

ATT: Agriculture Appropriations

September 6, 2011

Dear Appropriations Committee Member:

As you mark up the FY 12 agriculture appropriations bill this week, we are writing on behalf of our forty farm, conservation, and rural member organizations from all regions of the country to urge you to carefully consider our funding requests and also to make a few additional points. A summary of our original requests from this spring is attached for your convenience.

We urge that **farm bill conservation program** mandatory spending be kept intact. The annual appropriations bill is the wrong vehicle to be dealing with changes to the Farm Bill. If nonetheless Farm Bill direct spending is going to be re-opened, then fairness dictates that all Farm Bill mandatory funding be put on the table for cuts. We strongly oppose separating out the conservation title for cuts if commodity, export, and insurance subsidies are held harmless. We urge your support for amendments that leave mandatory spending out of the annual discretionary funding equation or, if that is not to be, then for amendments to cut proportionally across the board from all Farm Bill programs.

We urge your opposition to any amendment that would slow down or otherwise interfere with the **fair** competition and contract reform rule that Congress directed the Grain Inspection and Packers and Stockyards Administration to develop and that is working its way through the normal rulemaking process. Interference from Congress to weaken or stop the pro-farmer and rancher reforms on behalf of anticompetitive corporate meat packer special interests is economically misguided and morally wrong, and deserves a no vote.

Stimulating the rural economy through programs that increase farm and rural income, job creation, and business opportunities remains paramount. We urge you to:

- Adopt strong funding levels for **direct farm ownership and operating loans**, including at least \$600 million (program level) for Direct Farm Ownership loans, a program currently running a \$130 million FY 11 backlog (including \$55 million in beginning farmer loans) due to insufficient appropriations.
- Support at least \$2.5 million for the **Beginning Farmer Individual Development Account** assetbuilding pilot program for new farmers.
- Increase funding for the innovative and highly successful **Sustainable Agriculture Research and Education**, Value-Added Producer Grants, and Rural Micro-Entrepreneur Assistance programs.
- Disavow the House language opposing economic development through the rebuilding and renewal of local and regional food enterprise and commerce.

Finally, we urge you to follow the lead of the House in restoring the **National Sustainable Agriculture Information Service**, but urge you to bring its funding all the way back to its historic levels. Farmers and extension agents rely on this service and it deserves your full support.

Thank you for considering our views.

Sincerely,

Ferd Hoefner

Greg Fogel

Ferd Hoefner, Policy Director

Greg Fogel, Policy Associate

DEPARTMENTAL ADMINISTRATION

Office of Advocacy and Outreach

FY 2011 \$1.425 M USDA 2012 Request \$3.0 M NSAC 2012 Request \$3.0 M

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Sustainable Agriculture Research and Education Program

FY 2011 $$14.5 \text{ M} \text{ (research } \mathfrak{C} \text{ education)} + $4.7 \text{ M} \text{ (extension)} = 19.2 M

USDA 2012 Request \$15.0 M + \$5.0 M + \$10.0 M (Federal-State Matching Grants) = \$30.0 M

NSAC 2012 Request \$18.0 M + \$5.0 M + \$7.0 M = \$30.0 M total

Agriculture and Food Research Initiative

FY 2011 \$265.0 USDA 2012 Request \$325.0 **NSAC 2012 Request** \$350.0

Organic Transitions Program

FY 2011 \$4.0 M USDA 2012 Request \$5.0 M NSAC 2012 Request \$5.0 M

AGRICULTURAL MARKETING SERVICE

Federal-State Market Improvement Program

FY 2011 \$1.3 M USDA 2012 Request \$2.6 M NSAC 2012 Request \$2.6 M

Organic Production and Market Data Initiative

FY 2011 \$0.75 M USDA 2012 Request \$0.8 M

NSAC 2012 Request \$0.3 M (AMS)

FARM SERVICE AGENCY

Direct Farm Ownership and Operating Loans -- Program Levels

FY 2011 \$475.0 M + \$950.0 M USDA 2012 Request \$475.0 M + \$1050.0 M NSAC 2012 Request \$600.0 M + \$1050.0 M

Beginning Farmer Individual Development Account (IDA) Pilot Program

FY 2011 \$0.0 M USDA 2012 Request \$2.5 M NSAC 2012 Request \$5.0 M

NATURAL RESOURCES CONSERVATION SERVICE

Conservation Technical Assistance

FY 2011 \$872.2 M

USDA 2012 Request \$898.6 M **NSAC 2012 Request** \$898.6 M

RURAL BUSINESS AND COOPERATIVE SERVICE

Value-Added Producer Grants

FY 2011 \$18.9 M USDA 2012 Request \$20.4 M **NSAC 2012 Request** \$30.0 M

Rural Microentrepreneur Assistance Program

FY 2011 \$4 M (no limitation on \$4 M in Farm Bill direct funding + \$0 discretionary)
USDA 2012 Request
NSAC 2012 Request
NSAC 2012 Request
\$8.7 M (no limitation on Farm Bill \$3 M mandatory + \$5.7 M discretionary)

Rural Business Opportunity Grants

FY 2011 \$2.5 M USDA 2012 Request \$7.5 M NSAC 2012 Request \$7.5 M

National Sustainable Agriculture Information Service

FY 2011 \$0 M USDA 2012 Request \$2.8 M NSAC 2012 Request \$3.0 M

GENERAL PROVISIONS – MANDATORY CONSERVATION PROGRAMS

Conservation Stewardship Program

FY 2011 \$649 M

USDA 2012 Request permanent cut of 764,204 acres

NSAC 2012 Request no limitation on farm bill direct funding

Wetlands Reserve Program

FY 2011 limit at 202,218 acres

USDA 2012 Request permanent cut of 158,895 acres

NSAC 2012 Request no limitation on direct farm bill funding

We also oppose changes in mandatory funding for the other Farm Bill mandatory conservation programs.

GENERAL PROVISIONS - MARKETING, RURAL DEVELOPMENT, AND RESEARCH

We support mandatory spending at Farm Bill levels for the Organic Agriculture Research and Extension Initiative, Beginning Farmer and Rancher Development Program, Outreach and Assistance to Socially Disadvantaged Farmers and Ranchers, Farmers' Market Promotion Program, and Community Food Grants.

^{*}The numbers in this testimony do not reflect the 0.2 percent across-the-board cut that was contained in the final FY11 continuing resolution.