



Written Statement on FY 2016 Requests
Submitted to Subcommittee on Agriculture, Rural Development, FDA, & Related Agencies
United States Senate – March 27, 2015

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Thank you for the opportunity to present our FY 2016 funding requests. The National Sustainable Agriculture Coalition is a national alliance that directly represents 41 organizations that advocate 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 **\$1.2 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 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.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Sustainable Agriculture Research and Education Program. We urge you to fund this innovative competitive grants research program at **\$30 million**. SARE has helped turn farmer-driven research, education, and extension into profitable and environmentally sound practices for over 25 years. The program consistently yields practical farm innovations on a much more accelerated time frame than other competitive research programs. There is no other REE competitive grant program that has a bigger bang for the buck. At \$30 million, SARE would be at just half its authorized level, half the level recommended by the National Academy of Sciences, and just one quarter of the authorized level if that level were updated to 2016 dollars. Due to high demand and inadequate funding, USDA has been able to fund only 6 percent of SARE research and education pre-proposals in recent years. Increasing funding from \$22.7 million to \$30 million would allow USDA to begin to address this disparity.

Organic Transitions Integrated Research Program. We request **\$5 million** to invest in innovative organic research with strong farmer delivery mechanisms built in. Congress increased its investment in the Organic Transitions program to \$5 million in 2010 in order to track funding increases in the broader research portfolio. It is critical to restore this funding level to keep organics from falling further behind in its fair share of the research budget.

Food Safety Outreach Program. We strongly support the President's request for **\$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. Last year, Congress appropriated \$2.5 million for FSOP. While sufficient to initiate the development of a training program, \$2.5 million is just a fraction of what is needed to ensure that small and mid-sized producers and processors have the resources they need to comply with the new food safety regulations. FSMA implementation will require robust funding levels, most critically for training and technical assistance; we therefore urge you to increase support for 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

Organic Production and Marketing Data Initiatives. Section 10004 of the 2014 Farm Bill authorizes \$5 million annually in discretionary funding for the collection, analysis, and reporting of data on the production, pricing, and marketing of organic agricultural products. As the organic industry grows at a rapid rate, the lack of national data limits faster growth as well as effective functioning of programs within USDA. We request report language urging AMS, the National Agricultural Statistics Service (NASS), and the Economic Research Service (ERS) to “continue and expand” organic data collection, analysis, and reporting.

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 most recent farm bill, 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 percent local match required, and financial management training as the core component of the program.

Last year, Congress provided historic funding increases for FSA direct loan programs, and the President’s FY 2016 budget proposes to continue those levels. We support the President’s 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.**

Expanded Support for Beginning Farmers. We support the Administration’s request for additional funding for FSA salaries and expenses to provide expanded services and technical assistance to our nation’s beginning and veteran farmers and ranchers. As proposed in the President’s budget, we request **\$2 million to allow FSA to establish outreach coordinators** to facilitate and guide beginning farmer outreach, train USDA staff on available federal resources, and enhance partnerships with local, state, and regional communities. We also support an additional **\$4 million in ACIF administrative expenses**¹ for cooperative agreements with community-based and non-profit organizations to provide technical assistance and loan support to new and beginning farmers, including veteran, tribal, and urban producers. These funds would specifically allow FSA to provide intermediary technical assistance and loan delivery services to new microloan borrowers

¹ See “Agricultural Credit Insurance Fund Program Account” on page 98 of the President’s Budget Appendix

through cooperative agreements. This combined package will continue to serve as FSA's most effective 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, 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. The President's FY 16 budget request proposes to reduce CTA funding by \$14.7 million, from \$748 million to \$733.3 million. We urge you to reject this cut and, **at the very least, to retain funding for CTA at the FY 2015 level of \$748 million.** With more and more farmers, ranchers, and foresters signing up for conservation programs each year, and with a brand new suite of conservation programs coming online following the passage of the 2014 Farm Bill, we must continue to invest in on-the-ground technical assistance.

RURAL BUSINESS - COOPERATIVE SERVICE

Rural Cooperative Development Grants. RCDG invests in rural development by helping individuals start or expand cooperatives. For FY 16, USDA requests **\$9 million for RCDG, including \$3 million for centers targeting socially disadvantaged producers.** This would be in addition to the subprogram funding requests listed below (ATTRA and VAPG), bringing total funding for the combined line item to \$26.5 million.

Appropriate Technology Transfer for Rural Areas. The ATTRA program, also known as the National Sustainable Agriculture Information Service, was first authorized by the 1985 Farm Bill and for nearly 30 years has provided practical, cutting edge information to farmers, livestock operations, extension agents, conservation professionals and many others. In FY 15, ATTRA expects more than 2.2 million agricultural producers and businesses will download or print at least 2 million publications from the website, and that 15,000 people will attend ATTRA field days or workshops in at least 25 locations across the U.S. The President's FY 16 budget request would slash ATTRA funding by 16 percent, from \$2.5 million to \$2.1 million. This would mean a steep decline in the number of farmers and professionals served. We urge to reject the President's proposal, and instead to maintain funding for ATTRA at **\$2.5 million.**

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. Despite its proven success, the President's FY 16 budget request proposes to cut discretionary funding for the program to \$10 million. We strongly oppose the proposed cut and we urge you to reject it. We request **no changes in mandatory program spending** as well as **\$15 million** in discretionary funding for VAPG, to bring the program up to its 2014 funding levels.

Rural Microentrepreneur Assistance Program. RMAP (also known as the Rural Microenterprise Investment Program) 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, and is the only federal program that

finances the capitalization of revolving microloan funds for rural areas. We strongly support the President's FY 16 budget request for **\$2.65 million for micro-lending and \$2 million for grants to support microbusiness training and technical assistance**, as well as **no changes in mandatory program spending**. This level of appropriation combined with \$3 million in farm bill funding will result in \$37 million in new microloans plus expanded entrepreneurial development training, an incredibly smart investment.

GENERAL PROVISIONS

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 FY 2015 means that 3 million acres and more than 2,300 qualified farmers, ranchers, and foresters across the country will be rejected from the program. The President's request would double this figure, adding to an already enormous backlog. **We strongly oppose changes in mandatory program spending to these critical conservation programs**. In particular, we vehemently oppose changes to mandatory program spending that reduce the entire 10-year farm bill conservation baseline for the sake of small one-year offsets.

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.