



**Written Statement on FY 2017 Requests
Submitted to Subcommittee on Agriculture, Rural Development, FDA, & Related Agencies
United States Senate – March 17, 2016**

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Thank you for the opportunity to present our FY 2017 funding requests. On behalf of our 44 member organizations from around the country, we submit the following USDA requests, in the order they appear in the appropriations bill:

DEPARTMENTAL ADMINISTRATION

Office of the Secretary - Outreach Services Supporting New, Beginning, and Veteran Farmers and Ranchers. We urge you to meet USDA's request for **\$5 million** for Department-wide enhanced outreach to beginning, women, and military veteran farmers.

Office of Advocacy and Outreach. The Office of Advocacy and Outreach coordinates policy and outreach in four vital areas – small farms and beginning, socially disadvantaged, and veteran farmers. We urge that **\$1.2 million** be provided for the OA&O, as requested by USDA.

Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers. We strongly support USDA's request of **\$10 million in discretionary funding**. Combined with **no limitation in mandatory spending**, this appropriation would restore the historical program funding level to meet increased demand for technical assistance by military veteran farmers, and other underserved producers.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Sustainable Agriculture Research and Education Program. We strongly urge you to meet USDA's request of **\$30 million** for this competitive grants research program. SARE has helped turn farmer-driven research, education, and extension into profitable practices for over 25 years. The program consistently yields practical farm innovations on a more accelerated time frame than other competitive research programs. At \$30 million, SARE would be at half its authorized level and half the level recommended by the National Academy of Sciences. Due to high demand and inadequate funding, USDA has been able to fund only 6 percent of SARE pre-proposals for research and education competitive grants in recent years. Increasing funding to \$30 million would begin to address this disparity. It would enable SARE to expand its prized work on soil health, cover cropping, and rotational grazing. It will also allow USDA to expand its backing for research to support beginning farmers, including on-farm research in which innovative young farmers can work with others in the SARE team to experiment with new production and management systems on a portion of their farm. The increase would also help SARE expand its unique graduate student research program, helping create the next generation of agricultural scientists who will make the breakthrough sustainability discoveries of the future.

Organic Transitions Integrated Research Program. We request **\$5 million** to invest in innovative organic research with strong farmer delivery mechanisms built in. Restoring this funding level will keep organics from falling further behind in its fair share of the research budget.

Food Safety Outreach Program. We strongly urge you to provide **\$10 million** to help small and mid-size farms and small processing facilities comply with the new FSMA food safety regulations. We are pleased Congress appropriated \$5 million for FSOP for FY16. However, the major FSMA rules are final now and are in the process of being implemented; at \$10 million in FY 2017, FSOP would reach roughly 16,600 farmers across the country. While still small relative to the need, this funding level addresses the magnitude of the situation, namely that without adequate training, the FSMA regulations will hurt small and mid sized producers and processors and fall far short of the goal of improving food safety -- no matter how much more money gets appropriated for FSMA implementation and enforcement overall.

FARM SERVICE AGENCY

Direct Farm Ownership Loans, Direct Operating Loans, and Individual Development Accounts. Direct farm loans provide crucial capital for beginning farmers and others not adequately served by commercial credit. This is critical in light of the increasing age of farmers and the land access challenges faced by new and aspiring farmers. USDA's FY 2017 budget proposes increased funding for Direct Farm Operating loans in order to meet the high demand by farmers unable to obtain commercial credit due to low commodity prices and a more constrained lending market. Without this increase, FSA will face a substantial funding shortfall and many farmers will be unable obtain the operating capital they need to make it through the growing season. Similarly, the Beginning Farmer and Rancher Individual Development Account (IDA) program, if funded, will enable limited-resource beginning farmers and ranchers to save for asset-building purchases, including equipment and breeding stock, to jump start their operations. The IDA program requires a 50 percent local match as well as financial management training as the core component of the program. We support USDA's request for program levels of **\$1.5 billion for Direct Farm Ownership loans, \$1.46 billion for Direct Operating Loans, and \$1.5 million for the IDA program. We also support the USDA request for guaranteed ownership and operating loans.**

New, Beginning, and Veteran Farmer and Rancher Initiatives. We support the Administration's request for **\$3.9 million** for a certification program to help veteran farmers prequalify for loans, FSA staff devoted to providing outreach to beginning and veteran farmers, a pilot for a new farmer mentoring network, and funding for cooperative agreements to support assistance to new farmers and to work with landowners to help them transition their farm to the next generation. This combined package will serve as a critical tool for supporting veterans and investing in the next generation of farmers.

