www.nrcs.usda.gov/getting-assistance/compliance/conservation-compliance-appeals-process (accessed December 15, 2022); and Chris Bennett, “Regulatory Hell: Farmer and Veteran Wins 10-Year Wetlands Fight With Government,” AG Web, August 30, 2021, https://www.agweb.com/news/crops/crop-production/regulatory-hell-farmer-and-veteran-wins-10-year-wetlands-fight (accessed December 15, 2022).


109. Ibid.


116. Ibid.


123. Ibid.

124. Ibid.


