



May 4, 2016

The Honorable Jerry Moran  
Chairman, Agriculture Subcommittee  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Jeff Merkley  
Ranking Member, Agriculture Subcommittee  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Chairman Moran and Ranking Member Merkley:

As you prepare to mark up your FY 2017 agriculture appropriations bill, we write on behalf of our forty-two farm, conservation, and rural member organizations to share our views on the House Appropriations Committee's bill and to urge your support for programs that are critically important to sustainable agriculture.

**1. HARMFUL LEGISLATIVE RIDERS – NO GIPSA RIDER**

Congress took a great step forward by not including a GIPSA legislative rider in the FY 2016 Omnibus. This has allowed USDA to move forward with writing rules to finally implement the Packers and Stockyards Act. Alarming, the House Appropriations Committee has included a new rider that eliminates USDA's ability to finalize rules to protect contract poultry producers from retaliation, increase transparency in how they are paid, and protect their right to a jury trial.

This new version of the rider goes farther than past versions by prohibiting USDA from implementing rules finalized before the appropriations process is completed as well as anything "similar in nature" to any of the rules they propose. This would include any rule that would focus narrowly on protecting farmers from retaliation by poultry integrators when they speak to Members of Congress about the contract abuses that they face.

Numerous farm groups—including the American Farm Bureau Federation and National Farmers Union in addition to NSAC—oppose the House rider because it creates an unlevel playing field for farmers in their negotiations with poultry processing companies.

When USDA proposed livestock and poultry farmer protection regulations in 2010, they received over 60,000 public comments on the regulations, most of them in support of a core set of proposals. **We oppose any rider that limits the ability of USDA to make livestock and poultry markets open, transparent, and competitive, and to protect farmers and ranchers**

from fraudulent, deceptive and abusive practices in their dealings with processing companies.

2. **MANDATORY SPENDING FOR CONSERVATION PROGRAMS – NO CHIMPS**

Repeated annual cuts to the **Conservation Stewardship Program (CSP)**, **Environmental Quality Incentives Program (EQIP)**, and other farm bill conservation programs have created enormous backlogs of applications among highly qualified producers and made it difficult for farmers to maintain healthy soil, protect water, and mitigate and adapt to the impacts of drought.

The cut made to CSP in the FY 2017 agriculture appropriations bill as reported by the House Appropriations Committee would reduce the size of the 2017 enrollment by 20 percent, from 10 million acres to 8 million acres, and over 10 years would mean a \$325 million cut from baseline farm bill funding. A similar cut in FY 2015 forced state NRCS offices to reject 75 percent of the qualified farmers, ranchers, and foresters who applied for the program, on top of the thousands of qualified producers who are already turned away due to existing funding limitations.

We strongly oppose re-opening the farm bill via changes in mandatory program spending to these critical conservation programs, and **therefore urge you to reject the House's cuts to CSP and EQIP funding.**

3. **2501 PROGRAM – \$10 MILLION (DISCRETIONARY)**

For decades, the 2501 Program has served as the only farm bill program dedicated to addressing the specific needs of African-American, American-Indian, Asian-American, and Latino family farmers and ranchers. The program was expanded as part of the 2014 Farm Bill to also serve **military veterans**, which makes increased funding all the more necessary.

The President's budget requests **\$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. However, the House Appropriations Committee did not include any additional funding for the 2501 Program in its bill.

**We strongly urge you to include \$10 million in discretionary funding for the 2501 Program in your FY 2017 agriculture appropriations bill in order to ensure this program is effective in meeting its Congressional charge to serve our nation's most vulnerable and underserved farmers.**

4. **FOOD SAFETY OUTREACH PROGRAM – \$10 MILLION (DISCRETIONARY)**

FDA recently finalized two expansive food safety regulations for farmers and food processors under the Food Safety Modernization Act (FSMA). The FSMA-authorized **Food Safety Outreach Program (FSOP)** provides farmers and processors with the training they need, exactly when they need it, to implement and comply with new food safety rules.

