

AMERICAN PUBLIC HEALTH ASSOCIATION CALLS FOR NATIONAL MORATORIUM ON NEW AND EXPANDING CONCENTRATED ANIMAL FEEDING OPERATIONS

ACTION 11: REQUIRING EQIP FUNDING AND FSA LOANS GO TO SMALL AND MEDIUM-SIZED OPERATIONS AND REQUIRE ENVIRONMENTAL AND HEALTH IMPACT ASSESSMENTS

In light of the wide-ranging negative health and environmental impacts associated with Concentrated Animal Feeding Operations (CAFOs), as well as serious social and environmental justice concerns, the American Public Health Association adopted a new policy resolution. The [Precautionary Moratorium on New and Expanding CAFOs](#) calls for federal, state and local governments, including public health agencies, to impose a national moratorium on new and expanding CAFOs until additional scientific data on the attendant risks to public health have been collected, uncertainties resolved, and 12 action steps outlined in the resolution have been taken. This document is one of a series of briefs concerning the action steps that must be met before the APHA's call for a moratorium will be lifted. This document focuses on Action Step 11, and provides additional information pertinent to this action step.

Action Step 11 requires:

The federal government directs Environmental Quality Incentives Program (EQIP) funding and Farm Service Agency (FSA) loans to small and medium-sized operations rather than CAFOs, and requires a rigorous environmental and public health assessment as part of the approval process.

Overview of EQIP funding and FSA loans to CAFOs: EQIP is a voluntary conservation incentive program that helps farmers and ranchers adopt conservation practices on working agricultural land and nonindustrial private forest land by providing financial and technical assistance. The program is administered by the U.S. Department of Agriculture's (USDA) Natural Resource

Conservation Service (NRCS) and provides up to 75 percent of the cost of a conservation project (and up to 90 percent for socially-disadvantaged, beginning, and veteran farmers and for certain water quality practices) if it includes structural, vegetative and management practices. EQIP payments can be made for income forgone as well as costs incurred in almost any stage of project design and implementation. These grants provide essential opportunities for farms to enhance their resilience in the face of erratic temperatures and extreme weather from climate change.

The USDA Farm Service Agency (FSA) guarantees loans to promote conservation practices on farms and

ranches in order to protect soil and water resources. These loans are available for both small and large farm operations. There are two types of FSA loans: direct loans, which come from USDA funds, and guaranteed loans, which come from private lenders. Beginning and socially disadvantaged farmers and ranchers are given priority through loan set asides.¹

Overview of CAFO eligibility for EQIP funding and exemptions for FSA loans: At the federal level, 50 percent of total EQIP funding is set aside for livestock operations, without limits to funding directed to CAFOs. In some states, NRCS reserves a share of EQIP funds for CAFO projects even though other conservation projects provide more environmental benefits. According to the National Sustainable Agriculture Coalition, in fiscal year 2016, 11 percent (\$113 million) of EQIP funds were allocated toward CAFO operations, and top supported practices included waste storage facilities (\$51,634,622); waste facility covers (\$33,582,510); animal mortality facilities (\$8,867,865); and manure transfer (\$7,779,326).² Because such a large percentage of funding supports CAFO-style production, smaller

operations that use innovative, alternative sustainable management practices such as rotational grazing receive less support. The 2014 Farm Bill eliminated an EQIP rule that large projects over \$150,000 require a review from a regional conservationist. This poses an advantage to larger, industrial projects, such as Confined Animal Feeding Operations (CAFOs).³

FSA: A 2016 rule change allows medium CAFOs to receive federal funds without performing an environmental review.⁴ A medium CAFO can hold up to 999 cows, 54,999 turkeys or 124,999 hens.⁴

The FSA states that categorical exclusions “have been determined by the agency to have little or no effect on the environment.”⁵ A dozen organizations, including the Institute for Agriculture and Trade Policy and Food & Water Watch, have filed a lawsuit against this rule change. They argue that environmental reviews are essential to protect communities from the adverse effects of CAFOs and that this exemption benefits the corporations practicing industrial animal production.⁵

RECOMMENDED POLICY CHANGES

- ▶ Eliminate all exemptions for any industrial animal operation receiving federal loans to skip the environmental review process.⁶
- ▶ USDA should consider shifting EQIP evaluation guidelines to reward creativity and efficacy to ensure that taxpayer money is spent on worthwhile projects, and should prioritize support for small and mid-sized producers who have the least capacity to afford conservation investments.
- ▶ NRCS should eliminate the use of EQIP funds to support waste storage and related facilities for new or expanding CAFOs. NRCS should prioritize funding for sustainable management practices (such as rotational grazing practices), and promote the inclusion of grazing practices in the livestock set-aside.

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