



**Written Statement on FY 2015 Requests**  
**Submitted to Subcommittee on Agriculture, Rural Development, FDA, & Related Agencies**  
**United States Senate – April 4, 2014**

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Thank you for the opportunity to present our FY 2015 funding requests. The National Sustainable Agriculture Coalition is a national alliance of over 100 organizations that advocates for policies that support the 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.** The Office of Advocacy and Outreach coordinates policy and outreach in three vital areas – small and beginning, socially disadvantaged, and veteran farmers. We urge that **\$1.4 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 urge you to provide **\$10 million in discretionary funding and no limitation in mandatory program spending** to restore total program funding to its historical level in order to meet the increased demand for outreach and technical assistance by military veteran farmers, and other historically underserved producers.

**AGRICULTURE RESEARCH SERVICE**

**New Priority Research Initiative.** We urge you to support the reallocation of **\$25.9 million** for a new **Genetic Improvement and Translational Breeding Initiative**, as proposed by the Administration, provided that report language directs ARS to use the funding to advance classical breeding research and germplasm infrastructure to protect agricultural genetic diversity and address long-term challenges to agriculture such as climate change and global food security.

**NATIONAL INSTITUTE OF FOOD AND AGRICULTURE**

**Sustainable Agriculture Research and Education Program.** We urge you to fund this innovative competitive grants program at **\$30 million**. The FY 15 Budget Request once again proposes to combine research, education, and extension into a single line item. We do not oppose consolidation, so long as funding is increased to cover all functions outlined in statute, including federal-state matching grants (7 U.S.C. 5813). To that effect, we urge the reiteration of the FY 14 Senate report language (113-46) clarifying that “all three activities authorized in Subtitle B of the Food, Agriculture, Conservation and Trade Act of 1990 are vital to the success of the SARE program, and the Committee directs the Department to ensure that each activity remain intact in the future.” SARE has helped turn farmer-driven research, education, and extension into profitable and environmentally sound practices for over 25 years. At \$30 million, SARE would be at just half its authorized level, half the level recommended by the National Academy of Sciences, and nearly a quarter of the authorized level if that level were updated to 2014 dollars. There is no other REE competitive grant program that has a bigger bang for the buck.

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

**Food Safety Outreach Program.** We request **\$5 million** to help small and mid-size farms and small processing facilities comply with new proposed food safety regulations. FDA is in the process of proposing new, expansive food safety regulations for farmers and food processors under the Food Safety Modernization Act (FSMA). This FSMA-authorized Food Safety Training Program will provide farmers with the training they need to implement and comply with new food safety rules. We are thrilled USDA has requested funding to begin this program, but believe their request of \$2.5 million is insufficient and therefore urge you to launch this urgently needed program at \$5 million to ensure that multiple regions of the country can benefit rather than just a single region.

### AGRICULTURAL MARKETING SERVICE

**Federal-State Market Improvement Program.** FSMIP provides matching funds to state departments of agriculture to help grantees conduct research and create innovations to increase new markets for farmers. We request **\$1.363 million**, the same as FY 2014 funding.

**Organic Production and Market Data Initiatives.** As the organic industry surpasses \$31 billion a year in sales, organic market reporting is vital to creating fair risk management tools and collecting adequate data on organic markets. We request **\$0.3 million** for AMS to continue and enhance reporting on organic production, marketing, and pricing data. We also support ongoing organic data collection and analysis through NASS and ERS.

**Local Food Data Collection and Analysis.** Information concerning state and regional food needs is not readily available to food system developers and investors who need to gain a better understanding of the opportunities and challenges that exist for agricultural food systems across the country. We support the President's request of **\$2.6 million** for AMS to partner with federal and state agencies, Land-Grant Universities, Regional Planning Commissions, and other entities to conduct 6 to 10 state local and regional food system assessments. We would also encourage the Committee to include report language directing AMS to incorporate data collection and assessments of market price information for direct and intermediated local and regional food markets.

