

Statement by Dr. Rajiv Shah
Under Secretary for Research, Education, and Economics
Before the Subcommittee on Conservation, Credit, Energy, and Research
Committee on Agriculture, U.S. House of Representatives
September 30, 2009

Chairman Holden, Ranking Member Goodlatte and distinguished Members of the Subcommittee, I appreciate the opportunity to discuss the programs delivered by my mission area in the U.S. Department of Agriculture (USDA). As Under Secretary for Research, Education, and Economics, I oversee four agencies: the Agricultural Research Service (ARS), the Cooperative State Research, Education, and Extension Service (CSREES), which on October 1, 2009 will become that National Institute for Food and Agriculture (NIFA), the Economic Research Service (ERS) and the National Agricultural Statistics Service (NASS).

Mr. Chairman, I am convinced that right now is our opportunity – yours in Congress, ours in the Administration, and with the help and support of the American people – to bring about transformative change in the way we do science at USDA. Secretary Vilsack has made improving quality of life for families in rural communities a centerpiece of USDA's overall mission. The Secretary has repeatedly acknowledged how this Congress and the Administration have helped to provide the building blocks for a new rural economy. These building blocks include renewable energy, local and regional food systems, and nutrition – all of which can be advanced through research. We can build on tremendous recent scientific discoveries – incredible advances in sequencing plant and animal genomes, and the beginnings of being able to understand what those sequences actually mean. We have new and powerful tools in biotechnology and nanotechnology. And we have bold new ideas about how to target and leverage our resources in ways that will harness the power of agricultural science for our health, wellbeing, and our environment.

Office of Chief Scientist

Congress gave me two powerful tools for cultivating transformational change at USDA in the 2008 Farm Bill – the establishment of a National Institute of Food and Agriculture (NIFA) and the creation of a Chief Scientist at USDA. These are big, bold steps, and I thank you for the foresight and leadership to put these two initiatives in place. I will be using the role of Chief Scientist to focus our resources where scientific breakthroughs can fundamentally change the way we address some of the most vexing of society's problems, from food safety and food security to climate change. As Chief Scientist, I also want us to re-think the scale of scientific

endeavor at USDA to enable us to harness the best science, and to give us the ability to leverage our investments with partners from the Federal science enterprise, industry, and academia. In addition, I will use the office of Chief Scientist to further Secretary Vilsack's and President Obama's commitment to make sure that our research has impact – that it can be tied to real results for real people and their families. This will require that we think differently about how our research outputs are put to broad use more rapidly.

National Institute of Food and Agriculture

I have begun at USDA a top-to-bottom, systematic review of both our intramural and extramural research assets, with the goal of ensuring that we target the right problems at the right scale to give us the results we want. NIFA is a critical part of that review, and we will use NIFA to make our research portfolio more robust through enhancing competition for the research projects we fund. While we officially open the books on NIFA tomorrow, October 1, the next six months will be a time of great organizational evolution. This new structure – which will be built around problem-specific scientific disciplines – will allow us to better identify the research likely to yield scientific breakthroughs. It also will increase the return on investment of our grant-making process, and to better achieve results for our constituents and the American people. But we also have a rich and varied intramural research base that likewise can be leveraged to ensure the ability to meet the Department's – and the Federal Government's – mission responsibilities. I thank you for giving me the opportunity to initiate this exciting era of change at USDA.

The majority of the specific activities I would like to discuss with you today deal with CSREES as most implementation activity deals specifically with the programs administered by this agency. I am pleased to report to the Committee that we are preparing to make the transition from CSREES to NIFA as seamlessly as possible, and will make sure that our funding recipients do not experience any interruption in service as we move to cement the new research structure provided by NIFA. As the Committee knows, there were changes to many of the programs administered by CSREES and soon to be administered by NIFA. I have been amazed and pleased by the dedication and expertise of the USDA employees who have been crafting these changes that were necessary in implementing the 2008 Farm Bill. Their attention to detail and willingness to work long hours will pay dividends. I also want the Committee to be aware that we did not make these changes without extensive stakeholder input. Without exception we made sure to consult with stakeholders in each of the programs about which I will briefly update you.

Specialty Crop Research

The Specialty Crop Research Initiative (SCRI) was established in the 2008 Farm Bill to solve critical industry issues through research and extension activities. CSREES had a very short time frame in which to implement this program following the passage of the farm bill and before the end of fiscal year 2008. They were successful and have now completed the second round of competitively awarded grants program that give priority to projects that are multistate, multi-institutional, or trans-disciplinary; and include explicit mechanisms to communicate results to producers and the public. This newly created program in phase two received more than \$300 million in applications for the \$50 million in mandatory funding made available. All of these projects were matched dollar for dollar.

Organic Agriculture Research and Extension Initiative

In 2009, \$18 million in mandatory funding was made available for this program through the 2008 Farm Bill. The first round of grants will be announced soon. Grants of up to \$3 million will be awarded to fund projects that will enhance the ability of producers and processors who already have adopted organic standards to grow and market high quality organic agricultural products. Priority concerns include biological, physical, and social sciences, including economics. This program is particularly interested in projects that emphasize research and outreach that assist farmers and ranchers with whole-farm planning and ecosystem integration.