NATURAL RESOURCES CONSERVATION SERVICE

Conservation Technical Assistance. CTA, a subset of Conservation Operations, is the backbone of USDA's conservation programs. Through CTA, NRCS field staff work with farmers to develop and implement conservation plans to conserve resources on their farms. NRCS also uses CTA funds to assess conservation practices and systems, and to collect, analyze, and disseminate data on the condition of the nation's natural resources. USDA's FY 2017 budget request proposes to increase CTA funding by 2.5 percent from \$741.6 million to **\$760.7 million.** We urge you to approve this increase, which will help more producers develop site-specific plans to conserve water, prepare for extreme weather, and address natural resource concerns on their land.

RURAL BUSINESS - COOPERATIVE SERVICE

Appropriate Technology Transfer for Rural Areas. For nearly 30 years, the ATTRA program has provided practical, cutting edge information to farmers, extension agents, and others. In FY 2015, ATTRA provided assistance to more than 2.2 million agricultural producers and businesses, and organized presentations, workshops, and field days in 25 locations across the U.S. attended by at least 15,000 people. For FY 2017, we urge you to provide **\$2.75 million**, and increase of \$250,000 over the President's request and last year's funding level. This increase will support the expansion of ATTRA's *Armed to Farm* program that trains returning military veterans to farm. The small increase will enable ATTRA to expand its work to meet the needs of aspiring veteran farmers. To date, veterans from 22 states have attended these week-long trainings. A recent survey of *Armed to Farm* participants found that 80 percent have continued to farm, have started farming, or are in the process of starting a farm.

Value-Added Producer Grants. VAPG offers competitive grants to farmers and ranchers developing farm- and food-related businesses that boost farm income and create jobs in rural America. These grants may be used to fund business and marketing plans and feasibility studies or to acquire working capital to operate a value-added business venture or alliance. Despite its proven success as a driver of rural economic development, the President has not requested a funding increase for VAPG since FY 2014. We request **\$15 million** in discretionary funding and **no changes in mandatory program spending**, to bring the program up to its 2014 funding levels.

Rural Microentrepreneur Assistance Program. RMAP provides business training and microloans to owner-operated businesses with up to ten employees. It targets very small business development, the leading job creator in rural communities, and is *the only federal program that finances the capitalization of revolving microloan funds for rural areas*. We support USDA's FY 2017 budget request for **\$2.9 million for microlending and \$2 million for grants to support microbusiness training and technical assistance**, as well as **no changes in mandatory program spending**.

GENERAL PROVISIONS

A suite of distinct but interrelated farm bill programs, including the Environmental Quality Incentives Program (EQIP) and Conservation Stewardship Program (CSP), work together to give farmers the tools they need to protect and rebuild soil, provide clean water, and enhance wildlife habitat. Congress should not re-open the 2014 Farm Bill through the appropriations process. That bill cut \$6 billion from conservation programs, including over \$2 billion from the CSP. The FY 2015 CRomnibus cut an additional 23 percent from CSP and 16 percent from EQIP, forcing USDA to turn away 75 percent of the eligible producers who applied. Additional cuts to mandatory spending for conservation will mean that the number of farmers denied access to the programs will grow even larger; and less participation in voluntary conservation programs means more pollution and more regulation, as well as less productive and profitable farmlands. **We strongly oppose changes in mandatory program spending to these critical conservation programs.**

Finally, we oppose the inclusion of any policy riders that limit implementation and enforcement of the **Packers & Stockyards Act**. Limiting USDA's ability to protect market transparency has no rightful place in the appropriations bill or any other legislation.