



555 E. Wells Street, Suite 1100 | Milwaukee, WI 53202 | (414) 918-3190 | Fax: (414) 276-3349 | www.aaea.org

April 11, 2019

The Honorable John Hoeven
U.S. Senate
Chair, Appropriations Subcommittee on
Agriculture, Rural Development, Food and Drug
Administration, and Related Agencies
Washington, DC 20510

The Honorable Sanford Bishop
House of Representatives
Chairman, Appropriations Subcommittee on
Agriculture, Rural Development, Food and Drug
Administration, and Related Agencies
Washington, DC 20515

The Honorable Jeff Merkley
U.S. Senate
Ranking Member, Appropriations Subcommittee on
Agriculture, Rural Development, Food and Drug
Administration, and Related Agencies
Washington, DC 20510

The Honorable Jeff Fortenberry
House of Representatives
Ranking Member, Appropriations Subcommittee on
Agriculture, Rural Development, Food and Drug
Administration, and Related Agencies
Washington, DC 20515

Re: Maintain and Strengthen Support for Economic Research in USDA REE Mission Area for FY20

Dear Chairmen Hoeven and Bishop and Ranking Members Merkley and Fortenberry:

The Agricultural and Applied Economics Association (AAEA) supports maintaining and strengthening support for economic research programs at the U.S. Department of Agriculture. A high priority is to sustain the excellence of research at the USDA Economic Research Service (ERS) and the National Institute of Food and Agriculture (NIFA) within the [Research, Education, and Economics Mission Area \(REE Mission Area\)](#).

We strongly support the high-caliber, unbiased, timely, and scientifically rigorous national-level economic statistics and research coming from the USDA ERS. Equally important are the competitive and formula funds that support agricultural and applied economics research within USDA NIFA. Together, these agencies provide invaluable economic data and analysis to farmers, communities, land-grant and non-land-grant universities at regional, state and local levels. Sustaining excellent economic research requires sustained appropriations for their operations as well as maintaining their functional integrity. We have four specific requests for your consideration during the fiscal year 2020 (FY20) appropriations process.

Members of the AAEA work in academic and government institutions as well as in industry and not-for-profit organizations. Our members engage in a variety of research, teaching, and outreach activities related to economics and management in agriculture, the rural environment, food, health, and regional development. We place the highest value on rigorous, objective analysis of high-quality data in conducting economic research. With that in mind, we offer the following requests for your consideration:

1. The USDA ERS is an essential part of the agricultural research, education and economics system. We are deeply concerned by the President's FY20 budget proposal, which proposes to cut the agency's operating budget by 47%. The Administration's request would reduce total ERS funding by \$25.8 M



AAEA

Agricultural & Applied
Economics Association

555 E. Wells Street, Suite 1100 | Milwaukee, WI 53202 | (414) 918-3190 | Fax: (414) 276-3349 | www.aaea.org

and would redirect \$15.5 M toward relocation compared to the budget enacted in FY19 (\$86.7 M). These changes would eliminate or decimate programs and staff affiliated with [Agricultural Markets and Trade](#), [Farms, Conservation](#), [Agricultural Research and Development](#), [Food Assistance](#), [Nutrition and Diet Quality](#), [Rural Economy and Well-being Research and Analysis](#), and [Food Safety Research and Analysis](#). **We ask that you maintain funding for ERS operations at \$87 M and not permit any of those funds to be used for the relocation or break-up of the agency.**

2. The National Institute of Food and Agriculture (NIFA) plays a critical role in supporting extramural research around the nation via both competitive funds and formula funds. We are pleased to see the President's FY20 proposal to increase NIFA funding overall. We commend USDA for including \$500 million for Agriculture and Food Research Initiative (AFRI) in its FY20 budget request. We note specifically the proposal to boost the AFRI competitive grant program from \$415 M to \$500 M in FY20. However, we are concerned that the budget request comes at the expense of other vital research, education and extension programs. **Thus, in coordination with other supporters of agricultural research, we ask that you support increasing AFRI funding to at least \$445 M.**
3. As one of the primary statistical agencies of the federal government, the ERS must abide by the Office of Management and Budget (OMB) directive that requires federal statistical agencies to conduct data collection and analysis with utmost objectivity. Even an appearance of political influence is forbidden. Yet, moving the ERS out of the USDA Research, Education, and Economics (REE) mission area and into the Office of the Secretary would do just that. **Hence, we appreciate that you asked in the FY19 omnibus appropriations bill for an *indefinite delay* to any realignment or reorganization of the ERS that would move it outside of the REE mission area. We urge you to continue taking action to stop the realignment/reorganization of ERS outside of the REE mission area.**
4. The Administration announced in August 2018 its intention to relocate the ERS and NIFA outside of the National Capital Area. Because the long-distance relocation of any agency incurs significant costs and performance losses due to employee attrition, such relocation is an inappropriate use of taxpayer resources if not strongly justified by an objective and rigorous benefit-cost analysis. **Given that no objective, rigorous cost-benefit analysis was provided with the President's FY20 budget request, despite the appropriators' request in the FY19 enacted appropriations, we take the position that no appropriations should be made available to support relocating the ERS or NIFA.**

While this letter is in regard to the Research, Education, and Economics Mission Area, we would like to also express support for the work of the Office of the Chief Economist. The OCE and its staff also require adequate financial support and avenues of coordination in order to serve the American people.

The future of our agricultural and food sector is vital to the health of our nation. The Agricultural and Applied Economics Association makes these requests in the interests of strengthening the data and analysis needed to support the competitiveness, prosperity, and sustainability of America's food system.



AAEA

Agricultural & Applied
Economics Association

555 E. Wells Street, Suite 1100 | Milwaukee, WI 53202 | (414) 918-3190 | Fax: (414) 276-3349 | www.aaea.org

Sincerely,

David Zilberman
AAEA President
California

Keith Coble
AAEA President-Elect
Mississippi

Scott M. Swinton
AAEA Past President
Michigan

Jeffrey Dorfman
AAEA Director
Georgia

Madhu Khanna
AAEA Director
Illinois

Kathy Baylis
AAEA Director
Illinois

Norbert Wilson
AAEA Director
Massachusetts

Marc Bellemare
AAEA Director
Minnesota

Rodolfo Nayga Jr.
AAEA Director
Arkansas

CC to:

Members of the Senate Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

Members of the House of Representatives Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

The Honorable Pat Roberts, Chair, Committee on Agriculture, Nutrition, and Forestry, United States Senate

The Honorable Collin Peterson, Chair, Committee on Agriculture, U.S. House of Representatives

The Honorable Debbie Stabenow, Ranking Member, Committee on Agriculture, Nutrition, and Forestry, United States Senate

The Honorable K. Michael Conaway, Ranking Member, Committee on Agriculture, U.S. House of Representatives