



October 15, 2019

The Honorable Nita Lowey, Chairwoman
House Appropriations Committee

The Honorable Kay Granger, Ranking Member
House Appropriations Committee

The Honorable Richard Shelby, Chairman
Senate Appropriations Committee

The Honorable Patrick Leahy, Vice Chairman
Senate Appropriations Committee

The Honorable Sanford Bishop Jr., Chairman
House Agriculture Appropriations Subcommittee

The Honorable Jeff Fortenberry, Ranking Member
House Agriculture Appropriations Subcommittee

The Honorable John Hoeven, Chairman
Senate Agriculture Appropriations Subcommittee

The Honorable Jeff Merkley, Ranking Member
Senate Agriculture Appropriations Subcommittee

Dear Chairs and Ranking Members:

As you work together to finalize appropriations legislation for FY 2020, we write on behalf of our 48 farm, conservation, and rural member organizations to highlight a number of issues that are critically important to agriculture, and for which we urge your support. While we recognize that budget negotiations are never easy, we want to thank you for your long-standing support for our nation's farmers and the federal programs they rely on. As you know, farmers are currently facing an incredible amount of stress – both financial and emotional – as a result of the confluence of a sustained drop in commodity prices, uncertainty with export markets, and natural disasters that are only worsening each year with the impacts of climate change.

While we understand that difficult choices must be made as you work with your colleagues to craft a final funding legislation, we urge you to prioritize resources that will best help our nation's farmers protect the businesses they have, pass their farms down to the next generation of farmers, diversify and build new markets, and add more value to their farming businesses.

We applaud your work in coming together to reach a two-year budget agreement earlier this year, and urge you to prioritize funding for agriculture across the board in any final funding package. Unfortunately, the 302(b) allocation provided to the Senate Agriculture Appropriations Subcommittee was insufficient to meet the many competing demands currently facing agriculture and our nations' farmers and rural communities. As a result, many programs and resources that are essential in supporting the diversity of our nation's farmers in these times of increased farm stress were ultimately short-changed. We therefore, ask you to prioritize a higher 302(b) allocation for agriculture in any final funding package to ensure our farmers are given the support they need to weather these historically challenges times.

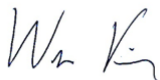
Beyond the critical priority of providing agriculture with a robust funding allocation, attached you will find the National Sustainable Agriculture Coalition's conference recommendations for FY 2020 agriculture funding priorities, listed in the order that they appear in the appropriations bill. Our conference requests include support for:

- Sustainable Agriculture Research and Education program – \$45 million
- Food Safety Outreach Program – \$10 million
- Farming Opportunities Training and Outreach Program – \$10 million
- Local Agriculture Market Program – \$20.4 million
- FSA Direct and Guaranteed Loans – Level Funding
- Conservation Technical Assistance – \$741.36 million
- Farm and Ranch Stress Assistance Network – \$10 million
- Rural Microentrepreneur Assistance Program – \$3 million

Additionally, we would like to thank both Committees for excluding any Changes in Mandatory Program Spending to farm bill conservation programs in their respective bills, and would urge you to continue to do so in future years. Finally, we urge both Committees to prohibit any funding to be used for the physical relocation of the Economic Research Service (ERS) or the National Institute of Food and Agriculture outside of the National Capital Region. We have already begun to see the impacts of this short-sighted and hasty move on our nation's research capacity, and cannot afford to move forward without a thoughtful process in place to mitigate any unintended consequences.

Thank you for considering our recommendations, and please do not hesitate to reach out if you have any questions. We thank you for your continued support for our nation's farmers.

Sincerely,



Wes King
Senior Policy Specialist
National Sustainable Agriculture Coalition



Juli Obudzinski
Interim Policy Director
National Sustainable Agriculture Coalition

cc: Members of the House and Senate Appropriations Committees

NSAC Conference Recommendation - Fiscal Year (FY) 2020

SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION - \$45 MILLION (NIFA)

As you know, investment in agricultural research is vital to continued productivity and innovation across all sectors of American agriculture. To this day, the SARE program remains the only USDA competitive grants research program with a clear and consistent focus on sustainability and farmer-driven research. For over 30 years, SARE has been at the forefront of research and extension for farming systems based on profitable and environmentally sound practices developed with farmer and business input. It has helped create more innovative farm practices that are actually adopted by farmers on the ground than any other competitive research program.

