

March 8, 2006

The Honorable Henry Bonilla
Chairman
Subcommittee on Agriculture Appropriations
2362-A Rayburn House Office Building
Washington, DC 20515-6016

The Honorable Rosa L. DeLauro
Ranking Member
2262 Rayburn House Office Building
Washington, DC 20515-6016

Dear Chairman Bonilla and Ranking Member DeLauro:

We write to express our thanks for your interest in the U.S. Department of Agriculture programs that directly benefit minority, small and limited resource farm workers, farmers and ranchers. As you are aware, farm workers and limited resource producers play a vital role in sustaining rural communities and make substantial contributions to the food and fiber production in the United States and the world. The devastation caused by last season's hurricanes present major hurdles for hundreds of the small producers and ranchers that we represent. Below please find a list of budget priorities and concerns of the Rural Coalition, and our undersigned members and allies. Federal funding for USDA programs that target our farmers should be given a high priority as you complete legislation for Agriculture Appropriations for FY 07.

- **Minority Farmer and Rancher Outreach and Technical Assistance Program** (Section 2501) – USDA promotes the Section 2501 programs as the most effective means of addressing the many civil rights issues confronted by the agency. Congress, in the 2002 Farm Bill, recognized the importance of this outreach program and increased its budget authority to \$25 million. Additional funding is needed for this program so that small limited resource farmers can receive emergency conservation training that is needed to repair land damaged by the 2005 hurricane season. As you will recall, the FY 06 Agriculture Appropriations bill provided for \$6 million. The President's FY 07 budget proposal recommends only \$7 million, once again severely limiting the number of project grants that can be funded. We request that your committee appropriate **\$25 million for this important program in FY 07**. The grantees of this program help to increase farm income security by providing unique and timely technical assistance in the areas of pesticide management, produce marketing and credit management. As a result of the 2501 technical assistance grants, organic producers in California's central valley have increased farm income through marketing fresh, high quality produce directly to local restaurants and consumers. Former tobacco farmers in North Carolina and South Carolina have captured new high value fresh vegetable markets as far away as Maryland, New York and Boston. In Michigan, Arkansas and on the 52 reservation communities, producers are improving and reducing their pesticide use through integrated pest management training.
- **Extension Indian Reservation Program (EIRP)** – This program provides the only federal source for funding to cover the cost of placing extension agents on Indian reservations. Congress mandates and funds research and extension services in every

county in the nation except on Indian reservations. These services are only provided on reservations where EIRP or the tribes cover the cost. This policy failure has a profound impact on Native American life since agriculture production remains a critical basis for the economic security, health and nutrition of Native Americans. The USDA Cooperative State Research, Education, and Extension Service (CSREES) administers EIRP in a manner that does not equitably meet the extension and research needs of Native American farmers and ranchers. From a national perspective, the administration of EIRP strains individual extension agents who are required to cover more than 500 miles of territory and at least 600 farmers or ranchers. Currently the program has 28 projects on 27 reservations in 15 states nationwide. Regrettably, these efforts reach only 4% of all reservation and tribes. Native American producers should receive the same level of service as those producers who are not reservation-bound. The FY 05 Agriculture Appropriations bill provided for \$2,250,000 million for this program. The President's 2007 Budget request is \$3 million. In order to correct this grave inequity, we urge you to appropriate **\$15 million for this program in the FY 07 Agriculture Appropriation legislation.**

