



**Written Statement on FY 2019 Requests
Submitted to Subcommittee on Agriculture, Rural Development, FDA, & Related Agencies
United States Department of Agriculture – March 30, 2018**

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Thank you for the opportunity to present our FY 2019 funding requests and thank you for your recently completed work on the FY18 Omnibus, which addressed many of our priorities for FY 2018. On behalf of our 47 member organizations from around the country, we submit the following funding requests for the Department of Agriculture, in the order they appear in the appropriations bill:

OFFICE OF THE SECRETARY

Office of Advocacy and Outreach. The Office of Advocacy and Outreach (OAO) coordinates policy and outreach across USDA in four vital areas – small farms, beginning, socially disadvantaged, and veteran farmers. The President's FY19 Budget Request and the FY 2018 omnibus appropriations bill create a new Office of Partnerships and Public Engagement (OPPE) by consolidating OAO with the Office of Tribal Relations (OTR) and the Office of Military Veteran Liaison (OMVL). We have serious concerns about this consolidation and the associate elimination of appropriations language referring to OAO. The farm bill directs USDA to retain an OAO, OTR, and OMVL, and we fail to see how this consolidation conforms to that directive. If the consolidation moves forward, we urge strong congressional oversight to ensure that the unique functions, purposes, and characteristics of each office are retained. We urge that **\$4.7 million** be provided for the OPPE, including at least **\$1.2 million** for OAO.

Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers (2501 Program). We applaud you for including \$3 million in discretionary funding for the 2501 Program in the FY18 omnibus, and we strongly urge you to build upon that appropriation by providing **\$10 million in discretionary funding for FY19**. The 2501 Program levels the playing field for our nation's military veterans and minority farmers by providing the tools they need to thrive and compete in the agricultural economy; however, demand for the program far exceeds available dollars. Congress can begin to address this shortfall by increasing funding for the program in FY19.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Sustainable Agriculture Research and Education Program. We strongly urge you to provide **\$40 million** for this competitive grants research program. Your strong support for SARE resulted in a 30 percent increase in funding to \$35 million in FY18, and this additional research

investment would build on this success. SARE has helped turn farmer-driven research, education, and extension into profitable practices for nearly three decades. The program consistently yields practical farm innovations on a more accelerated time frame than other competitive research programs. Due to increased demand and limited funding, USDA has been able to fund only 8 percent of SARE pre-proposals for Research and Education competitive grants in recent years. Increasing funding to \$40 million would help address this shortfall, and would enable SARE to expand its prized work on soil health, drought resilience, cover cropping, and rotational grazing. It will allow USDA to expand its backing for research to support beginning farmers, including on-farm research into new production and management systems. The increase would also help SARE expand its unique graduate student research program, which has awarded 661 grants since 2000. This program is instrumental in developing cutting edge production techniques and in creating the next generation of agricultural scientists.

Organic Transitions Integrated Research Program. We request **\$5 million** to invest in innovative research to assist farmers transitioning to organic by investing in practical technologies that help organic producers address disease and pest pressure and ensure environmental stewardship. Continuing to fund this program at its FY18 level will keep the organic sector from falling further behind in its efforts to obtain a fair share of the research budget. According to USDA's own data, the percentage of AFRI funding dedicated to organic research has averaged about one-tenth of one percent annually from 2011-2015, which makes dedicated funding streams for organic research all the more necessary.

Food Safety Outreach Program. We strongly urge you to provide **\$10 million** to help small and mid-size farms and processors come into compliance with new food safety requirements under the Food Safety Modernization Act (FSMA). We commend you for providing an increase to \$7 million for FSOP in FY 2018; however, additional funding is sorely needed to ensure that all farms covered by FSMA have access to the training they need. The new FSMA regulations are bringing many farmers and small processors under FDA's regulatory purview for the first time. With approximately 100,000 farmers impacted by FSMA and seeking support in complying with these new regulations, the need for targeted outreach, education, and technical assistance for our nation's farmers has never been greater. But, at current funding levels, only a fraction of impacted producers can be reached. With \$10 million in FY 2019, FSOP could further expand its reach to meet the needs of additional farmers across the country.

AGRICULTURAL MARKETING SERVICE

Organic Dairy and Local Food Data Collection and Reporting: We are very concerned with language included in the President's FY 2019 budget that recommends the elimination of the Agriculture Marketing Service's Market News price data collection and reporting for local foods and organic dairy. This information is critical to farmers and other parties engaged in the organic and local food supply chain. Information on local foods is also important to the Risk Management Agency and Farm Service Agency in developing and ensuring the accuracy of crop insurance and disaster programs. We oppose any effort to cut or diminish the collection and dissemination of data related to organics or local foods.

