

October 6, 2015

The Honorable Hal Rogers, Chairman House Appropriations Committee	The Honorable Nita Lowey, Ranking Member House Appropriations Committee
The Honorable Thad Cochran, Chairman Senate Appropriations Committee	The Honorable Barbara Mikulski, Ranking Member Senate Appropriations Committee
The Honorable Robert Aderholt, Chairman	
House Agriculture Appropriations	The Honorable Sam Farr, Ranking Member
Subcommittee	House Agriculture Appropriations Subcommittee
The Honorable Jerry Moran, Chairman	
Senate Agriculture Appropriations	The Honorable Jeff Merkley, Ranking Member
Subcommittee	Senate Agriculture Appropriations Subcommittee

Dear Chairmen and Ranking Members:

As you prepare to finalize appropriations legislation for FY 2016, we write on behalf of our 43 farm, conservation, and rural member organizations to highlight a number of issues that are critically important to agriculture, and for which we would urge your support.

1. <u>Mandatory Conservation Spending – No CHIMPS</u>

House FY16 Agriculture Appropriations bill:Cuts CSP by 2.26 million acres and EQIP by \$301 millionSenate FY16 Agriculture Appropriations bill:Cuts EQIP by \$376 millionNSAC Request:No cuts

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 agriculture appropriations bill as reported out of the House Appropriations Committee includes a 2.26 million acre cut to CSP, a 23 percent reduction below the level mandated by the 2014 Farm Bill.

The cut made to CSP in the House bill would mean that 2,000 qualified farmers, ranchers, and foresters across the country would be rejected from the program, on top of the thousands of qualified producers who are already turned away due to funding limitations. Fortunately, the Senate bill does not cut funding for CSP. However, both the House and Senate bills slash funding for EQIP, the House by \$301 million and the Senate by \$376 million. While not cut directly in either bill, the extremely popular Regional Conservation Partnership Program (RCPP) would also be

impacted by the proposed cuts to CSP and EQIP because RCPP draws its funding from the CSP and EQIP funding baselines.

We strongly oppose re-opening the farm bill via changes in mandatory program spending to these critical conservation programs. We therefore urge you to reject the proposed cuts in your final FY 2016 appropriations legislation.

2. FOOD SAFETY OUTREACH PROGRAM - \$5 MILLION

House FY16 Agriculture Appropriations bill:	\$5 million
Senate FY16 Agriculture Appropriations bill:	\$2.5 million
NSAC Request:	\$5 million

FDA is in the process of finalizing new, expansive food safety regulations for farmers and food processors under the Food Safety Modernization Act (FSMA). This FSMA-authorized Food Safety Outreach Program will provide farmers with the training they need, exactly when they need it, to implement and comply with new food safety rules. We support the House Committee-passed funding level of \$5 million for FY 2016, and urge the Senate to adopt this level as well to ensure that multiple regions of the country can benefit rather than just a single region. Without training resources available, the final 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.

3. <u>CONSERVATION COMPLIANCE – NO POLICY RIDERS</u>

House FY16 Agriculture Appropriations bill:	Includes rider
Senate FY16 Agriculture Appropriations bill:	Excludes rider
NSAC Request:	Exclude rider

The House FY 2016 agriculture appropriations bill includes a rider that would delay by one year the implementation of basic soil and water conservation requirements established by the 2014 Farm Bill. When the rider was initially added to the House bill last spring, there was concern that a significant number of producers had missed a June 1 deadline to self-certify compliance with conservation requirements. In the months that followed, USDA took extraordinary steps to address the problem by working with each and every one of the two percent of producers who did not file their self-certification forms on time. In most cases, USDA found that forms were not filed because the producer on record was no longer farming. Among the tiny fraction of active operations that did not initially self-certify, nearly every one has now done so, securing eligibility for taxpayer-funded crop insurance premium assistance. The concerns that prompted the policy rider have been addressed administratively and do not require any legislative action. We therefore urge you to exclude the conservation compliance rider from final appropriations legislation.

