



# CENTER *for* RURAL AFFAIRS

YOUR RURAL NEWS FOR OVER 40 YEARS | LYONS, NE | POPULATION 851 | MAY & JUNE 2015



Corporate farming has had a devastating effect on family livestock producers. Folks in North Dakota and Nebraska are fighting to retain state protections against corporate ownership of livestock. | Photo by Wyatt Fraas

## STANDING IN THE BREACH AGAINST CORPORATE FARMING

BY JOHN CRABTREE, JOHNC@CFRA.ORG

**N**orth Dakota was among the first states to prohibit corporate farming in 1932. Nebraska was among the last, when, by a 1982 vote of the people, the state enacted Initiative 300, a constitutional amendment against corporate farming. During the 50 years between North Dakota's corporate farming law and Nebraska's Initiative 300, most Midwest

and Great Plains farm and ranch states passed similar anti-corporate farming laws.

Over the last three decades concerted, coordinated efforts by industrial agriculture interests eroded those victories. With the exception of North Dakota, every Midwest and Great Plains state saw them overturned or eviscerated by legislative or legal action. Nebraska's Initiative 300 was over-

turned in federal court in 2005.

Thanks to former state Senator Cap Dierks' foresight following the 1999 hog market crisis, however, Nebraska still possesses a statute prohibiting livestock ownership by meatpacking corporations.

Leah Douglas, a reporter and policy analyst with New America's Open Markets Program, wrote recently in *Fortune Magazine*

—SEE [CORPORATE FARMING ON PAGE 3](#).

### INSIDE THIS ISSUE

- |   |  |   |   |   |                                   |
|---|--|---|---|---|-----------------------------------|
| 2 | Hemingford: Made from Scratch              | 4 | Current Subsidized Crop Insurance Program Works Against Beginning, Small, and Mid-Sized Farms | 7 | Annual Report: A Year of Progress |
| 3 | Major Livestock Zoning Victory in Nebraska | 5 | Crop Insurance: How Does the Money Flow?  | 7 | Congratulations Graduates!        |
|   |  | 6 | Center for Rural Affairs Ahead of the Curve on Energy and Climate                             | 8 | It's Not All About Organic        |

# HEMINGFORD: MADE FROM SCRATCH

BY JOHN CRABTREE

It all started in Judy Stewart's junior high health class. Judy, the school nurse at Hemingford public schools, was teaching the nutrition section of the course. She heard lots of comments from the students about their wish for better, fresher food in the school cafeteria. Judy is not the first educator to hear students complain about their school cafeteria, but she recognized a valuable teaching moment and seized it.

"I challenged the students to come up with ideas about what they could do to affect change in Hemingford's school lunch program," Judy explained. "We came up with the idea of putting together a survey, and they worked their little hearts out on it. When it was finished, we got permission to distribute it to the entire school."

The survey reinforced what the class thought – students throughout the school wanted better, fresher food, fruits, vegetables, etc. The kids and Nurse Judy shared the results with Superintendent Casper Ningen and sold him on the idea of improving the school lunch program.

Superintendent Ningen carried the message to the Hemingford School Board. Clearly he was an enthusiastic promoter of the idea. The board not only went for the idea, they invested \$60,000 to get the transition from "warm and serve" lunches to a "made from scratch kitchen" without much hesitation.

"That initial investment was crucial," cautioned Judy, who was charged with supervising the



Hemingford students get up close and personal with fresh ears of corn on the cob. They can't wait until it appears on the school menu again.

school kitchen's transition. "Other schools that attempt to undertake a similar effort should recognize that. We were blessed with several walk-in freezers and coolers and other kitchen equipment, but after a couple of decades of 'warm and serve' some of the equipment had to be replaced. Even the lack of a knife sharpener can be an obstacle when making lunches from scratch, and something you don't always think about on day one."

The most significant new purchase in the kitchen was a new commercial stove, replacing the existing one – a 1942 model that came to the school via the Alliance Army Air Base. No one I spoke with is exactly sure when that stove arrived at the school.

Hemingford is now serving

entirely made from scratch meals every day. They have added a fresh vegetable and fruit bar, also replenished daily. The staff of four food service workers, the same number as during the "warm and serve" era, work hard to provide the best lunches possible. And they do it with great efficiency and imagination.

