



**U.S. House Committee on Agriculture
Subcommittee on Biotechnology, Horticulture, and Research**

RE: A 2022 Review of the Farm Bill: Horticulture and Urban Agriculture

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Submitted by:

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Good morning and thank you Chairwoman Plaskett and Ranking Member Baird for the opportunity to speak today. My name is Bruce Kettler and I serve as the Director of the Indiana State Department of Agriculture (ISDA). I have over 30 years of agricultural leadership experience and knowledge of production agriculture, sales and agriculture supply businesses. Prior to joining ISDA, I spent 11 years at Beck's Hybrids and 17 years at Dow AgroSciences where I worked in a variety of roles including sales, marketing and public and industry relations.

Indiana is the tenth largest farming state in the nation, and we have more than 56,000 farms. While our top commodities are corn, soybeans, livestock and dairy, we grow many specialty crops as well. We are #2 in popcorn, #3 in tomatoes, #4 in pumpkins and peppermint and #5 in watermelon.

In addition to my role as Director at ISDA, I also serve as the second vice president for the National Association of State Departments of Agriculture (NASDA). NASDA is a nonpartisan, nonprofit association that represents the elected and appointed commissioners, secretaries, and directors of the departments of agriculture in all fifty states and four U.S. territories. NASDA grows and enhances American agriculture through policy, partnerships and public engagement.

As the state regulators and co-regulators with federal agencies, NASDA members are actively involved in ensuring the safety of an abundant food supply; protecting animal and plant health, implementing conservation programs; and promoting the vitality of rural communities.

I. Introduction

As we begin today's hearing, it is important to first recognize the importance of the Agriculture Improvement Act of 2018 (2018 Farm Bill). The 2018 Farm Bill was a unified, bipartisan bill that secured a commitment to American farmers and ranchers, while protecting the critical food and nutritional assistance programs for those who need it most.

"Uncertainty" sends chills down the spine of farmers as they attempt to make critical business decisions. "Uncertainty" impacts families in need of assistance with putting food on the table. "Uncertainty" disrupts the food supply chain as we witnessed throughout the pandemic.

As the House Committee on Agriculture begins hearings for the 2023 Farm Bill, it is vital Congress provides “Certainty” by delivering a forward-looking, fully funded Farm Bill, on time. If the pandemic and the recent events unfolding in Ukraine have taught us anything, it is that this Farm Bill, and all future Farm Bills are an issue of national security.

II. Cooperative Federalism

State departments of agriculture play a critical role in food and agriculture policy in the United States. As regulators and advocates for the agriculture industry, NASDA’s voice is unique in the nexus between the states and the federal government. NASDA members lead in areas ranging from food safety to resource conservation and promote agriculture locally and abroad.

In a time of increased risk and challenges for the agriculture industry, federal legislation and regulations should work to promote economic stability while guaranteeing a safe and accessible food supply.

This work must be a joint venture between the states and federal government. Looking forward, NASDA calls for a renewed commitment to Cooperative Federalism. It is critical this partnership between states and the federal government recognizes and enhances the role of states in federal policymaking. Due to the importance of Cooperative Federalism in advancing agriculture, we promote the following principles:

1. Advancing the role of states—as co-regulators and not simply stakeholders—in the federal regulatory process
2. Ensuring federal legislation reflects the unique role states serve in implementing federal legislation
3. Increasing flexibility for state program delivery
4. Enhancing resources for states and no unfunded mandates
5. Supporting the roles and respecting the authorities of states.

III. Specialty Crop Block Grants

We at the Indiana State Department of Agriculture have administered the Specialty Crop Block Grant Program (SCBGP) since its inception in 2006 and we appreciate that the law gives this role to the states. Some of the program’s greatest successes have been research focused in partnership with our land-grant university, Purdue. One such example is Dr. Krishna Nemali’s 2017 project “Research-Based Extension Education Program for Increased Year-Round-Profitability in Hydroponic Lettuce Production” that was funded through the Specialty Crop Block Grant Program. Hydroponics are a specialized, expanding and capital-intense cropping system and many Indiana growers lack access to training and updated research on this production method. This project conducted research on varietal trials, developed nutrient management strategies, and helped understand the effects of root-zone heating and supplemental lighting on profitability. In addition, the extension element of the program supported an annual Hydroponics Workshop and supported the development of educational materials for growers.

While the Specialty Crop Block Grant Program is effective in enhancing specialty crops throughout the state and nation, it is not without its challenges. One difficulty our team faces every year is answering the question, “What is a specialty crop?” The current definition is broad and creates confusion on which crops make the cut. Sunflowers are one example. As an oil crop they are deemed ineligible, but there is no guidance on if they are eligible within the category of cut flower products. The USDA list is helpful but not all-inclusive and sometimes it creates more questions than answers.