- **Increased funding for Minority Serving Educational Institutions, including the 1890 Land-Grant Universities, the 1994 Indian Tribal Colleges and Hispanic Serving Institutions** – Minority-serving educational institutions have not achieved equity in research and program funding, in any way comparable to the support their 1862 Land-Grant counterparts receive. The 1862 Land Grants receive far greater support to work with populations that face far fewer challenges than those served by the minority serving educational institutions. The FY 05 Agriculture Appropriations bill provided for \$17 million for these programs. Increased funding of \$5 million dollars would allow these institutions to better fulfill their mission and commitment to rural minority community. **We urge you to appropriate at least \$22 million for FY 07.**
- **Retain Increases for the Office of the Assistant Secretary for Civil Rights and the Civil Rights Office** – USDA still has a long way to go to assure fair service. Continued support at current levels for these functions remains critical. We urge you to **support the President's request of \$23 million for FY 2007 for Civil Rights Funding and to add \$1 million for field activities of the USDA Office of Outreach which also resides within the Office of the Assistant Secretary for Civil Rights.**
- **Emergency Grants for Farm Workers** – Emergency Grants to Assist Low-Income Migrant and Seasonal Farm workers - Unlike farmers, farm workers affected by disaster typically do not receive any direct benefits when their wages are affected by natural disasters. Section 10102 of the Farm Bill authorizes emergency funding to public agencies and non-profit organizations that serve migrant and seasonal farm workers during times of disaster. Farm workers across the country were negatively affected by recent droughts and the Florida hurricane disasters. Some farmworkers in Florida and other regions were hit by several hurricanes in each of the past years. The FY 07 budget authority for Section 516 grants is \$14 million. Our recent visits to the devastated regions reveal that the farm workers and their families are still living in trailer homes that have been overturned and destroyed, and are paying rent to retain trailer sites when they cannot afford to replace the trailers that were damaged or destroyed. Farmers throughout the region have expressed repeated concern that assistance be made to farmworkers to assure enough experienced workers remain in the region to undertake work that is vital to the agriculture sector. **During upcoming**

supplemental appropriations for FY 2006, we request that an additional \$150 million be appropriated for this grant program.

- **Grants to Train Farm Workers in New Technologies and in Specialized Skills Necessary for Higher Value Crops** – This new program (*section 6025 of the 2002 Farm Bill*) authorizes \$10 million dollars for grants to provide training in new technologies and specialty skills necessary for high value crops. The rapidly changing agriculture industry requires a skilled workforce that can meet the demands of specialized industries. This program received zero funding in previous years. While programs exist to train seasonal laborers in skills in order to remove them from seasonal work, there is no such program available to provide them with training to meet the seasonal demands of specialized agriculture industries. **We urge you to appropriate \$10 million in FY 07.**
- **Section 515 Multi-family Housing** – The section 515 multi-family housing loan program provides direct loans to construct and maintain multi-family rental projects that serve low and very low-income families. Projects receive payment assistance in order to make rents affordable. The FY 2007 budget request does not provide any funding for direct loans, rather, the request doubles the amount of funding for Section 538 loan guarantees. We are concerned that this shift in funding will provide for less oversight and cause many low-income rural citizens to face insurmountable housing challenges. The average annual income of a Section 515 tenant is about \$7,900. Direct loans have a rate of 1 percent, and most projects receive rental assistance payments to make them affordable to very low-income tenants. The FY06 budget included \$99 million for Section 515 direct loans. The President's FY 07 budget proposal will have a severe negative impact on poor rural people. We suggest that funding for Section 515 not be redirected to the Section 538 guaranteed loan program.
- **Appropriate Technology Transfer for Rural Areas (ATTRA) Programs** – Thousands of small and limited resource farmers and ranchers have engaged organic production of vegetables while developing grass fed and pasture based livestock businesses. This approach to agriculture has provided increased income to our farm families. Entry into these markets could not have been realized without the information and networks designed to introduce and teach new farming techniques available through ATTRA. The President's budget has recommended \$0 funding for the Appropriate Technology Transfer Program for FY 2007. **We urge you to support at least \$5 million for this program since it will continue the flow of agricultural technology updates to small and limited resource farmers and ranchers.**
- **Sustainable Agriculture Research and Extension (SARE)** – The President's FY 2007 budget request cuts SARE by \$3 million. The SARE program assists our farmers with soil improvements, and sustainable production practices. SARE has made proactive efforts to increase the participation of minority and limited resource producers; funding increases should provide SARE the authority to continue this outreach. The on-the-ground SARE demonstrations are very valuable and would be more beneficial if there were additional resources to increase their availability and accessibility by limited resource farmers. **We recommend that this program be funded at \$16 million for FY 2007.**