This is only a part of Hemingford's success. Judy also talked with me about the cost of transitioning to a made from scratch kitchen, Hemingford's sourcing successes, and the overall leadership in embracing the Farm to School program. You can find that story online at [cfra.org/hemingford-better-food-same-cost](http://cfra.org/hemingford-better-food-same-cost).

## PAPER & E-NEWS

This newsletter is available both electronically and in print. To receive it online, sign up at the Center's website, [cfra.org](http://cfra.org), or email us at [info@cfra.org](mailto:info@cfra.org).

You may also correct your mailing address and fax the back page to 402.687.2200, or call the Center for Rural Affairs at 402.687.2100.

Editing and layout by Marie Powell and Casey Francis.

Printed at West Point News, West Point, NE.

The Center for Rural Affairs was incorporated as a private nonprofit organization on September 5, 1973.



# MAJOR LIVESTOCK ZONING VICTORY IN NEBRASKA

LB 106 as originally proposed would have been used to concentrate livestock production and threaten our quality of life in rural communities.

BY TRACI BRUCKNER, TRACIB@CFRA.ORG

**T**he Nebraska legislature recently debated and moved a much-diluted version of LB 106, the Livestock Operation Siting and Expansion Act, forward. The Center, along with Nebraska Farmers Union, county commissioners and zoning administrators, and rural people like you vehemently opposed the original bill. This is a major victory for our counties and small towns.

LB 106 as originally proposed would have been used to concentrate livestock production and threaten our quality of life in rural Nebraska. It called for creation of a statewide matrix for siting and expanding livestock facilities. Local control would have been forfeited – eliminating a county’s right to determine for themselves land use and planning decisions.

The current bill allows the De-

partment of Agriculture to create a statewide matrix. It does not force counties to use the matrix, leaving intact local control.

Efforts of Senators Bloomfield, Davis, Sullivan, Schnoor, Kuehn, and Chambers are to be commended. Their leadership drove the debate.

The heavily amended version of LB 106 passed the first reading of the bill (General File) without a dissenting vote. It will now advance to Select File for another vote later in the session.

Your calls and emails to senators made the difference in the debate! Keep them coming as we move onto the next battle to defeat LB 176, which would lift our ban on packer ownership of hogs.

Contact me, Traci Bruckner, [tracib@cfra.org](mailto:tracib@cfra.org) or 402.687.2100 to learn how you can make a difference.

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## CORPORATE FARMING, CONTINUED FROM PAGE 1.

about the current assault on Nebraska’s prohibition of meatpacker ownership of livestock (The last state standing against corporate farming weighs a change, *Fortune*, March 24, 2015 - <http://fortune.com/2015/03/24/nebraska-hog-farming-packer-ban/>). Jim Knopik, Center for Rural Affairs board member and past-President, figures prominently in the story.

“Knopik, who is a 65-year-old hog farmer, has fought for decades to protect Nebraska’s family farms. In 1997, he organized protests against a proposed factory farm in his town of Fullerton. Later, when an influx of cheap factory farm meat caused the price of pork to drop precipitously, he established

a co-op to maintain a market for his farm and other independent pork producers.

“Now, he’s involved in a new fight, one that’s taking place in the Nebraska state legislature. A proposed bill, Legislative Bill 176, would overturn Nebraska’s ban on corporate ownership of hogs. Knopik and others believe the bill could open the door for giant meatpackers like Smithfield to assume even more control over the state’s meat industry.”

North Dakota’s anti-corporate farming law has come under an eerily similar legislative assault this year. SB 2351, which exempts dairy and swine operations from the state’s corporate farming law, was signed into law on March 20.

North Dakota Farmers Union President Mark Watne has vowed to fight on. He secured approval from the Secretary of State for their petition to initiate a ballot measure allowing the voters of North Dakota to overturn SB 2351.

And the Center for Rural Affairs and Nebraska Farmers Union aren’t giving in on LB 176, which still awaits debate before the Nebraska Unicameral. We may be the last states standing on these issues, but, in the words of Dylan Thomas, we will “not go gentle into that good night.”

Contact me, John Crabtree, to stand with the Center and Farmers Union, [johnc@cfra.org](mailto:johnc@cfra.org) or 402.687.2100.



