



July 16, 2019

The Honorable Pat Roberts  
The Honorable Debbie Stabenow  
U.S. Senate Committee on Agriculture, Nutrition and Forestry

The Honorable Mitch McConnell	The Honorable Patrick Leahy
The Honorable John Boozman	The Honorable Sherrod Brown
The Honorable John Hoeven	The Honorable Amy Klobuchar
The Honorable Joni Ernst	The Honorable Michael Bennett
The Honorable Cindy Hyde-Smith	The Honorable Kirsten Gillibrand
The Honorable Mike Braun	The Honorable Robert P. Casey, Jr.
The Honorable David Perdue	The Honorable Tina Smith
The Honorable Charles Grassley	The Honorable Richard Durbin
The Honorable John Thune	

Re: Hearing on “Agricultural Research and 2018 Farm Bill Implementation” (“Hearing”): July 18, 2019

Dear Chairman Roberts, Ranking Member Stabenow and Senators:

The Institute for Agriculture and Trade Policy (IATP)<sup>1</sup> appreciates the opportunity to share our views on this Hearing and to propose issues to discuss with Deputy Undersecretary for Research, Education and Economics Dr. Scott Hutchins. We do so first in the context of the proposed USDA FY 2020 Budget, particularly the Explanatory Notes regarding the Economic Research Service (ERS).<sup>2</sup> We conclude with remarks about the Budget’s proposed downsizing and relocation of the National Institute for Food and Agriculture (NIFA).

According to the Explanatory Notes, the proposed FY 2020 Budget would discontinue or reduce at least two dozen ERS research missions. These budgetary decisions would weaken drastically the ability of Committee to determine whether the 2018 Farm Bill has been implemented as Congress intended and to conduct relevant oversight activities of USDA’s Research Education and Extension (REE) Mission. It is difficult to choose among so many proposed research terminations and reductions to bring to the Committee’s attention for discussion with Dr. Hutchins. However, we have selected three as illustrative of the impediments raised by the discontinuation, cutting or transfer of ERS research, whether through the budgetary process or through staff reduction resulting from the relocation of ERS.

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<sup>1</sup> IATP is a nonprofit, 501(c)(3) nongovernmental organization, headquartered in Minneapolis, Minn., with offices in Washington, D.C. and Berlin, Germany. We have communicated our views on the 2018 Farm Bill as a member of the National Coalition on Sustainable Agriculture and in opposition to the relocation of the USDA’s Economic Research Service and National Institute for Food and Agriculture, as a member of Friends of Agricultural Statistics.

<sup>2</sup> <https://www.obpa.usda.gov/16ers2020notes.pdf>

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- **Discontinue research and data collection on the U.S. rural economy:** ERS studies of the rural economy include but go beyond the programs in the Rural Development Title of the 2018 Farm Bill. As a primary federal statistical agency, ERS data collection serves not only as the basis for its own research but for that of other agencies. The objectivity of ERS studies provides a research and data basis for policy decisions and implementation correction during and after the term of the 2018 Farm Bill. A relevant question for Dr. Hutchins would be, “If ERS research and data collection on the U.S. rural economy are discontinued, how will you provide evidence that the statutory obligations of the REE Mission and our Committee’s oversight obligations of Rural Development Title are fulfilled?”
- **Discontinue all ERS research on USDA food assistance and nutrition programs:** Since these programs account for about 76 percent of budgetary outlays in the 2018 Farm Bill, it is vital that the Committee have objective data collection and research on who is using these programs, how they are being used and with what results, not only regarding nutrition, but also regarding nutrition related educational outcomes, in the case of USDA supported school breakfast and lunch programs and of WIC related infant and new mother health indicators. A relevant question for Dr. Hutchins would be, “If ERS research on USDA food assistance and nutrition programs is discontinued, how will you provide evidence to enable the Committee to determine that Title IV of the 2018 Farm Bill is implemented in accord with congressional intent?”
- **Discontinue ERS research on "drought resilience, new energy sources (including bioenergy, renewable energy and shale oil and gas) local and regional food markets, beginning farmers and ranchers, invasive species and markets for environmental services:"** This quote from the Explanatory Notes illustrates the broad range of research consequences for Farm Bill implementation of the budgetary and staff crippling of ERS. This Explanatory Note offers many issues to discuss with Dr. Hutchins and each Senator is likely to have a preferred topic for one or more questions, so we need not provide one here.