Another challenge of the program is finding proposals that meet the parameters laid out by USDA concerning increasing market access and promoting increased sales. Sometimes the goal is to simply sustain markets that might otherwise be declining. Often the best applications for funding are those from large universities who have grant writing resources, and these proposals are almost all tailored towards research or education. While this is important work, we see a need for both maintaining and enhancing market access for our specialty crop industry. Smaller groups and businesses are often the ones proposing market access projects but due to a lack of staff or experience with grants, they either don't apply or struggle to pull together a quality application. These organizations have the knowledge and ideas that would benefit their local specialty crop industry, but they don't have the same access to the program. We ask that the Committee consider allowing USDA to direct funds to be used for technical assistance for the grant application process, and that the grant parameters be expanded to address the current and future needs of the industry.

NASDA recommends increasing funding for the SCBGP while ensuring a flexible, locally responsive and state-led program.

IV. Invasive Species

Invasive species concerns vary from state to state and every year, new outbreaks of invasive species are found in the U.S. They threaten all types of crops as well as forestry, livestock, human health, and the environment. It's estimated that invasive species cost the U.S. economy \$21 billion per year, with agriculture being the sector hit hardest. In Indiana for example, the spotted lanternfly was recently discovered in Switzerland county. Our state has expended numerous resources to ensure it doesn't continue to spread and wreak havoc on our vineyards, orchards and hardwoods industry.

While many federal and state programs are in place, the level of resources needed to combat the problem is nowhere close to being able to adequately deal with the issues at hand. NASDA has a long history of supporting and advocating for the federal government's role in preventing, eradicating or controlling invasive species and diseases. They also promote federal-state cooperation leading towards the expansion of states efforts to identify, respond to, eradicate and control invasive pests and diseases. These collaborative efforts come through access to mandatory funding through the CCC, as well as pursuing discretionary appropriations for federal and state early detection and rapid response programs, risk-based programs, emergency management, support for research and survey advancements and funding for management and control options.

NASDA supports an increase in baseline funding for the highly successful Plant Pest and Disease Management & Disaster Prevention Program and the National Clean Plant Network to provide additional tools for domestic invasive species issues. Bold action is needed to mitigate and prevent invasive species' catastrophic impact to farmers and ranchers.

V. FSMA and Food Safety Education

Our current food safety regulatory system is the shared responsibility and partnership between local, state, and federal governments. The Food and Drug Administration (FDA) is responsible for ensuring that domestic and imported food products are safe, sanitary, nutritious, wholesome and properly labeled. While FDA has primary authority in the food safety network, there is an entire system of complementary state and local laws working in harmony to protect our national food supply. Because all problems exist

locally first, states often act as a lookout for emerging issues and can rapidly respond, often before such issues rise to the level of national concern, and before FDA takes action.

State departments of agriculture are the front line of protection for consumers when it comes to food safety. To support FDA's mission, the statute recognizes the necessity for federal-state cooperation allowing state agencies to assume primary responsibility for the actual inspections, enforcement, training, and carrying out a wide range of other food safety regulatory activities. For example, FDA contracts with states to monitor medicated animal feeds and to investigate incidents of pesticide or drug residues in foods. Approximately 80 percent of domestic food safety inspections in the United States are completed at the state and local level.

Currently, 46 states, including Indiana, and one territory have entered into cooperative agreements with the FDA to educate and/or regulate farms subject to the law based on a framework NASDA developed through its agreement with FDA. This model of "educate before and while you regulate" has been extremely effective in Indiana in bringing farms into compliance with the Food Safety Modernization Act (FSMA). NASDA also developed an OFRR program to foster a dialogue between the farmer and the regulator and/or educator about the requirements of the Produce Safety Rule. The program develops a cooperative relationship between the grower, educator and regulator and is helpful not only in implementing the Produce Safety Rule but also beneficial with responding to a food safety outbreak.

I encourage the Committee to continue prioritizing outreach and education. In order to meet the prevention goal of FSMA, funding for this program and continuing education (such as for educating farmers on the recently proposed water rule) will be vital.

NASDA recommends the Committee provide resources to assist producers in complying with the Food Safety Modernization Act. There are several other priority areas that would advance food safety on the farm that state programs are involved in that we think should be funded. We are in the process of developing specific recommendations and will provide more details to the Committee once we finalize our recommendations.