We believe a farm safety net, like crop insurance, is an important tool to help farmers mitigate risks. But we know there are some real problems with the current program. | Photo by Wyatt Fraas

## CURRENT SUBSIDIZED CROP INSURANCE PROGRAM WORKS AGAINST BEGINNING, SMALL, AND MID-SIZE FARMS

BY TRACI BRUCKNER, TRACIB@CFRA.ORG

If you are a farmer, or you live in rural America, you have likely dealt with or at least heard about government-subsidized crop insurance. If you are not familiar with the issue, we will get you up to speed in a hurry.

Crop insurance and the need for reform is a topic we have grappled with for roughly the last decade. That was when we started hearing from farmers across the Great Plains and Midwest about the negative impacts of federally subsidized crop insurance.

We believe a farm safety net, like crop insurance, is an important tool to help farmers mitigate risks. But we know there are some real problems with the current program.

The federal crop insurance program began in 1938 when Congress authorized the Federal Crop Insurance Corporation. The current government-subsidized private program, which is administered by the US Department of

Agriculture's Risk Management Agency (RMA), provides producers with risk management tools to address crop yield and/or revenue losses on their farms.

The federal government pays the majority of the premium (62 percent, on average, in 2012). Insurance policies are sold and completely serviced through 19 approved private insurance companies.

Not only does the federal government pay the majority of producer premiums on every single acre, regardless of how large they are or how much money they make, insurance companies' losses are also reinsured by USDA.

The insurance company's administrative and operating costs are also reimbursed by the federal government. In total, these insurance companies have negotiated (or lobbied) for a guaranteed 14 percent administrative profit.

The current government-subsidized crop insurance program is

working against the very farms we all believe deserve a safety net. The program is non-transparent, props up private insurance company profits, helps mega-farmers drive beginning and small and mid-sized farms out of business, and puts our natural resources at risk.

That is why we are working towards crop insurance reform. We believe in and will advocate for changes to crop insurance that emphasize conservation of our natural resources, tamp down on mega-farm millionaires so we are not subsidizing their competitive advantage over beginning and small and mid-sized farms, and ensure transparency.

As we develop our campaign over the coming year, please share your thoughts with us on how you think federal crop insurance should be reformed. And stay tuned for how you can engage in this campaign.

# Crop Insurance: How does the money flow?

## What is Crop Insurance?

USDA tools to help farmers manage risk of revenue and crop yield losses.

## Who Pays?

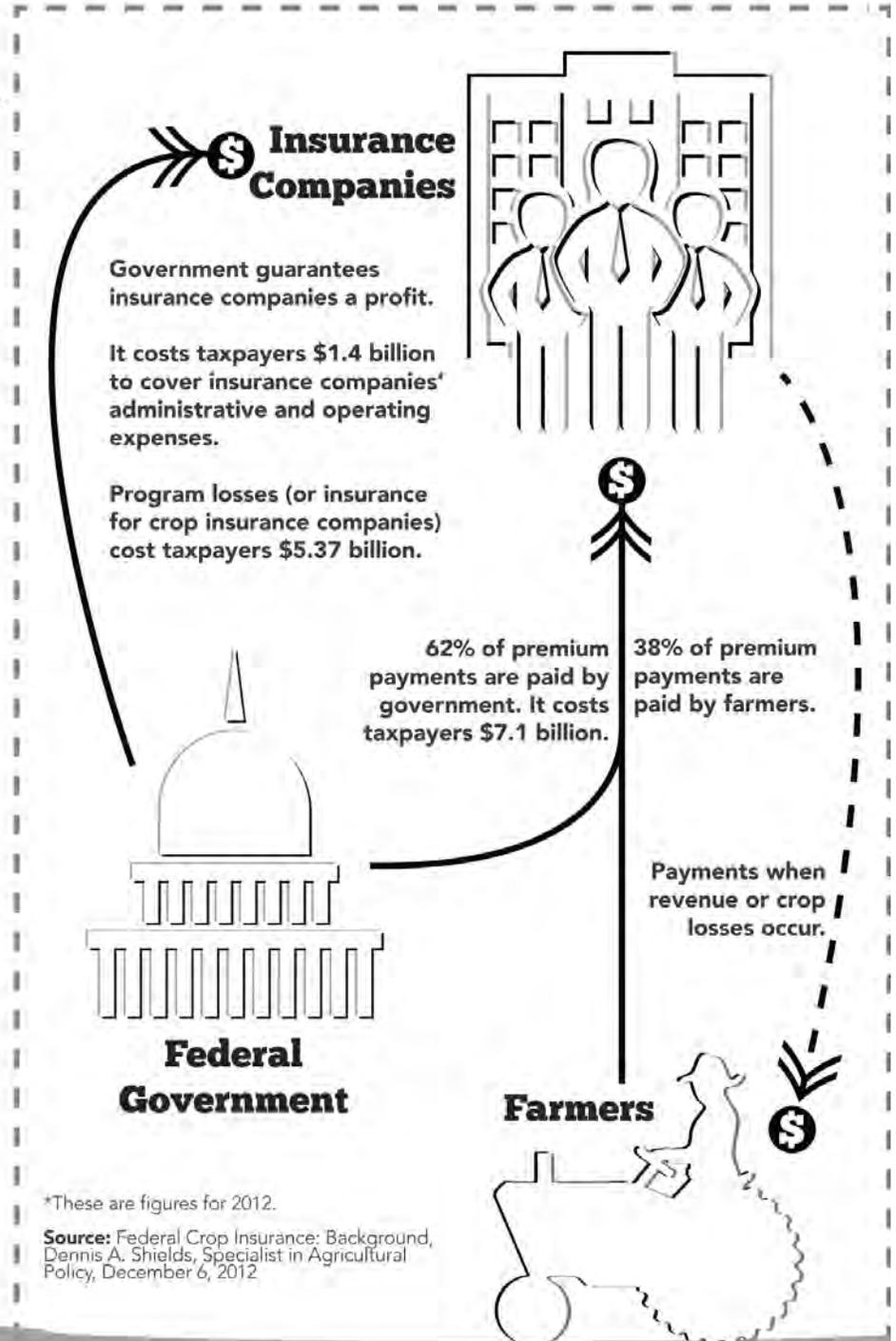
Farmers some, but mostly the federal government.