While the House Appropriations Committee bill increases food safety enforcement funding for the Food and Drug Administration (FDA) by \$33.2 million, it provides no funding increase for training for farmers through **FSOP**, also known as the National Food Safety Training,

Education, Extension, Outreach, and Technical Assistance program. Increased funding for enforcement is certainly needed; however, without a parallel increase in training resources for producers, the food safety regulations will be a significant burden for small and midsize farmers and processors, and will inevitably fall far short of the goal of improving food safety.

**We therefore support an increase in funding for FSOP from the current level of \$5 million to \$10 million in FY 2017.**

**5. VALUE-ADDED PRODUCER GRANTS – \$15 MILLION (DISCRETIONARY)**

VAPG offers grants to farmers and ranchers developing farm- and food-related businesses that boost farm income, create jobs in rural America, and encourage the kind of entrepreneurship that enables rural communities to grow economically. Grants are used to fund business and marketing plans and feasibility studies or to acquire working capital to operate a value-added business venture or alliance. The House Committee-passed bill includes a much-needed increase in discretionary funding for the program to \$15 million from \$10.75 million. **We strongly support the proposed increase and we urge the Senate Subcommittee to also include this increase** in funding for the program.

**6. SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION COMPETITIVE GRANTS – \$30 MILLION (DISCRETIONARY)**

Investment in agricultural research is vital to continued productivity and innovation in American agriculture. The **Sustainable Agriculture Research and Education (SARE)** program, one of NIFA's longest-standing and most successful competitive grants programs, has helped turn farmer-driven research, education, and extension into profitable and environmentally sound practices for over 25 years. In order to meet future farming challenges, producers need cutting-edge research that is easily accessible, regionally appropriate, and farmer-tested; and that's exactly what the SARE program does.

Despite SARE's popularity, technological breakthroughs, and demonstrated administrative efficiency, its funding rests at roughly one third of its authorized amount. As a result, USDA can fund only 6 percent of all research and education pre-proposals.

We are disappointed that the House Committee-passed bill leaves SARE funding flat despite increases in funding for other competitive agricultural research programs. **We therefore strongly urge the Senate to increase funding for SARE to \$30 million**, in order to spur urgently needed on-farm innovations to address some of the most pressing issues facing our country's farmers today.

**7. NATIONAL SUSTAINABLE AGRICULTURE INFORMATION SERVICE – \$2.75 MILLION (DISCRETIONARY)**

**We support the House Committee-passed funding level of \$2.75 million for the National Sustainable Agriculture Information Service, also known as the ATTRA program.** This amount will allow ATTRA to expand its Armed-to-Farm Program, which assists returning military veterans in getting started in agriculture. ATTRA has proven to be a critical resource in providing practical, cutting edge information to millions of farmers, livestock operations, extension agents, and conservation professionals for over 30 years. Last year, for example,

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.

**8. DIRECT FARM OWNERSHIP LOANS – \$1.5 BILLION (DISCRETIONARY)**  
**DIRECT FARM OPERATING LOANS – AT LEAST \$1.46 BILLION (DISCRETIONARY)**  
**INDIVIDUAL DEVELOPMENT ACCOUNTS – \$1.5 MILLION (DISCRETIONARY)**

**We urge you to provide for program levels of \$1.5 billion for Direct Farm Ownership loans, and at least \$1.46 billion for Direct Operating Loans.**

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.

In addition to providing for a program level of \$1.5 billion for Direct Farm Ownership loans, the House agriculture appropriations bill increases funding for Direct Farm Operating loans in order to meet the increased demand by farmers due to low commodity prices and a more constrained lending market. While the increase is a good start and matches the USDA request, more recent program usage data suggests that FSA will expend its FY 2016 appropriation for Direct Farm Operating loans sometime this summer, leaving many farmers without access to operating capital for at least several months of the growing season. Absent a supplemental appropriation, a backlog in demand for FSA loans will mount, requiring an increase over the FY 2017 request. We therefore urge you to remain flexible to adjusting the program level as appropriations legislation moves forward.

In addition to farm ownership and operating loans, we urge you to provide \$1.5 million for the Beginning Farmer and Rancher Individual Development Account (IDA) program, which would 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.

Thank you for considering our views.

Sincerely,



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Paul Wolfe  
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cc: Members of the Senate Appropriations Committee