FARM SERVICE AGENCY

Direct and Guaranteed Farm Ownership and Operating Loans and Individual Development Accounts. Direct and Guaranteed Farm Service Agency (FSA) loans provide crucial capital for beginning farmers and others not adequately served by commercial credit. This is critical in light of the period of low commodity prices and tightening credit markets we are now experiencing. We are pleased that the FY18 omnibus continued robust funding across FSA loan programs, and we urge you to continue to work with USDA to identify the funding levels needed to fulfill demand in FY19. Similarly, the Beginning Farmer and Rancher Individual Development Account (IDA) program, if funded, will enable limited-resource beginning farmers and ranchers to save for asset-building purchases, including equipment and breeding stock and take pressure off of other FSA loan programs. The IDA program requires a 50 percent local match as well as financial management training as the core component of the program. **We support fully funding Direct and Guaranteed Farm Ownership and Operating loans, and providing \$1.5 million for the IDA program.**

NATURAL RESOURCES CONSERVATION SERVICE

Conservation Technical Assistance. CTA, a subset of Conservation Operations, is the backbone of USDA's conservation programs. Through CTA, NRCS field staff work with farmers to develop and implement conservation plans to conserve resources on their farms and fulfill conservation compliance requirements. 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 support level funding for CTA by providing at least **\$774.4 million for FY 2019**. This level of funding will help producers develop site-specific plans to conserve water, prepare for extreme weather, and address natural resource concerns on their land. We are pleased the Congress rejected the President's FY 2018 proposal to significantly limit funding for CTA, and we urge you to once again reject the proposed FY 2019 cuts to CTA.

RURAL BUSINESS - COOPERATIVE SERVICE

Overall Statement on Proposed Cuts to RB-CS Programs. We appreciate the Committee's rejection of the President's proposed cuts to Rural Development programs in the FY18 omnibus. Once again, for FY19, the Administration is calling for the elimination of nearly all funding for Rural Business and Cooperative Service programs. The Administration's proposal would gut USDA's economic development toolbox. These rural business programs have a proven track record of success – both in terms of business survivability rates and in terms of job creation – and the Administration's proposed cuts reflect a lack of understanding of their function and impact.

Appropriate Technology Transfer for Rural Areas. For nearly 30 years, the ATTRA program has provided practical, cutting edge information to farmers, extension agents, and others. In 2017, over 770,000 users accessed information from the ATTRA website. ATTRA helped clients more than 38,000 times with technical assistance materials and reached more than 53,000 attendees at workshops or presentations. For FY 2019, we urge you to continue to provide **\$2.75 million** in funding for ATTRA. This is level with FY18 funding and will support the continued operation of ATTRA's *Armed to Farm* program that trains returning military veterans to farm. To date, veterans from 31 states have attended these intensive trainings. A recent survey of *Armed to Farm* participants found that 80 percent have continued to farm, have started farming, or are in the process of starting a farm.

Value-Added Producer Grants. VAPG offers competitive grants to farmers and ranchers developing farm- and food-related businesses that boost farm income and create jobs in rural America. These grants may be used to fund business and marketing plans, feasibility studies or to acquire working capital to operate a value-added business venture or alliance. VAPG recipients have higher survivability rates when compared with other small businesses in general. According to the SBA, only 34 percent of small firms survive after 10 years. In contrast, 68 percent of the 2003 class and 73 percent of the 2004 class of VAPG-funded businesses were still in operation after 10 years. Despite its proven success as a driver of rural economic growth, without future discretionary funding, annual VAPG investments will shrink, just when farmers are struggling to keep afloat and looking for ways to generate additional income on their farms. **We commend you for providing \$15 million in discretionary funding for VAPG in the FY18 omnibus and urge you to maintain that level of discretionary funding, and make no changes to mandatory program spending for FY19.**

Rural Microentrepreneur Assistance Program. RMAP provides business training and microloans to rural, owner-operated, small businesses with up to ten employees. It targets 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 request \$5 million in discretionary funding for this program.**

GENERAL PROVISIONS

No Changes in Mandatory Spending for Conservation Programs: A suite of distinct but interrelated farm bill programs, including the **Environmental Quality Incentives Program (EQIP)** and **Conservation Stewardship Program (CSP)**, work together to give farmers the tools they need to protect and rebuild soil, provide clean water, and enhance wildlife habitat. We commend you for leaving farm bill conservation program funding fully intact in the FY 2018 omnibus, and we urge you to do the same in FY 2019. Cuts to farm bill conservation programs through the FY 2019 appropriations process would severely limit the number of qualified farmers able to access the programs, leading to more pollution as well as less productive and profitable farmlands as soil erodes and nutrients are lost. It would also infringe upon the ongoing work of the authorizing committees, which are currently debating and setting FY 2019 direct spending levels as part of the 2018 Farm Bill. We urge you to **refrain from making changes in mandatory program spending to these critical conservation programs in FY 2019.**