



National Sustainable Agriculture Coalition

Written Statement on FY 2014 Requests

Submitted to Subcommittee on Agriculture, Rural Development, FDA, & Related Agencies
by the National Sustainable Agriculture Coalition
U.S. Senate – April 26, 2013

Contact: Juli Obudzinski (jobudzinski@sustainableagriculture.net), NSAC Policy Associate

Thank you for the opportunity to present our FY 2014 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:

- Departmental Administration, Office of Advocacy and Outreach, \$1.2 million;
- NASS and AMS, Organic Market Reporting, \$1.5 million;
- NIFA, Sustainable Agriculture Research and Education, \$30 million;
- NIFA, Organic Transitions Program, \$5 million;
- NIFA, National Food Safety Training and Technical Assistance, \$10 million;
- AMS, Federal-State Market Improvement Program, \$1.4 million;
- FSA, Direct Farm Ownership and Operating Loans, \$575 million + \$1223.7 million;
- NRCS, Conservation Technical Assistance, \$735 million;
- RBCS, Value-Added Producer Grants, \$30 million;
- RBCS, Rural Microentrepreneur Assistance Program, \$3.4 million;
- RBCS, Appropriate Technology Transfer for Rural Areas, \$3 million;
- General Provisions, Mandatory Conservation Programs, including the Conservation Stewardship Program, no limitation on direct spending.
- General Provisions, no policy riders to curtail enforcement of the Packers & Stockyards Act or to limit the review of biotechnology products.

We hope that the Congress will finalize the farm bill by the end of FY 2013 and in it will provide mandatory funding for the Beginning Farmer and Rancher Development Program, Conservation Reserve Program – Transition Incentives Program, Farmers Market Promotion Program, National Organic Certification Cost Share Program, Organic Agriculture Research and Extension Initiative, Outreach and Assistance to Socially Disadvantaged Farmers and Ranchers program, and Specialty Crop Research Initiative. However, if the authorizers do not complete a farm bill providing mandatory money by the end of the fiscal year, we urge you to explore alternative mechanisms for funding these critical programs, which are currently without funding.

DEPARTMENTAL ADMINISTRATION

Office of Advocacy and Outreach (OA&O). The Office of Advocacy and Outreach coordinates policy and outreach in two vital areas – small and beginning farmers, and socially disadvantaged or minority farmers. We urge that **\$1.2 million** be provided for the OA&O, consistent with the USDA request.

NATIONAL AGRICULTURAL STATISTICS SERVICE

Organic Market Reporting. NSAC requests funding at **\$1.0 million** for NASS to conduct the data collection on organic agriculture that is urgently needed by RMA to inform the development of adequate organic crop insurance options, and to coordinate with AMS (see below) on enhanced and consistent reporting on organic production, marketing, and pricing data. 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.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Sustainable Agriculture Research and Education Program (SARE). SARE is the only NIFA competitive grant program dedicated to economic, social, and environmental sustainability. We urge you to fund this innovative, highly oversubscribed competitive grants program at **\$30 million**, divided among research and education grants, extension and professional development grants, and federal-state matching grants. SARE has helped turn farmer-driven research, education, and extension initiatives into profitable and environmentally sound practices for twenty-five years. Unlike in previous years, the President's FY14 Budget Request proposes to combine research, education, and extension into a single line item request. We do not oppose the proposed consolidation, so long as overall funding is increased, adequate funding is provided for all functions, and report language clarifies the intent that all three authorized program functions are included in the single line item.

Organic Transitions Integrated Research Program. We request **\$5 million** to invest in innovative organic research with strong farmer delivery mechanisms built in. Organic research continues to lag well behind its fair share of the overall research budget. Without this level of funding, organic research will fall further behind, especially in light of the current absence of mandatory funding for organic research because of the farm bill delay.

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 proposed food safety regulations. This training program, 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 farm regulation. While it has not yet been funded, we urge you to start it this year, as farmers will very soon be facing the new FSMA regulations. It is high time to get USDA involved in funding cost effective training and education.

AGRICULTURAL MARKETING SERVICE

Federal-State Market Improvement Program (FSMIP). FSMIP provides matching funds to state departments of agriculture to help grantees increase marketing efficiency and innovation and support local and regional food marketing opportunities. We request **\$1.4 million**.

Organic Market Reporting. We request **\$0.5 million** for this price data collection and reporting initiative. AMS coordinates its data collection and reporting with NASS (see above) to address data needs for organic agriculture and organic crop insurance.

FARM SERVICE AGENCY

Direct Farm Ownership and Operating Loans. Direct loans provide a crucial source of capital for beginning farmers and others not well served by commercial credit. Since FY 2010, direct farm ownership loans, the single most critical program for beginning farmers trying to get started in agriculture, has been cut 33 percent. Both direct loan programs are severely oversubscribed. 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 request program levels of no less than the USDA request of **\$575 million for Direct Farm Ownership loans** and **\$1,223.7 million for Direct Operating Loans** in FY 2014.

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. We urge you to provide **\$735 million** for CTA, but to reject the Administration's user fee proposal.

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.**, a significant increase, but still 25 percent less than the program received a decade ago.

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. We request **\$3.4 million** for RMAP in FY 2014. The President's FY14 request includes \$1.4 million in discretionary funding for loans, and a non-delineated discretionary sum for micro training and technical assistance grants as part of a consolidated Rural Business and Cooperative Grants program. We support retaining RMAP as a coherent, integrated program with grants and loans in a single program and account.

Appropriate Technology Transfer for Rural Areas (ATTRA). The ATTRA program, also known as the National Sustainable Agriculture Information Service and reauthorized by the 2008 Farm Bill, provides critical support to farmers, Extension agents, and conservation and energy specialists throughout the country. We urge **\$3.0 million** for ATTRA for FY 2014.

GENERAL PROVISIONS

Repeated annual “changes in mandatory program spending” cuts to the Conservation Stewardship Program (CSP), Environmental Quality Incentives Program (EQIP), Wetland Reserve Program (WRP) and other mandatory farm bill 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, drought mitigation, and carbon sequestration. **We strongly oppose cuts to these critical farm bill conservation programs.**

We oppose the inclusion of policy riders that limit full implementation of the **Packers and Stockyards rule on fair competition** or adequate enforcement of the PSA, or that strip federal courts of the authority to halt the sale or planting of **biotechnology products that have not been adequately reviewed** for their economic and environmental impacts.

Finally, we **oppose sequestration** as a deficit reduction mechanism and urge you to revoke it and to restore the funding.