- **Farm to Cafeteria Program** – This important program would create critical local and regional markets for farmers including provision of products directly from farmers through local schools and institutions. The program engages community-based organizations to help connect farmers with markets. In the aftermath of Hurricane Katrina, the potential of this program was brought into sharp relief when producers and consumers in the region – especially the African American farmers and the population of the city of New Orleans and the Gulf Coast – realized the value of the emerging farm to cafeteria programs to the economies of the rural counties and the health of the children. **We urge you to provide \$5 million for Farm to Cafeteria to benefit both farmers and the children in our schools.**
- **Value Added Grants Program** –The Value Added Grants Programs has the potential to create thousands of jobs in rural America through the implementation of small scale processing facilities designed to meet the food safety and marketing needs our limited resource farmers and producers who have limited access to markets for raw commodities. **The President’s Budget has recommended \$19 million in FY 2007. We recommend \$22 million for FY 2007.** With these increased funds, we hope that funds could be set aside for competitive grants to small and limited resource farmers and ranchers in a special pool at the national level. The current program’s competitive grant application and review process has not considered the needs of small and limited resource farmers. Further, we request report language encouraging USDA to conduct a study on how the Value Added Program could impact the economic viability of on small scale farmers and their impact on local economies.
- **Conservation Security Program (CSP)** – We are concerned that the limitation of funds from Congress coupled with the provisions of the CSP proposed rule regarding limited signup serves to disadvantage small and limited resource farmers and ranchers who are often concentrated in regions where the program is not operating. Also we are concerned that the focus on priority watersheds and limited categories of enrollment further limits our ability to enroll in the program and for producers even in the covered regions to develop experience over the years in how to use the program. **We urge you to provide no less than the President’s FY 2007 funding request of \$342 million to support the program.** However, we strongly feel that NRCS should be provided with an increase in funds of an additional \$5 million and sufficient authority and encouragement, through report language, to engage in effective outreach efforts to ensure that small and limited resource farmers and ranchers increase their participation in the program and to expand and provide additional technical assistance for the initiative NRCS has developed for limited resource farmers.
- **Preserve legislative language designed to prohibit efforts to privatize any part of the Rural Development and Farm Loan Program through “competitive sourcing”, loan asset sales, or other means.** These programs and all associated activities should remain inherently governmental functions. They were put in place because socially disadvantaged, limited resource, and low-income rural citizens, farmers, and communities are not, and cannot, be adequately served through private sector for-profit institutions. Currently, the FSA Loan Operations Division, the Rural Housing Centralized Servicing Center, and other Rural Development loan support activities are included in solicitations for bids from private contractors because of a quota imposed upon these agencies to “compete or convert” 15% of their “commercial” activities during FY 2003. These actions contradict report language from the FY 2002

Agriculture Appropriations Act and language included in the FY 2003 Omnibus Appropriations Act.

- **FSA Direct Loans** – Congress in the FY 2007 Agriculture Appropriations should assure that adequate funds are available to meet the current need and to cover the additional costs of increasing interest rates that otherwise could reduce availability of funds. In addition, it is necessary that Congress provide sufficient authority and funds to assure outreach occurs in a timely manner and in partnership with community based organizations working with small scale and limited resource farmers so that equitable access to the program can be assured and that those who most need lower interest rates actually get them.
- **Require USDA to Complete the Report required in Sec. 10708 of the 2002 Farm Bill and to Issue Annual 10708 Updates as required**– In the 2002 Farm Bill, Congress required USDA to compare the results the transparency and accountability report on participation of farmers by race, gender and ethnicity in USDA programs for farmers and ranchers with their representation in each Agriculture Census. The last Agriculture Census was completed in 2002, and this report has still not been completed and made public. We urge Congress to request that USDA to complete this report. We further urge that regular annual 10708 reports be issued in a form that allows data analysis of results. In the coming year, it will be especially important for Congress to review participation under 10708 for disaster programs, and to prepare reports on participation in conservation, credit and all other farm programs to assist Congress in providing adequate disaster response and in preparation for the next farm bill.
- **Census of Agriculture** – In August 2005, community based organizations representing minority farmers met with the Secretary of Agriculture. Among their recommendations to the Secretary was that funds be specifically designated to conduct preliminary studies and additional research needed to help minority and other undercounted segments of the farm population learn about the purposes and mechanics of the census and to build lists for the next census of agriculture. In addition, We urge Congress to identify or provide funds and authority that can be utilized for partnerships with community based organizations and minority serving institutions to assist NASS in collecting real data to estimate undercounts and reaching farmers and ranchers who have been missed by the previous census.
- **Economic Research Service and Analysis of the Impact of Small Scale farmers and Ranchers on Rural Communities and Reservations.** – The Economic Research Service has the capacity to help Congress analyze the needs and economic benefits of assisting small –scale farmers in the next farm bill. We urge Congress to review the ERS budget and to assure sufficient funds and authority are provided to collect and analyze data necessary to assist small farmers, the public and the Congress understand the structure, characteristics and the economic potential of the small farm sector and to analyze proposed policies for the potential impact on this sector.
- **Disaster Response and Small Farmers** – We have been working actively with small farmers in disaster affected regions and have discovered that many of them have never been approached about the NAP program of the Farm Service Agency and crop

