



November 19, 2021

**Re: Notice of Federal Agency Climate Adaptation and Resilience Plans, CEQ-2021-0003-0001 (posted by the Council on Environmental Quality on October 7, 2021)**

**Submitted by:** Joshua Sewell, Senior Policy Analyst, Taxpayers for Common Sense

**Agency Action Plan Addressed:** [U.S. Department of Agriculture \(USDA\)](#)

**Description of Taxpayers for Common Sense:** Taxpayers for Common Sense (TCS) appreciates the opportunity to provide public comments to the Council on Environmental Quality regarding the Federal Agency Climate Adaptation and Resilience Plans (specifically, [USDA's plan](#)), which was published on October 7, 2021.

TCS is a nonpartisan budget watchdog serving the American taxpayer. We support a federal safety net for American farming and ranching businesses, provided tax dollars are invested wisely and efficiently. Federal investments should focus on assisting those farmers and ranchers in need of financial assistance, be directed only at risks that are too costly or complex to manage independent of Washington, and when investments have a tangible, quantifiable impact on achieving critical public resource concerns.

**Dear Secretary Vilsack:**

TCS believes federal investments in agriculture should promote resilience, not dependence on taxpayer dollars. To this end, we provide the following recommendations related to USDA's plan for climate adaptation and resilience:

- **Ensure crop insurance is not working at cross purposes with agriculture conservation programs:** Federally subsidized crop insurance is on average the most expensive farm bill authorized farm income subsidy program, costing on average nearly \$9 billion annually. While called insurance, many of the market signals in traditional insurance are muted because of taxpayer subsidies to purchase policies (60% of total premium is subsidized), to private companies for servicing policies (\$1.5 billion), and underwriting agreements where taxpayers bear most risk of loss. USDA should take steps to reform crop insurance to operate more like other insurance, where all parties are encouraged to reduce risk of loss rather than seek maximal subsidies. USDA can do this by supporting research efforts to ensure risk ratings accurately assess the risk reduction benefits of conservation practices. Steps should also be taken to ensure that taxpayer subsidies are not promoting risky planting decisions, such as the conversion of drought- and flood-prone land to agricultural production, which not only increases the risk of future climate-related losses, but also taxpayer costs. In addition, USDA should explore opportunities to reform delivery and risk sharing subsidies to ensure subsidized crop insurance companies carry their fair share of risk.

- **Prioritizing conservation program dollars toward practices with best return on investment:** USDA's recent efforts to begin targeting existing conservation program dollars toward practices that deliver climate benefits should be expanded upon, as mentioned in the proposed action plan. Efforts should also take into consideration practices that deliver multiple benefits – for water, soil, air, etc. - not just climate. Future federal investments in conservation programs should be prioritized on the practices most likely to achieve measurable outcomes efficiently, equitably, and substantially. Programs that subsidize normal costs of doing business – such as manure management - should be ended so taxpayer resources can instead be targeted at the programs and projects with the best return on investment. Long-term financial and climate resilience – instead of dependence on federal subsidies - should be promoted to ensure taxpayer dollars deliver the most public benefits at least cost.

Thank you for the opportunity to comment on USDA's Action Plan for Climate Adaptation and Resilience. We urge USDA to take advantage of opportunities to improve the cost-effectiveness, accountability, transparency, and responsiveness of the current federal farm safety net, as outlined above, which will benefit taxpayers, the climate, and the environment alike. Please contact us if you have any questions.

Sincerely,

Joshua Sewell  
Senior Policy Analyst  
Taxpayers for Common Sense