The overall intent of the USDA FY 2020 Budget is to reduce the number of ERS staff by half, and, we would argue, cut ERS research areas by more than half. At least two-thirds, and perhaps as many as 80 percent, of the 200 ERS employees designated for relocation have told their union representatives that they will leave the agency rather than relocate.<sup>3</sup> These de facto forced departures comprise not only a huge loss of expertise, but also a huge loss of institutional memory. The primary “customers” for ERS research are federal policymakers, not farmers or ranchers. To ban research by budgetary fiat and administrative disruption/relocation based on a flawed cost benefit analysis<sup>4</sup> puts the successful implementation of the 2018 Farm Bill and future Farm Bills for those farmers and ranchers and their rural communities at grave risk. Those Senators who support the relocation of ERS, and the radical reduction of its staff and research

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<sup>3</sup> <https://www.afge.org/publication/usda-economic-research-service-faces-mission-catastrophic-attribution-with-september-move/>

<sup>4</sup> <https://www.aaea.org/UserFiles/file/Report-MovingUSDAResearchersWillCostTaxpayers-AAEARReport2019june19final.docx.pdf>

mission, must explain to their constituents how discontinuing research and data collection on the rural economy, Farm Bill nutrition programs and a host of other research areas targeted for elimination will improve the implementation of the Farm Bill and USDA's REE Mission.

NIFA enables USDA to work with universities to prioritize and fund research, educational programs and, in the case of one hundred land grant universities, help develop extension programs. The "customers" for NIFA research are not farmers and ranchers but the nation's extension agents, who work with NIFA to translate fundamental and applied research into educational programs for farmers, ranchers and others in the agriculture and food supply chain. According to the Explanatory Notes, the proposed FY 2020 Budget would cut the NIFA budget by about \$633 million from about \$2,227 million in FY 2019.<sup>5</sup> The only increase IATP has identified in the proposed FY 2020 NIFA budget is \$9.5 million to relocate the agency. Proposed budget cuts are distributed throughout authorized grant-making programs, with relatively few kinds of research targeted for elimination. Nevertheless, in one section of the NIFA budget some research fields would be eliminated. These include animal health and disease research; aquaculture; minor crop pest management; potato research; alfalfa and forage research; supplemental and alternative crops; farm business management and benchmarking; and capacity building for non-land grant colleges of agriculture.<sup>6</sup> The amount of budget savings, \$39 million, is small. Most of these research fields can be carried out by the Agricultural Research Service or, in some cases by the private sector. However, one of the purposes of NIFA is to evaluate grant proposals coming from all fifty states that will diversify agricultural research, education and extension programs. The diversity of knowledge generated by NIFA grants cross-pollinates with that of USDA and the private sector, who might otherwise ignore or underestimate the value of research not generated in house, particularly for neglected research fields, such as "minor crops."

About one-third of NIFA staff have indicated that they will leave the agency rather than relocate. Another third plan to move temporarily while they look for other employment.<sup>7</sup> Relocation causing this much disruption will reduce agency expertise and institutional memory for grant program design, evaluation of grant applications and evaluation of grant results. Committee members should ask Dr. Hutchins what is the value added to carrying out USDA's REE Mission by slashing NIFA's budget and impairing its expertise and institutional memory through a relocation announced without public stakeholder consultation, without a thorough cost benefit analysis and without much more than a rhetorical justification about moving the agency to be geographically nearer to its "customers." Dr. Hutchins will surely defend Secretary Perdue's plan. But you are obliged to ask whether that plan will serve the national interest in REE and the implementation of the 2018 and future Farm Bills.

Thank you for your consideration of these comments.

Respectfully,  
Steve Suppan, Ph.D.  
*Senior Policy Analyst*

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<sup>5</sup> <https://www.obpa.usda.gov/19nifa2020notes.pdf> at 28.

<sup>6</sup> Ibid at 33.

<sup>7</sup> <https://www.dailyyonder.com/usda-agencys-relocation-affect-grantmaking-abilities-union-says/2019/07/10/32779/>

