



National Sustainable Agriculture Coalition

National Sustainable Agriculture Coalition Written Statement on FY 2011 Requests
Submitted to the
Subcommittee on Agriculture, Rural Development, FDA, & Related Agencies
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Thank you for the opportunity to present our funding requests for the fiscal year 2011 Agriculture, Rural Development, FDA and Related Agencies appropriations bill. The National Sustainable Agriculture Coalition is an alliance of national, regional and local grassroots farm, rural and conservation organizations that together advocate for public policies that support the long-term economic, social and environmental sustainability of agriculture, natural resources and rural communities.

Below is a summary of our requests, followed by a brief description and rationale for each item.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Sustainable Agriculture Research and Education Program

FY 10 Actual	\$14.5 M (<i>research & education</i>) + \$4.7 M (<i>extension</i>) = \$19.2 M total
USDA 11 Request	\$15.0 M + \$5.0 M + \$10.0 M (<i>Federal-State Matching Grants</i>) = \$30.0 M total
NSAC 11 Request	\$18.0 M + \$5.0 M + \$7.0 M = \$30 M total

Organic Transitions Program

FY 10 Actual	\$5.0 M
USDA 11 Request	\$0
NSAC 11 Request	\$5.0 M

Research and Education Grants for the Study of Antibiotic Resistant Bacteria

FY 10 Actual	\$0
USDA 11 Request	\$0
NSAC 11 Request	\$3.0 M

FARM SERVICE AGENCY

Beginning Farmer Individual Development Account (IDA) Pilot Program

FY 10 Actual	\$0
USDA 11 Request	\$0
NSAC 11 Request	\$5.0 M

Direct Farm Ownership and Operating Loans -- Program Levels

FY 10 Actual	\$650.0 M + \$1000.0 M
USDA 11 Request	\$475.0 M + \$900.0 M
NSAC 11 Request	\$650.0 M + \$1000.0 M

NATURAL RESOURCES CONSERVATION SERVICE

Conservation Technical Assistance

FY 10 Actual	\$887.6 M
USDA 11 Request	\$923.7 M
NSAC 11 Request	\$923.7 M

RURAL BUSINESS AND COOPERATIVE SERVICE

Value-Added Producer Grants

FY 10 Actual	\$20.4 M
USDA 11 Request	\$20.4 M
NSAC 11 Request	\$30.0 M

Rural Microentrepreneur Assistance Program

FY 10 Actual	\$9.0 M	<i>(no limitation on \$4 M in Farm Bill direct funding + \$5 M discretionary)</i>
USDA 11 Request	\$11.7 M	<i>(no limitation on Farm Bill \$4 M mandatory + \$7.7 M discretionary)</i>
NSAC 11 Request	\$11.7 M	<i>(no limitation on Farm Bill \$4 M mandatory + \$7.7 M discretionary)</i>

GENERAL PROVISIONS – MANDATORY CONSERVATION PROGRAMS

Conservation Stewardship Program

FY 10 Actual	no limitation on mandatory farm bill direct funding
USDA 11 Request	permanent cut of 770,000 acres
NSAC 11 Request	no limitation on farm bill direct funding

Wetlands Reserve Program

FY 10 Actual	no limitation on mandatory farm bill funding
USDA 11 Request	permanent cut of 57,018 acres, including new 15,224 acre cut
NSAC 11 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 farm bill spending at their 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.**

We support the general provision for the **Regional Innovation Initiative.** This initiative proposes a set aside of up to 5% from 20 existing programs for a total of \$135 million and allocate these funds competitively among regional pilot projects tailored to local needs and opportunities.

JUSTIFICATIONS

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Sustainable Agriculture Research and Education Program (SARE). We urge you to support the President's **FY 11 request for \$30 million for SARE**, divided among **research and education grants (\$25 million)** and **extension and professional development grants (\$5 million)**. We propose the **Federal-State Matching Grants program** be included in the total for research and education grants (as it is in the SARE authorizing law) and funded at \$7 million, or slightly less than the President' request.

SARE has funded farmer-driven research, education and extension initiatives into profitable, environmentally and socially sound practices for over twenty years. Funding SARE at \$30 million would finally jumpstart the Federal-State Matching Grant program as well as the already-approved emphasis on farming systems research, while allowing the existing award-winning research program to continue, including the popular farmer research grant initiative.

By funding the matching grants program as envisioned by Congress, competitive grants could be awarded to state sustainable agriculture centers and institutes to develop innovative sustainable agriculture programs that address high-priority problems and opportunities; embed sustainable agriculture in university and statewide research, education, and extension; and leverage greater on-farm change. The huge demand for SARE grants has unfortunately limited the amount of funding into larger farming systems work. The proposed increase in research grant funding could begin to remedy this shortfall, and the SARE councils have already approved this shift, pending appropriations.

We strongly urge an increased commitment to SARE through an appropriation of \$30 million in FY 11 that is consistent with sustainable agriculture's expanding role within our food and farming system and with the program's award-winning and cost-effective delivery of services.

Organic Transitions Research Program. We request **\$5 million for FY 11** to maintain the funding level established in FY 10. Beginning in FY 09, this program was combined with the Water Quality integrated program to fund multi-year projects examining the effects of organic systems on water quality. The combined funding will focus resources on one of the most effective solutions to critical water quality problems. Maintaining the funding level established in FY 10 will allow the organic program to cooperate with other priority natural resource programs to provide environmental solutions in an integrated program with strong farmer delivery mechanisms built in. Without at least level funding, organic research and extension will fall even further behind in its overall share of the research budget, a share which continues to lag behind trends in agriculture.

