



August 30, 2012

The Honorable Debbie Stabenow
Chairwoman, Committee on
Agriculture, Nutrition & Forestry
U. S. Senate
328A Russell Senate Office Building
Washington, DC 20510

The Honorable Pat Roberts
Ranking Member, Committee on
Agriculture, Nutrition & Forestry
U. S. Senate
328A Russell Senate Office Building
Washington, DC 20510

The Honorable Frank Lucas
Chairman, Committee on Agriculture
U.S. House of Representatives
2311 Rayburn House Office Building
Washington, DC 20515

The Honorable Collin Peterson
Ranking Member, Committee on Agriculture
U.S. House of Representatives
2211 Rayburn House Office Building
Washington, DC 20515

Dear Agriculture Committee Leadership:

We are writing to bring forward the recommendations of rural stakeholders who believe that a robust Rural Development Title in the next Farm Bill is critical to creating jobs in rural America and ensuring the success of the next generation of farmers and ranchers.

Our organizations commend you and your colleagues who are working to pass a bipartisan five-year comprehensive Farm Bill rather than a limited extension. An extension of the Farm Bill will end mandatory funding for rural development, renewable energy and beginning farmer/rancher programs. It will also eliminate the many positive policy changes found in the current Senate and House bills that will lead to greater return on federal investments and better projects at the local level. Our nation cannot afford to eliminate these critical investments or miss this opportunity to make positive policy reforms.

We will continue to urge House leadership to bring the Farm Bill to a floor vote in early September. However, in the absence of a House passed bill, we urge you to conference the Senate passed Agriculture Reform, Food and Jobs Act of 2012, S. 3240, and the House Agriculture Committee passed Federal Agriculture Reform and Risk Management Act, H.R. 6083.

We also urge you, in any conference negotiations, to support the following provisions within the Rural Development title that reflect the policy changes that are supported by our organizations and the rural people, places and businesses we represent.

Funding Level

We urge you to support at a minimum the \$115 million mandatory funding level in the Senate bill for the Rural Development Title and to reject the \$1.5 billion cut in authorization levels found in the House bill. We applaud the House and Senate's investment of \$50 million in mandatory funding for the Value Added Producer Grant Program, though urge you to seek ways to increase it to \$20 million a year in conference. We also urge conferees to support no less than the Senate level of \$15 million in mandatory funding for the Rural Microenterprise Assistance Program and the \$50 million in mandatory funding for the over \$3 billion water/wastewater backlog.

The funding levels for rural development programs represent a \$35 million or 23 percent cut from the 2008 Farm bill and is 72 percent below the average \$413 million in mandatory funding provided in Farm Bills passed since 1996. This title has contributed well above its fair share of the cuts needed for deficit reduction and is slated for percentage cuts far in excess of any other title by a multiple factor. We therefore urge you to seek ways to increase RMAP and water/wastewater backlog funding during conference and to also reject the proposed 50 percent cut in authorization levels.

Policy Changes

Our organizations have spent the past two years researching the ideas and suggestions of our members regarding policy changes that will ensure federal rural development programs are improved. We urge you to support the common sense policy improvements we have gleaned from our memberships during any conference negotiations. This will ensure that federal rural development investments are more effective and responsive to rural priorities.

Below is a list of policy changes that we urge you to support in any conference negotiations.

- The Senate bill organizes the Rural Development title into a more simplified format that is easier for rural stakeholders to understand and will ensure better program delivery by the U.S. Department of Agriculture (USDA). We urge conferees to support this approach.
- Sec. 3702 of the Senate bill makes rural development programs more focused on funding the strategic economic and community priorities of rural stakeholders as they have requested. This is a critical policy change that will assist all rural communities in making sure that USDA takes into consideration the strategic projects of rural areas.
- The House bill requires USDA to improve program metrics that will lead to better program evaluations and increased effectiveness of funding decisions. We support this good government policy change.
- Both the House and Senate require the application processes to be streamlined for rural communities, people and businesses, and this policy change should be maintained.
- The Senate's authorization of Technical Assistance funding for the Community Facilities Program is critical to helping communities lacking the capacity to apply for sophisticated facilities projects.
- We support the set aside for local and regional food systems under the Business and Industry Loan Program that is found in both versions of the bill, but oppose the 7 percent cap found in the House bill.