4. FARM PROGRAM PAYMENT LIMITATIONS - NO POLICY RIDERS

House FY16 Agriculture Appropriations bill:	Includes rider
Senate FY16 Agriculture Appropriations bill:	Excludes rider
NSAC Request:	Exclude rider

The 2014 Farm Bill establishes farm subsidy limits on all forms of commodity payments and gains to ensure that taxpayer dollars are used most effectively. In our view, and in the view of the bipartisan majority of both the House and Senate who voted for much stronger limits, the limits are already too weak. Yet, section 739 of the House agriculture appropriations bill seeks to reopen the farm bill and bring back an antiquated farm subsidy, not authorized by either the 2008 or the 2014 Farm Bill, *without any payment limits whatsoever*. This egregious policy rider has a price tag of \$52 million over ten years, all of which would flow to a small handful of the largest farms in the country.

NSAC strongly opposes the end run around the farm bill's payment limitations. Congress should not get back into the business of providing unlimited taxpayer dollars to the biggest farms in the country. We therefore urge you to reject this rider in final FY 2016 appropriations legislation.

5. <u>VALUE-ADDED PRODUCER GRANTS - \$15 MILLION DISCRETIONARY</u>

House FY16 Agriculture Appropriations bill:	\$10 million
Senate FY16 Agriculture Appropriations bill:	\$10.75 million
NSAC Request:	\$15 million

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. Despite its proven success, both the House and Senate bills fall short in their commitment to producer-led rural development. The House bill cuts discretionary funding for the program to \$10 million while the Senate bill maintains level funding at \$10.75 million. We urge you to build on this program's successful track record by providing \$15 million in discretionary funding for VAPG, the funding level provided for the program in FY 2014, especially if Budget Control Act spending caps are increased.

6. <u>Sustainable Agriculture Research and Education Competitive Grants - \$30</u> <u>Million</u>

House FY16 Agriculture Appropriations bill:	\$22.7 million
Senate FY16 Agriculture Appropriations bill:	\$22.7 million
NSAC Request:	\$30 million

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. Despite SARE's popularity, technological breakthroughs, and demonstrated administrative efficiency, both the House and Senate bills for FY 2016 level-fund SARE at roughly one third of its authorized amount. At this funding level, USDA can fund only *6 percent* of all research and education pre-proposals. In order to spur urgently needed on-farm innovations, we strongly urge you to increase funding for SARE to \$30 million, especially if Budget Control Act spending caps are increased.

7. <u>Outreach and Technical Assistance to Socially Disadvantaged and Veteran</u> Farmers and Ranchers (2501 program) - \$10 million discretionary

House FY16 Agriculture Appropriations bill:	\$ 0
Senate FY16 Agriculture Appropriations bill:	\$ 0
NSAC Request:	\$10 million

Farming is a risky business and has become increasingly difficult to enter over the past few decades. For farmers of color and military veteran farmers in this country, building a successful farming operation is fraught with even greater challenges. The 2014 Farm Bill added veteran farmers and ranchers to the 2501 program, yet cut mandatory funding for the program in half. This reduction in funding means fewer groups have been able to administer or expand successful programs that provide critical assistance to our country's most vulnerable farming communities; and fewer farmers are able to get the support they need to build successful, profitable farming operations.

Since the 2014 Farm Bill slashed funding for the program, USDA has been forced to reduce both the size and duration of grant awards, in order to spread limited program dollars across the country and support as many organizations as possible. Under the 2008 Farm Bill, the average grant award funded through the 2501 program was \$300,000 to support a two-year project. For both FY 2014 and FY 2015, funded projects have been collapsed into single year grants of \$150,000. Smaller and shorter grants are less impactful and serve fewer farmers than more long-term grants.

Additional discretionary funding is urgently needed to restore this long-standing program's capacity to provide technical assistance to our nations' minority and veteran farming communities. Therefore, in addition to leaving mandatory funding intact, we urge you to provide \$10 million in discretionary funding for 2501, especially if Budget Control Act spending caps are increased.

Thank you for considering our views.

Sincerely,

Greg Fogel

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