Despite SARE's popularity and demonstrated administrative efficiency, after more than 30 years of proven on-the-ground results, the program has yet to reach its full-authorized amount of \$60 million. As a result, USDA can only fund *roughly ten percent out of all eligible research and education pre-proposals* submitted to the program each year. In order to meet future productivity challenges, farmers need cutting-edge research that is easily accessible and relevant to their farming systems – no matter where they farm or what they grow.

- **We urge you to adopt the House funding level of \$45 million in discretionary funding for SARE for FY 2020.**

FOOD SAFETY OUTREACH PROGRAM – \$10 MILLION (NIFA)

Training farmers and processors in food safety practices is a critical piece to ensuring a safe food supply, especially when it comes to specialty crop producers, local and regional market growers, beginning farmers and diversified agriculture. In 2010, Congress passed the *Food Safety Modernization Act* (FSMA) – the first major overhaul to our nation's food safety laws since the 1930s. Recognizing the importance of training as a part of a food safety system focused on prevention, Congress also created the Food Safety Outreach Program (FSOP) to fund farmer and food processor training efforts. FSMA came into full effect in 2018, and this year, for the first time, thousands of farmers will be facing on-farm food safety inspections.

The need for targeted outreach, education, and technical assistance for our nation's farmers has never been greater – approximately 100,000 farmers are impacted by FSMA and seeking support in complying with these new regulations. But, at current funding levels, only a fraction of impacted producers can be reached. Of the approximately 100,000 farms impacted by FSMA, only 29,000 have received the required trainings to date.

- **We urge you to adopt the House funding level of \$10 million in discretionary funding for FSOP for FY 2020.**

FARMING OPPORTUNITIES TRAINING AND OUTREACH - \$10 MILLION (OPPE, NIFA)

Building upon past farm bills, the 2018 Farm Bill created the Farming Opportunities Training and Outreach (FOTO) program in order to strengthen USDA's efforts to train and assist beginning,

veteran, tribal and other underserved farmers. FOTO combines two of USDA's flagship training and technical assistance programs – the Beginning Farmer and Rancher Development Program (BFRDP) and the Outreach and Assistance to Socially Disadvantaged and Veteran Farmers and Ranchers Program (aka “Section 2501”).

In combining the funding and authorizations for BFRDP and 2501, Congress was able to provide both programs with permanent baseline funding while maintaining each program's core functions. Funding for FOTO is divided equally between 2501 and BFRDP, with \$17.5 million in mandatory funding available for each program in FY 2021. Unfortunately, not only is this level inadequate to meet program demand, but it still represents a cut in funding from historic levels provided under the 2008 and 2014 Farm Bills. An additional \$10 million in discretionary funding, split between the two programs, would restore both programs to their historic funding levels for the FY 20 grant cycle and allow both programs to reach more farmers who are struggling to maintain viable farms within the depressed farm economy.

- **We urge you to adopt the House funding level of \$10 million in discretionary funding for FOTO, split equally between BFRDP and 2501 for FY 2020.**

LOCAL AGRICULTURE MARKET PROGRAM – \$20.4 MILLION (AMS, RBCS)

Building upon past farm bills, the 2018 Farm Bill created the Local Agriculture Market Program (LAMP), which combines two long-standing programs, the Farmers Market and Local Food Promotion Program (FMLFPP) and the Value-Added Producers Grant Program (VAPG), to strengthen, streamline and better coordinate USDA efforts to support the growth and expansion of domestic markets for local/regional food and value-added agriculture.

In combining those programs, FMLFPP was provided *\$5.4 million less* in annual mandatory grant funding compared to the 2014 Farm Bill. LAMP provides VAPG with a small increase in mandatory funding relative to the 2014 Farm Bill, but that increase is far less than funding levels the program received during the 2014 Farm Bill when it consistently received appropriated funding to supplement the mandatory funding provided under the 2014 Farm Bill.

VAPG was created in a time of depressed prices to help farmers manage risk and increase farm incomes by adding value to the commodities they produced on their farms. Similar circumstances persist today, underscoring the importance of the program in today's uncertain farm economy. A recent Economic Research Service report shows that businesses that received VAPGs were less likely to fail than similar businesses that did not receive support through the program.¹

Despite long track records and growing interest in local and regional markets and value-added agriculture, without future discretionary funding, annual FMLFPP and VAPG investments will shrink significantly relative to the 2014 Farm Bill.