## Who Benefits?

Family farmers, a little, but mostly mega-farms and insurance companies rake in the subsidies. The government subsidizes premiums paid to insurance companies - 62% on average on every single acre - covers administrative costs, and insures against insurance company losses, guaranteeing them a profit (currently about 14%).

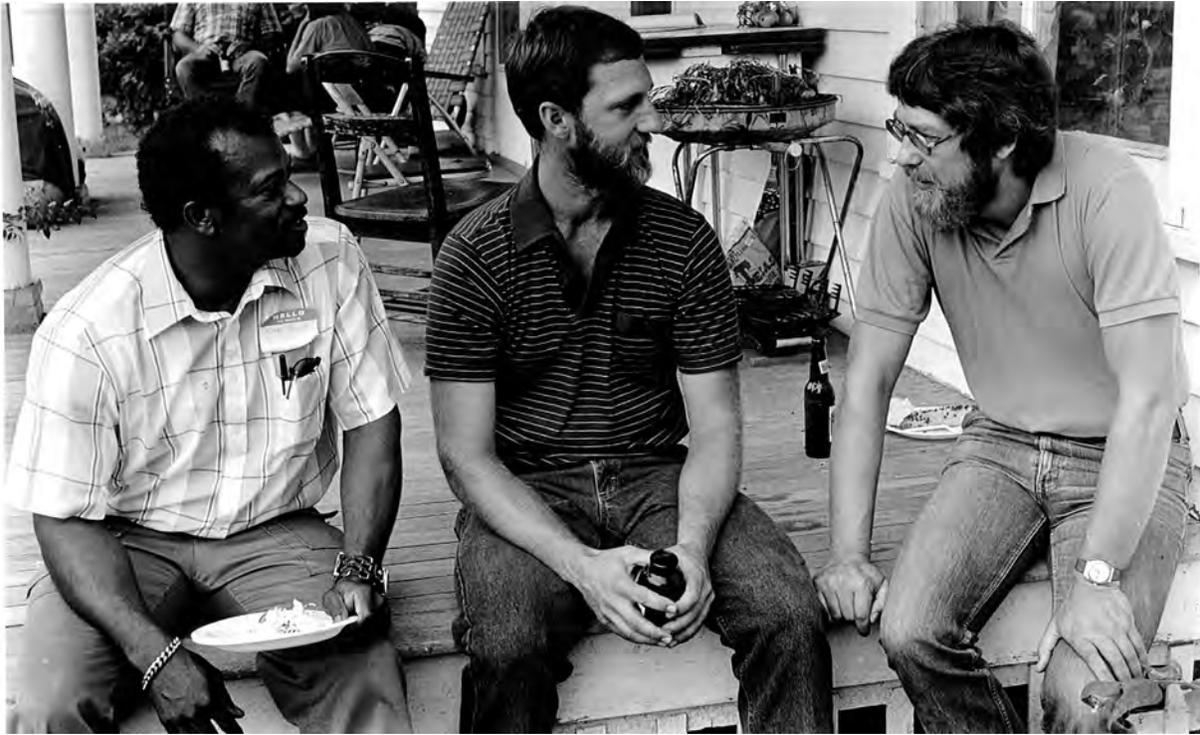
## What is the Problem?