insurance programs. Many of these farmers have informed us that in the current and in previous years, they have approached the FSA, often following a disaster, and have been told no programs are currently available. However, FSA has often failed to register the farmers official on FSA so they will receive future information and to conduct outreach when funds become available or to inform them of NAP and crop insurance deadlines that are essential to receiving further assistance. Both in the FY 07 Appropriations Bill and in any disaster package, it is essential that Congress provide such waivers as may be necessary to meet the needs of farmers who are excluded from many forms of emergency assistance due to the failure of FSA and other agencies to help them meet the requirements for protection that must be completed in preparation for disasters. Without waivers for the current year and a more comprehensive approach to outreach and equity, a large sector of diverse small-scale and minority producers are being unfairly excluded from the billions of dollars in disaster aid that Congress provides.

The comparatively small amount of money we are requesting on behalf of our diverse members and allies will assure that the poorest of the poor in rural and urban communities and on Indian Reservations will have the same access to programs as other farmers and members of the larger society. We thank you in advance for your support for these important programs.

Sincerely,

Rural Coalition/Coalición Rural – Washington, DC
National Family Farm Coalition – Washington, DC
Heifer International – Little Rock, AK
Farmworker Association of Florida – Apopka, FL
Community Food Security Coalition – Venice, CA
Organic Consumers Association – Finland, MN
Peacework Farm – Newark, NY
FoodRoutes Network – Philadelphia, PA
American Corn Growers Association –
Coastal Enterprises, Inc/New American Sustainable Agriculture Project – Lewiston, ME
New Farmer Development Project - New York, NY
Maryknoll Office for Global Concerns – Washington, DC
National Association of Latino/Hispanic Farmers and Ranchers
Minority Agriculture Producers Coop. (MAP)
Grassroots International – Boston, MA
Hispanic Organization Leadership Alliance – Washington, DC
California Institute for Rural Studies – Davis, CA
Weston A. Price Foundation – Washington, DC
Bronx Greens – Bronx, NY
Wellspring Management – Oak Park, IL
Commission On Religion in Appalachia – Charleston, WV
The Second Chance Foundation – New York, NY
National Center for Appropriate Technology – Butte, MT
CASA del Llano – Hereford, TX
Michigan Land Trustees – Bangor, MI
Sustainable Agriculture of Louisville – Louisville, KY
Land Loss Prevention Project – Durham, NC
Fort Belknap Indian Community - Harlem, Montana

Markham Center – Montpelier, VT
Navajo Nation – Chinle, AZ
National Hmong American Farmers – Fresno, CA
Institute for Agriculture & Trade Policy – Minneapolis, MN
Lideres Campesinas – Pomona, CA
Minnesota Food Association – Marine on St. Croix-May, MN
Hispanic Farmers and Ranchers of America Inc. – Las Cruces, NM

Maria Alvarez – Brooklyn, NY
Jim Harlin – Gallup, NM
Ardell Price – Urbana, Ohio
Rev. Roger W. Verley – Annandale, VA
Robin Reed – Irvine, KY

