

Chairman Robert Aderholt
Hearing on FY 2014 Budget Request from the Farm & Foreign Agricultural
Services Mission Area of USDA

April 25, 2013

As Prepared

Today we begin our review of the fiscal year 2014 budget request from the agencies of USDA's Farm and Foreign Agricultural mission area. While the FDA Appropriation hearing tomorrow will be our last regularly scheduled appropriation hearing, today is our last of nine USDA budget hearings for fiscal year 2014.

I want to welcome Mr. Michael Scuse, USDA's Under Secretary for Farm and Foreign Agricultural Services (FFAS); Mr. Juan Garcia, Administrator, Farm Service Agency (FSA); Ms. Suzanne Heinen, Administrator, Foreign Agricultural Service (FAS); Mr. Brandon Willis, Administrator, Risk Management Agency (RMA); and, Mr. Mike Young, USDA's Budget Director.

Many of our fellow Americans don't see the behind the scenes work of this mission area, though the vital programs managed by these agencies help farmers, ranchers and growers produce an abundant supply of diverse foods for U.S. citizens and people around the globe. From the farm operating loans for beginning farmers to the crop insurance needed to management financial risks to the agricultural attaché in a foreign country fighting for U.S. market share, we expect this mission area to provide many services that are critical to backbone of the agricultural economy.

The ongoing challenge for this subcommittee is to provide limited resources to the highest priority needs of agriculture and often times, the priority with the greatest return on investment. As your testimony points out, this mission area has made a number of positive steps to control costs – closing 125 field offices and two overseas offices; condensing the number of reporting dates for reporting acreage and crop data; and reducing staffing levels by using existing authorities. You also have a positive story to tell on trade. That being said, there is always room for improvement in the way USDA manages taxpayer dollars.

The FY 2014 President's Budget for the Farm and Foreign Agricultural Services Mission Area seeks total discretionary funding of \$2.032 billion, of which approximately \$1.59 billion is for Farm Service Agency Programs and \$373.3 million is for Foreign Agricultural Service Programs. While there are smaller increases and decreases, the one major change on the discretionary side is a proposal to fundamentally change the nearly 60 year old PL 480, Food for Peace program in this appropriation by transferring the nearly \$1.4 billion to USAID. Additionally, with just a 2 percent increase in loan support, the request estimates a 22 percent increase in loan authorizations for farm ownership and operating loans. This backing will help an estimated 34,000 farmers and ranchers. I look forward to getting answers to a number of questions I have on the President's request.

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