Helping farmers manage risk is important. Currently, however, subsidized crop insurance works against beginning and smaller, family farmers (you know, the people that need it). The current system props up profits for private insurance companies, helps mega-farms drive their smaller neighbors out of business, and puts natural resources at risk.



## Want to Learn More?

Visit [www.eat.ag](http://www.eat.ag) for crop insurance specific information or contact Traci Bruckner, [tracib@cfra.org](mailto:tracib@cfra.org).



Henry Glover, Rudolph Buntzel and Gary Andreson chat during a meeting for the Small Farm Energy Project hosted by the Center for Rural Affairs (around 1975).

## CENTER FOR RURAL AFFAIRS AHEAD OF THE CURVE ON ENERGY AND CLIMATE ISSUES

BY VIRGINIA MEYER, VIRGINIAM@CFRA.ORG

I always knew the Center for Rural Affairs is on the cutting-edge of issues that matter to rural and small-town people. But, on issues of climate and renewable energy, the Center was way ahead of the curve. Recently, I came across a bound copy of the *Small Farm Energy Primer*, an initiative to help farmers save money by lowering energy costs.

Leafing through the deep-red book, I found detailed instructions on alternative energy production and energy-saving techniques using materials from wood to compost. The project was initiated in 1976 with groundbreaking work in practical on-farm research. The goal? “Energy self-sufficient farms as the future of agriculture.”

Over the course of three years,

48 participating farms helped demonstrate the benefits of small-scale alternative energy. Half of these farms made improvements, while the other 24 continued operating as they had been.

The project culminated in a report using the detailed findings of both groups. The *Small Farm Energy Primer* found that farmers could save money and conserve energy using low-cost, easy to maintain systems including solar, passive systems, wood and alcohol energy.

The Small Farm Energy Project taught people that despite world events (like the Oil Crisis), they could control a portion of their businesses and their lives. The process of learning, doing, and public demonstrations formed leaders who helped build the national sustainable agriculture

movement.

In 2001, the Center formed the Climate Change Task Force to review information about the potential for climate change, its probable causes and likely effects on agriculture, and how agriculture might contribute to solutions.

The rural people selected to serve on the task force were approached to serve because they were informed citizens, but not climate experts. The task force explored contributors to climate change from lack of energy efficiency to soil tillage and ultimately found that “prudent actions available to policy makers now can affect change that is beneficial for the future.”

Now, 14 years later, we wholeheartedly agree.

# ANNUAL REPORT: A YEAR OF PROGRESS

BY BRIAN DEPEW, BRIAND@CFRA.ORG

It's an exciting time to be in rural America. We are witnessing renewed interest in sustainable farming. New opportunities in clean energy, healthcare, and small business offer opportunity in small towns. And our work is evolving to include a more diverse set of strategies to create welcoming and vibrant communities.

When you read through our annual report, I hope you're as excited as I am. With your help, the Center for Rural Affairs is having a real impact on the lives of people who call rural America home.

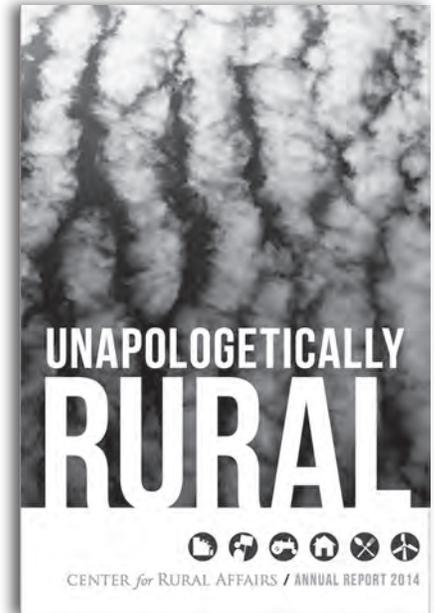
Your investment in the Center supports a diverse and bold approach. It supports work spanning from projects in individual communities to coordinated national campaigns.