Agriculture and Food Research Initiative

The Agriculture and Food Research Initiative (AFRI) replaces the program formerly known as the National Research Initiative. Section 7406 of the Food, Conservation, and Energy Act established a new competitive grant program to provide funding for fundamental and applied research, extension, and education to address food and agricultural sciences. AFRI Grants shall be awarded to address priorities in United States agriculture in the following areas:

- A) Plant health and production and plant products;
- B) Animal health and production and animal products;
- C) Food safety, nutrition, and health;
- D) Renewable energy, natural resources, and environment;
- E) Agriculture systems and technology; and
- F) Agriculture economics and rural communities.

I am pleased to report that after extensive stakeholder input, the annual priority areas for the Agriculture and Food Research Initiative were announced in March 2009. Previously, CSREES published a Program Announcement on December 17, 2008, providing an initial announcement about the administration of AFRI for FY 2009.

Biomass Research and Development Initiative

CSREES along with the Department of Energy (DOE) Office of Biomass Programs competitively award Biomass Research and Development Initiative (BRDI) grants to eligible entities to research, develop, and demonstrate biomass projects (as defined in parts 1(A) & 1(B) of section 9008 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101 et seq.) as amended). The three main Technical Areas are: (1) Feedstocks Development, (2) Biofuels and Biobased Products Development, and (3) Biofuels Development Analysis. This is a joint solicitation with DOE managing the pre-application process and CSREES managing the full application process for this \$20 million program. Announcement of grant awards will be completed in October.

Expanded Food and Nutrition Education Program

The CSREES' Expanded Food and Nutrition Education Program (EFNEP) is a unique program that currently operates in all 50 states and in American Samoa, Guam, Micronesia, Northern Marianas, Puerto Rico, and the Virgin Islands. It is designed to assist limited-resource audiences in acquiring the knowledge, skills, attitudes, and changed behavior necessary for nutritionally sound diets, and to contribute to their personal development and the improvement of the total family diet and nutritional well-being. The Farm Bill called for inclusion of 1890 Institutions into this program. This change has been incorporated, as have changes in the formula for allocating excess funds to 1890 Institutions. Each 1862 and 1890 Institution will receive a minimum of \$100,000 as prescribed by the legislation.

Smith Lever 3(d) Programs

Smith –Lever 3(d) funds are allocated to the states to address special programs or concerns of regional and national importance. The Farm Bill amends these programs to expand the eligibility to the 1890 Land-Grant Institutions and required that funds be awarded on a competitive basis with the exception of the Expanded Food and Nutrition Education Program, which is distributed on a formula basis. The University of the District of Columbia also was made eligible for these programs. Included in these programs are Pest Management, Farm Safety, Children, Youth and Families at Risk, New Technologies for Agriculture Extension, Federally-recognized Tribes Extension Program and the Sustainable Agriculture (SARE) program. Again, the agency sought and received stakeholder input from all of the programs areas that were affected. We feel that each of the areas was provided ample opportunity for input and, for the most part, the transition was quite successful.

Hispanic Serving Agricultural Colleges and Universities

The Farm Bill called for several new programs and inclusion in current programs for Hispanic Serving Institutions. CSREES conducted stakeholder sessions to determine how best to proceed on determining qualifications for a Hispanic Serving Institution to qualify for the various programs. We expect very soon to formally announce those qualification factors, with publication of an interim rule.

Beginning Farmer and Rancher Development Program

Farmers over the age of 55 own more than half the farmland in the United States. But the number of new farmers and ranchers over the age of 35 is increasing, as is the number of smaller farms and ranches nationwide. To address the needs of this changing generation, Section 7410 of the Food, Conservation, and Energy Act of 2008 made \$18 million available in Fiscal Year 2009 to fund a Beginning Farmer and Rancher Development Program (BFRDP). According to the legislation, a beginning farmer is considered to be a person who has 10 years or less of experience operating a farm or ranch. In 2007, approximately 21 percent of family farms met that definition. CSREES soon will announce the first round of these grants. Grants of up to \$300,000 will be available in this first year of the program.

Veterinary Medicine Loan Repayment Program

On September 8, the public comment period ended for the interim final rule for the Veterinary Medicine Loan Repayment Program. This program, much anticipated by all Agriculture animal stakeholders large and small, focuses on relieving the shortage of food-supply veterinarian shortages in rural agriculture production areas of the United States, and directly impacts the capacity and readiness of our National food safety infrastructure. It also relates directly to international food security because food animal veterinarians are the first line of defense against incursion of high consequence trans-boundary animal diseases that could close borders to trade (e.g., BSE, avian influenza, and foot and mouth disease). The program will be rolling out over several months in its first incarnation and first awards are anticipated to be made next summer. It is possible that the program will have an accumulated \$8 million available to incentivize, through educational loan repayment, veterinarians to fill positions where the food-supply veterinarian shortages are most severe.

Conclusion

I appreciate the opportunity to testify before this Subcommittee today, and I look forward to working with you, Mr. Chairman, Ranking Member, and all the Members of this Subcommittee as we continue our hard work to ensure that USDA is responsive to the needs for Agriculture Research, Education, and Extension. This concludes my statement. I will be glad to answer questions you may have.