- **We urge you to adopt the House funding level of \$20.4 million in discretionary funding for LAMP, with \$15 million for VAPG + \$5.4 million for FMLFPP in FY20.**

¹ USDA's Value-Added Producer Grant Program and Its Effect on Business Survival and Growth; Anil Rupasingha, John Pender, and Seth Wiggins. Economic Research Service.
<https://www.ers.usda.gov/webdocs/publications/88839/err-248.pdf?v=43224>

CONSERVATION TECHNICAL ASSISTANCE - \$741.36 MILLION (NRCS)

Conservation Technical Assistance (CTA), a subset of Conservation Operations, is the backbone of USDA's conservation programs. Through CTA, NRCS field staff work one on one with farmers to develop and implement personalized conservation plans that address how farmers can best 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 our nation's natural resources.

The final FY 2019 spending bill moves \$70.8 million in Conservation Operations funding to the business center within the Farm Production and Conservation (FPAC) mission area, recognizing that functions that had been covered by CTA are now happening through the FPAC Business Center, which supports NRCS, FSA, and RMA. It is critical to ensure that the combined funding, through the business center and through conservation operations directly provides the funding that is necessary for conservation program delivery.

- **We urge you to adopt the Senate funding level of \$741.36 million in discretionary funding for CTA for FY 2020.**

FSA DIRECT AND GUARANTEED LOANS – LEVEL FUNDING (FSA)

Access to appropriate credit is critical for farmers, particularly those just beginning their career in agriculture and others not well served by the commercial lending sector. Rarely do beginning farmers have the cash to outright purchase equipment and inputs. Credit allows farmers to purchase the supplies they need and get a crop in the ground before the fruits of that labor are available. FSA loan programs have filled an important gap in financing for those unable to secure credit in the private market, and have been vital in providing access to credit for small and mid-size family farms, including new and beginning, socially disadvantaged, and veteran farmers.

FSA direct loans in particular, are the lifeblood of many new farm operations. Without these loans, many new and underserved farmers do not have enough start-up capital or accrued assets or revenue to afford the up-front costs of starting or maintaining a farming operation (in addition to paying the up-front production costs associated with nearly every farm's annual growing season). We are pleased that both the House and Senate bills recognize the important role that FSA credit plays for new and established farmers alike, and urge that these levels be maintained in the final bill.

- **In making final decisions on appropriated loan funding for FY20, we urge you to work with the Administration to ensure they have the funding levels necessary to meet anticipated loan demand across their direct and guaranteed portfolios, given recent increases to loan caps.**

FARM AND RANCH STRESS ASSISTANCE NETWORK - \$10 MILLION (NIEA)

Farming is a high-stress occupation. Financial risk, volatile markets, unpredictable weather, and heavy workloads can all place a significant strain on a farmer or rancher's mental and emotional

well-being. A 2016 study by the Centers for Disease Control and Prevention revealed that farmers had a much higher rate of suicide than any other occupation. This is exacerbated by the fact that 60 percent of rural residents live in areas that suffer from mental health professional shortages. Due to the prolonged downturn in the farm economy, many farmers are facing even greater stress. Net farm income has dropped by more than 50 percent since 2013, and current projections indicate the rebound could be years away.

The 2008 Farm Bill established the Farm and Ranch Stress Assistance Network (FRSAN) to help ensure farmers and ranchers are given the resources they need, including a strong network of support, including farm helplines and websites, community outreach and education, support groups, and home delivery assistance.

- **We appreciate that both bills build on last year's initial funding for FRSAN, and urge Congress to provide \$10 million in discretionary funding for FY 2020.**

RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM - \$3 MILLION (RBCS)

Very small businesses are the lifeblood of rural America, yet small entrepreneurs often struggle to access credit and business training. Fortunately, USDA operates a rural development program — the Rural Microentrepreneur Assistance Program (RMAP) — aimed at addressing this gap. RMAP provides loan capital and grants to non-profit organizations, community-based financial institutions, and local economic development councils, which in turn provide technical assistance services and microloans to rural owner-operated small businesses and aspiring entrepreneurs in their states and local communities.

The 2014 Farm Bill provided RMAP with \$3 million in annual mandatory funding, but unfortunately, the 2018 Farm Bill did not renew this funding. Thus, the future of the program relies entirely on appropriated funding. We thank Congress for recognizing the importance of this program by providing \$3 million in the FY 2019 appropriations bill.

- **In order to continue to support the economic development needs of rural communities and make up for the loss of mandatory farm bill funding, we urge you to maintain level funding of \$3 million for RMAP for FY 2020.**