- The Rural Business Opportunity Grant Program and Rural Business Enterprise Grant Program are effective at leveraging local resources to create rural jobs. At a minimum, the functions of each program should be maintained and the Senate authorization level of \$65 million annually should be supported.

Thank you for your attention to these important matters. Our organizations have individual positions on other provisions of the Rural Development Title and the Farm Bill in general. However, the provisions outlined in this letter represent consensus priorities of all of our organizations. We urge you to support these important recommendations that provide policy improvements and continued investments in rural economic development, which will underpin and enable economic growth in rural communities throughout America. We look forward to working together on this important matter for American agriculture and America's rural communities. We also pledge our continued support in advocating for a multi-year Farm Bill.

Sincerely,

AMERICAN FORESTS
AMERICAN PLANNING ASSOCIATION
AMERICAN PUBLIC WORKS ASSOCIATION
AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES LOCAL 3354
CALIFORNIA CENTER FOR RURAL POLICY
THE CARSEY INSTITUTE
C B ENTERPRISES & ASSOCIATES, INC
CENTER FOR RURAL AFFAIRS
COMITE DE BIEN ESTAR, INC.
CORPORATION FOR ENTERPRISE DEVELOPMENT (CFED)
COUNCIL OF STATE COMMUNITY DEVELOPMENT AGENCIES
FARMWORKER ASSOCIATION OF FLORIDA
FEDERATION OF SOUTHERN COOPERATIVES/LAND ASSISTANCE FUND
GENERATION E INSTITUTE
INDIAN NATIONS CONSERVATION ALLIANCE
INSTITUTE FOR AGRICULTURE AND TRADE POLICY
LEAGUE OF RURAL VOTERS
MAIN STREET PROJECT
MICHAEL FIELDS AGRICULTURAL INSTITUTE
NATIONAL ASSOCIATION OF COUNTIES
NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS
NATIONAL ASSOCIATION OF REGIONAL COUNCILS
NATIONAL ASSOCIATION OF RESOURCE CONSERVATION & DEVELOPMENT (RC&D)
COUNCILS
NATIONAL ASSOCIATION OF TOWNS AND TOWNSHIPS
NATIONAL CENTER FOR FRONTIER COMMUNITIES
NATIONAL CATHOLIC RURAL LIFE CONFERENCE
NATIONAL GRANGE
NATIONAL LATINO FARMERS AND RANCHERS TRADE ASSOCIATION
NATIONAL LEAGUE OF CITIES

NATIONAL SUSTAINABLE AGRICULTURE COALITION
NATIONAL RURAL DEVELOPMENT COUNCIL
NATIONAL RURAL HEALTH ASSOCIATION
NEIGHBORWORKS UMPQUA
NORTHERN INITIATIVES
NORTHWEST FARM BILL ACTION GROUP
ORGANIZACION EN CALIFORNIA DE LIDERES CAMPESINAS, INC.
PARTNERS FOR RURAL AMERICA
ROOTED IN COMMUNITY
RURAL COALITION/COALICIÓN RURAL
RURAL COMMUNITY ASSISTANCE PARTNERSHIP
SOUTHWEST GEORGIA PROJECT FOR COMMUNITY EDUCATION, INC.
TEAM NEW AGE MOVEMENT
THE WATERSHED RESEARCH AND TRAINING CENTER
TILTH PRODUCERS OF WASHINGTON

CC:

House Agriculture Committee Members

Senate Agriculture, Nutrition & Forestry Committee Members