Research and Education Grants for the Study of Antibiotic Resistant Bacteria. We request that you support \$3 million to fund Research and Education Grants for the Study of Antibiotic Resistant Bacteria (Section 7521 of the 2008 Food, Conservation, and Energy Act). Antibiotic-resistant disease has been identified by the Centers for Disease Control and Prevention as the number one public health challenge in the U.S. The 2008 Farm Bill addressed the need to create a program to conduct research to develop animal production systems less dependent on antibiotics. This program has not yet been launched, and we ask the Subcommittee to appropriate **\$3 million to launch the program.**

FARM SERVICE AGENCY

Beginning Farmer and Rancher Individual Development Account (IDA) Pilot Program. We urge you to invest in the future of a diverse U.S. agriculture **by supporting the full \$5 million amount authorized and requested for this exciting new program.** This competitive grants program authorized by the 2008 Farm Bill enables beginning farmers and ranchers to open an Individual Development Account (matched savings account) in order to save for a farming-related asset, including farmland, farming equipment, breeding stock, trees or similar expenditures. A 50% local match is needed to obtain the federal grant. This program creates the technical infrastructure as well as the incentives to assist individuals who might not historically be able to save to make asset-building purchases to get started in farming. It would operate in 15 states initially.

Direct Farm Ownership and Operating Loans. We are grateful that Congress has provided more money in the last two years for these loans. However, even with the increased funding, the Farm Service Agency has already indicated that it is likely to run out of money before the current fiscal year ends and would require a supplemental to meet demand. In light of this and in light of the continuing financial crisis, it does not make sense to decrease the credit budget as the Administration proposes. **The budget should be at least level with FY 10** in order to meet increased demand. Lending from FSA is critical for family farms in general and particularly for beginning and socially disadvantaged farmers and ranchers.

NATURAL RESOURCES CONSERVATION SERVICE

Conservation Technical Assistance. Conservation Technical Assistance (CTA) is a critical addition to the mandatory conservation technical assistance provided to farmers enrolled in the farm bill conservation programs. Technical assistance is provided to agricultural producers enrolling in financial assistance programs as well as to help farmers with conservation planning and implementation without financial assistance, including conservation compliance plans. CTA also funds assessment of conservation practices and systems that underpin the conservation programs, as well as NRCS collection, analysis, interpretation and dissemination of information on the status and condition of the nation's soil, water and other resources.

NSAC supports the CTA funding level of \$923.7 million in the President's FY2011 budget request. We would also support a modest increase in the percentage of Farm Bill mandatory funding that may be used for technical assistance.

RURAL BUSINESS AND COOPERATIVE SERVICE

Value-Added Producer Grants. VAPG offers grants to farmers and ranchers developing new farm and food-related businesses that boost farm income, create jobs and increase rural economic opportunity. As farmers and rural communities face tough economic times, VAPG grants encourage the kind of entrepreneurship and innovation in agriculture that enable farms and communities to survive economically. Furthermore, strong interest in farm-to-school and farm-to-hospital programs is generating significantly increased demand for mid-tier value chains and local food enterprises to aggregate local production and make it available in a form usable by cafeterias, exactly the kind of rural development strategy VAPG is designed to support. VAPG is an excellent investment in rural economic recovery. **We request VAPG funding of \$30 million in FY 11.**

Rural Microentrepreneur Assistance Program. RMAP provides business training, technical assistance and loans to owner-operated businesses with up to ten employees. Small businesses make up 90 percent of all rural businesses, and micro-businesses are the fastest growing segment in many rural areas. With nearly one quarter of rural jobs attributable to micro-enterprises, small business development provides a major economic stimulus opportunity for rural communities. This program is critical to preventing a credit freeze to an essential part of the rural economy. It will help create jobs, attract young people, build assets, create local markets and alleviate poverty. **NSAC supports the USDA request that RMAP be funded at \$ 11.7 million, inclusive of \$4 million of mandatory farm bill funding.**

GENERAL PROVISIONS – MANDATORY CONSERVATION PROGRAMS

The cuts proposed in the President’s FY 11 budget to the Conservation Stewardship Program, the Environmental Quality Incentives Program, and other mandatory conservation programs would rob nearly \$1 billion from the conservation baseline, or roughly a quarter of the conservation increases gained in the 2008 Farm Bill. These programs lead to critical public benefits and environmental services such as cleaner water, erosion reduction, carbon sinks, energy conservation, improved wildlife habitat and restored wetlands. Farmer demand for these programs exceeds available dollars, a fact the carefully negotiated farm-bill funding package took into account. That deal should not be reversed through backdoor limitations. We note in particular that the proposed cut to the Conservation Stewardship Program would wipe out over six percent of the program, yet yield just \$2 million in FY 11 savings, making it the worst possible candidate for a change in mandatory spending. We recognize that an annual cut in EQIP funding has been assumed since before the passage of the last Farm Bill, but beyond this designated amount, **we strongly oppose the proposed one-year and permanent cuts to these critical programs.**

GENERAL PROVISIONS – MARKETING, RURAL DEVELOPMENT, AND RESEARCH

We strongly support full funding (no changes in mandatory funding) 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.**

We encourage you to support the **Regional Innovation Initiative.** The initiative proposes to set aside up to 5% from 20 existing programs for a total of \$135 million in budget authority and to allocate these funds competitively among regional pilot projects tailored to local needs and opportunities. These projects would aim to foster regional strategies for activities – such as sustainable renewable energy or local and regional food system development – which can benefit from planning and innovation beyond the normal separate, isolated project-by-project approach. This more coordinated approach is well worth testing.