



National Sustainable Agriculture Coalition

**Written Statement on FY 2013 Requests
Submitted to Subcommittee on Agriculture, Rural Development, FDA, & Related Agencies
U.S. Senate – March 20, 2012**

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Thank you for the opportunity to present our FY 2013 funding requests. NSAC is a national alliance of over ninety organizations that advocates for policies that support the economic, social, and environmental sustainability of agriculture, natural resources, and rural communities. Our USDA requests are as follows, in the order they appear in the appropriations bill.

(\$ million)

DEPARTMENTAL ADMINISTRATION

Office of Advocacy and Outreach. The Office of Advocacy and Outreach coordinates policy and outreach in two vital areas – small and beginning farmers, and socially disadvantaged or minority farmers. It administers the Outreach and Technical Assistance for Socially Disadvantaged Farmers and Ranchers program and the Farm Labor Grants program. We support USDA's request for **\$1.4 million** for the OA&O.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Sustainable Agriculture Research and Education Program (SARE). We urge you to fund this innovative competitive grants program at **\$30 million**, divided among research and education grants (**\$18 M**), extension and professional development grants (**\$5 M**), and federal-state matching grants (**\$7 M**). SARE has helped turn farmer-driven research, education, and extension initiatives into profitable and environmentally sound practices for over twenty years.

Organic Transitions Integrated Research Program. We request **\$5 million** to maintain the funding level established in FY 10 and in USDA's FY 12 request. Maintaining the FY 10 funding level will allow cooperation with natural resource programs to provide environmental solutions with strong farmer delivery mechanisms built in. Without full funding, organic research will fall further behind in its fair share of the research budget, a share that continues to lag behind trends in agriculture.

National Food Safety Training, Education, Extension, Outreach, and Technical Assistance. We request **\$10 million** to help small and mid size farms and small processing facilities comply with new food safety regulations. This food safety training for farmers and small processors, authorized in the Food Safety Modernization Act of 2010, is one of the best, quickest, and least costly ways to improve food safety outcomes without resorting to excessive regulation.

AGRICULTURAL MARKETING SERVICE

Federal-State Market Improvement Program (FSMIP). The FSMIP provides matching funds to state departments of agriculture to help grantees increase marketing efficiency and innovation, reduce costs, stabilize food prices, and support local and regional food marketing opportunities. NSAC supports the USDA request of **\$1.3 million**.

Organic Market Reporting. NSAC requests level funding at **\$0.3 million** for AMS for this price data collection and reporting initiative. As the organic industry surpasses \$30 billion a year in sales, this multi-agency initiative is vital to maintaining markets, creating risk management tools, and negotiating equivalency agreements with foreign governments. We also support baseline funding for NASS and ERS to continue coordinated data collection and reporting on organic production, marketing, and pricing, including NASS funding for the Organic Production Survey.

FARM SERVICE AGENCY

Direct Farm Ownership and Operating Loans – (Program Levels). Direct loans provide a crucial source of capital for beginning farmers and others not well served by commercial credit. The final FY 11 continuing resolution cut direct farm ownership loan funding by \$175 million and the FY 12 bill retained this lower level. Nearly \$130 million worth of qualified applications were turned away in FY 11. In light of the increasing age of farmers and the challenges faced by beginning farmers, it is critical that we fund these direct loan programs in the most effective way possible. We ask that Congress appropriate sufficient funds to provide for program levels of **\$600 million for Direct Farm Ownership loans** and **\$1,050 million for Direct Operating Loans**.

Beginning Farmer and Rancher Individual Development Account (IDA) Program. We urge you to provide **\$5 million** for this program, as authorized in the 2008 Farm Bill. This competitive grants program enables low-income, limited resource beginning farmers and ranchers to open an IDA (matched savings account) to save for asset-building purchases, including farmland, equipment, breeding stock, or similar expenditures. A 50% local match is required.

NATURAL RESOURCES CONSERVATION SERVICE

Conservation Technical Assistance (CTA). CTA, a subset of Conservation Operations, supports farmers enrolling in financial assistance programs and helps farmers with conservation planning and implementation. CTA also funds assessment of conservation practices and systems that underpin the conservation programs, as well as NRCS collection, analysis, and dissemination of information on the condition of the nation's natural resources. NSAC urges you to provide **\$740 million** for CTA in order to adequately support and maximize the effectiveness of conservation financial assistance. We also support the addition of report language encouraging a modest net 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). 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. VAPG grants encourage the kind of entrepreneurship in agriculture that enables farms and communities to survive economically. Moreover, growing interest in local

and regional foods is generating greater demand for mid-tier value chains and enterprises that aggregate local production, exactly the kind of rural development strategy VAPG is designed to support. We request VAPG funding of **\$30 million**.

Rural Microentrepreneur Assistance Program (RMAP). 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 areas. RMAP creates jobs and local markets and alleviates poverty. This program was stripped of its mandatory Farm Bill funding (only \$3 million) in FY 2012. NSAC requests **\$5.7 million in discretionary funding in FY 2013** and **opposes any limitation to renewed or extended direct Farm Bill spending for RMAP.**

Appropriate Technology Transfer for Rural Areas (ATTRA). The ATTRA program, also known as the National Sustainable Agriculture Information Service, provides critical support to farmers and Extension agents throughout the country. The national program was reauthorized by the 2008 Farm Bill. We urge **\$3.0 million** for FY 2013.

GENERAL PROVISIONS

Repeated annual cuts the Conservation Stewardship Program, Environmental Quality Incentives Program, and other mandatory conservation programs have created enormous backlogs among highly qualified producers and made it more difficult for farmers to maintain healthy, productive soil and to protect water and other natural resources. These programs provide critical public benefits such as clean water, erosion reduction, and carbon sequestration and act as a key piece of the farmer safety net. **We strongly oppose the proposed cuts to these critical conservation programs. We also oppose changes in mandatory program spending to any existing, renewed, or extended farm bill direct spending 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, National Organic Certification Cost-Share Program, Community Food Grants, and Rural Energy for America Program.**

Finally, we oppose any limitation to full implementation of the **Packers & Stockyards rule on fair competition** that Congress directed USDA to promulgate in the 2008 Farm Bill.