There is no doubt, rural people and rural places will face new challenges in the coming year. The Center won't shrink from these challenges. We will face them head-on in 2015, just as we have for 41 years.

That's because, at the core of the Center for Rural Affairs, is the belief that by acting together in each of our communities, and banding together across the nation, we have the power to create a positive future for rural people and rural places.

This was a core belief at our founding, and it guides our work to this day. It is a belief we are proud to share with you.

Find the annual report online at [cfra.org/annual-report](http://cfra.org/annual-report).




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## CONGRATULATIONS GRADUATES!

Honoring our spring tradition of recognizing the graduates among us, we offer our best wishes to: Anna Bailey, daughter of the Center's Rural Public Policy Program Director Jon Bailey and wife Ginger. Anna will graduate from Creighton University with a Bachelor of Arts degree

in English, Communications and History. She is exploring her job options as this goes to press.

Curtis Reynolds, son of the Center's Rural Enterprise Assistance Project Director and wife Karen. Curtis will graduate from New York University - Steinhardt with a Bachelor of Music in Vocal Performance and Musical Theatre.

He plans to stay and work in New York City as an actor/musician/collaborative pianist. Keep up with him at [www.curtisreynolds.com](http://www.curtisreynolds.com).

And all of you who are marking this important passage – we expect great things. Cheer, cheer!

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## NOT ALL ORGANIC, CONTINUED FROM PAGE 8.

We saw farming systems that emphasize careful management through crop rotations, integration of livestock, specialized tillage, targeted pest management, and selection of high-value crops as an alternative to expansion to improve efficiency and income.

Many of the farmers who embraced these strategies ultimately became organic to capture premium prices. Promotion of organic farming systems, market devel-

opment, and policy that supports these systems remains a key strategy in our work.

We are now watching a new round of innovation from farmers who do use chemicals, but also use innovative management strategies to reduce cost, weather drought, and build soil health. Farmers adopting these practices are again using careful management in the field as an alternative to expansion.

This means more farmers on the land, controlling their own destiny and rising to meet the most pressing stewardship challenges of our time.

In an era where climate change is the most critical challenge facing farming, we must bring more farmers who embrace these values into our fold. It is the only way to achieve widespread change across the landscape.

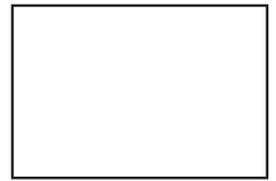


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FROM THE DESK OF THE EXECUTIVE DIRECTOR

## IT'S NOT ALL ABOUT ORGANIC



BY BRIAN DEPEW, BRIAND@CFRA.ORG

**A** growing number of people equate sustainable farming with organic farming. That is a mistake.

At the Center we look beyond labels and focus on our core values of stewardship, community, and ownership.

We ask if a farming system protects the land, soil, and water. We ask if it encourages widespread ownership and how it impacts community.

To be certain, we champion organic family farming. Many organic farmers are innovators in practices that protect the environment. Premium prices for organic products have kept countless farms profitable.

At the same time, we have been harshly critical of corporate organ-

**SOME OF THE MOST INNOVATIVE FARMERS ARE EMPLOYING COVER CROPS AND NO-TILL TO ENHANCE SOIL HEALTH AND REBUILD SOIL ORGANIC MATTER. THIS PRACTICE REPRESENTS A CONVERGENCE OF THE BEST FROM ORGANIC AND NON-ORGANIC PRACTICES.**

ic. There are farms that meet the letter of the organic labeling law, but run operations that otherwise look like large corporate operators.

Similarly, painting all conventional producers with one brush overlooks critical differences.

Among conventional, family-size farmers are many ardent conservationists who maintain grass waterways, buffer strips, terraces, and shelterbelts that reduce soil erosion, limit runoff, and provide habitat.

Some of the most innovative farmers are employing cover crops

and no-till to enhance soil health and rebuild soil organic matter. This practice represents a convergence of the best from organic and non-organic practices.

The Center first advocated for sustainable farming systems some 30 years ago as a way for mid-size farms to compete. We promoted low-input systems because they enabled farmers to use their local expertise and hands-on management in the field and barn in place of capital and increased inputs.

—SEE **NOT ALL ORGANIC** ON PAGE 7.