### FARM SERVICE AGENCY

**Direct Farm Ownership Loans, Direct Operating Loans, and Individual Development Accounts.** Direct loans provide capital for beginning farmers and others not served by commercial credit. This is critical in light of the increasing age of farmers and the land access challenges faced by beginning farmers. Similarly, the Beginning Farmer and Rancher Individual Development Account (IDA) program, authorized by the 2008 and 2014 Farm Bills, will enable limited-resource beginning farmers and ranchers to save for asset-building purchases, including farmland, equipment, breeding stock, or similar expenditures.

Through the IDA program, FSA will offer competitive grants, with a 50% local match required, and financial management training as the core component of the program. We support the President's FY 15 Budget Request for program levels of **\$1.5 billion for Direct Farm Ownership loans, \$1.252 billion for Direct Operating Loans, and \$2.5 million for the IDA program.** We also

request an additional **\$4 million in ACIF administrative expenses**<sup>1</sup> specifically to allow FSA to provide intermediary technical assistance and loan delivery services to new microloan borrowers. This combined package will serve new, beginning, and veteran farmers well, and at a reduction in the actual appropriated amounts relative to FY 14 – \$46 million in budget authority and approximately \$51 million in outlays, a *net reduction* in actual appropriations of \$24 million and approximately \$16 million, respectively, according to OMB’s figures.

### **NATURAL RESOURCES CONSERVATION SERVICE**

**Conservation Technical Assistance.** CTA, a subset of Conservation Operations, helps farmers 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. We urge you to provide no less than **\$717 million** for CTA, as requested in the President’s FY 15 budget request.

### **RURAL BUSINESS AND COOPERATIVE SERVICE**

**Value-Added Producer Grants.** VAPG offers grants to farmers and ranchers developing farm- and food-related businesses that boost farm income and create jobs in rural America. VAPG encourages the kind of entrepreneurship that enables rural communities to grow economically. Growing interest in local and regional foods means greater need for regional supply chains and enterprises that aggregate local production, exactly the kind of rural development strategy VAPG is designed to support. We request **no changes in mandatory program spending** as well as **\$15 million** in discretionary funding for VAPG, the same level as included in the final FY 14 bill.

**Rural Microentrepreneur Assistance Program.** RMAP provides business training, technical assistance, and microloans to owner-operated businesses with up to ten employees. It is specifically targeted at very small business development, the leading job creator in rural communities. The 2014 Farm Bill renews a modest investment of \$3 million per year in direct farm bill spending for RMAP loans and grants. The President’s FY 15 Budget Request includes \$3.3 million in discretionary funding for RMAP loans, as well as no changes in mandatory program spending. For a second year in a row, the Budget Request recommends that Congress combine the RMAP grant component with several other rural development programs. Congress considered this proposal during the FY 14 appropriations process and during farm bill proceedings, and in both cases, wisely rejected the consolidation proposal. We support the President’s FY 15 Budget Request of **no changes in mandatory program spending**, as well as **\$3.3 million in discretionary funding**; however, we urge that this discretionary funding be **provided for the cost of loans and grants**. This level of appropriation combined with the new farm bill funding will result in over \$40 million in new microloans plus expanded entrepreneurial development training, an incredibly smart investment.

**Appropriate Technology Transfer for Rural Areas.** The ATTRA program, also known as the National Sustainable Agriculture Information Service and reauthorized by the 2014 Farm Bill, provides critical support to farmers, Extension agents, and conservation and energy specialists throughout the country. We urge **\$2.5 million** for ATTRA for FY 2015.

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<sup>1</sup> See “Agricultural Credit Insurance Fund Program Account” on page 104 of the President’s Budget Appendix

**Rural Cooperative Development Grants.** RCDG invests in rural development by helping individuals start or expand cooperatives. We oppose the Administration's proposal to consolidate RCDG into a Rural Business and Cooperative Grants program. We request **\$9.1 million for RCDG, including \$3 million for centers targeting socially disadvantaged producers.**

#### GENERAL PROVISIONS

Repeated annual cuts to the Conservation Stewardship Program, Environmental Quality Incentives Program, 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. **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 farmers' free speech rights to consult with Members of Congress and limiting USDA's ability to protect market transparency has no rightful place in the appropriations bill or any other legislation.