VI. FIFRA Interagency Working Group

As agriculture continues to grow and change, it is more important than ever for farmers to have adequate tools in their toolbox. Therefore, we supported efforts in the 2018 Farm Bill to establish a Federal Interagency Working Group to address the interrelation between the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) and the Endangered Species Act (ESA). The working group provides a formalized opportunity for the five designated member agencies to come together to identify needed improvements to the ESA, with considerations in place for pesticide regulation. Ultimately, this collaboration provides a unique opportunity for EPA to implement FIFRA more effectively and efficiently, with science-based research and collaborative input. As we hear from farmers, growers and industry members every day, this type of collaboration and opportunity for improvement is needed in a world of ever-changing technologies and supply chain disruptions.

As the Committee considers additional oversight and legislation to further these goals, the Indiana State Department of Agriculture along with NASDA believes it is important to emphasize to the Committee that most of the individual state departments of agriculture serve as co-regulators with federal agencies

on numerous federal environmental statutes, including FIFRA and the ESA. Consistent with the objectives of cooperative federalism, states must be involved early and thoroughly in all listing, determination and other ESA regulatory procedures, as they are valuable resources for data and have a greater understanding of local landscapes. As regulatory partners, federal agencies should seek state agency involvement and consultation as the National Marine Fisheries Service and the U.S. Fish and Wildlife Services work toward the ultimate goal of delisting species.

As guidance to the committee, NASDA has established a comprehensive policy on ESA modernization efforts outlined below:

- NASDA supports the goal of conserving threatened and endangered species. Any program must also preserve private property rights and allow for a balance between agricultural production and species conservation;
- NASDA believes listing and delisting decisions must be based on reasonable scientific criteria and sound science. Further, any decision-making in the petitioning, determination and listing processes should acknowledge and analyze the economic impact to landowners and the surrounding community;
- NASDA supports a greater role for states in implementing and enforcing the Act. NASDA also supports greater partnership between the states and the Services on gathering species and habitat data, the petition and determination processes, preparation of recovery plans, identification of recovery areas, and subsequent delisting;
- NASDA supports voluntary incentive-based agreements with landowners for captive propagation, species population support programs, and alternatives to listings. Landowners should receive certainty from the Services that their cooperation in endangered species protection will not result in increasing demands and regulatory prohibitions on their farming or ranching operation;
- NASDA believes that implementation of the ESA should consider overall watershed and landscape health as a primary goal in the context of threatened and endangered species;
- The listing, designation of critical habitat, and implementation of recovery plans must utilize and solicit landowner feedback and public comment. NASDA supports transparency and extensive public input on the ESA listing, delisting, exemption and recovery processes. Also, NASDA believes the ESA must work towards delisting species while working with landowners. NASDA also supports ESA reform that includes the above tenets;
- NASDA believes EPA and the Services must establish a collaborative, transparent and streamlined consultation process for pesticide registrations. The process should include clearly communicated criteria between EPA and the Services, be based on best available science and eliminate any duplicative steps. Any decisions made between EPA and the Services should not place unreasonable requirements on registrants and producers; and

- EPA and the Services must include adequate time and robust opportunities for input from state departments of agriculture, who regulate pesticides in most states, and other impacted stakeholders. Regulatory decisions should be made in a timely manner that allows affected parties meaningful participation while addressing regulatory certainty.

VII. Hemp

Hemp continues to be a growing industry in agriculture, and since its inclusion in the 2014 Farm Bill, we have seen continued market development and interest at the state and national levels. According to the USDA National Hemp Report released in February of 2022, there were 33,480 acres of hemp harvested in the United States last year, with an estimated value of \$824 million. But there are areas of opportunity to improve our nation's hemp policy to ensure the longer economic viability of hemp.

NASDA supports the growth of the hemp industry, and this includes advocating for hemp to be considered both a specialty crop and an agronomic commodity in the 2023 Farm Bill. Adding hemp to the list of eligible crops within the Specialty Crop Block Grant Program would encourage more research and market development and help lay a strong foundation for the industry to build on. Also, amending the definition of hemp to allow up to one percent (1.0%) THC would provide needed flexibility and ensure more product gets off the farm and into the hands of a processor.

VIII. Urban Agriculture

Urban agriculture plays a valuable role in many states, including Indiana. It is often an opportunity for producers in urban areas to be entrepreneurs while gaining experience and contributing to the local food system. NASDA supports increased opportunities for urban agriculture through a big tent approach where all forms of food and agricultural production are essential. While there exist challenges in developing urban agriculture, including access to land and capital, this type of food production can diversify individuals' income sources, mitigate food deserts, and support community as well as economic development. NASDA supports the Office of Urban Agriculture and Innovative Production at the U.S. Department of Agriculture as authorized by the 2018 Farm Bill.

IX. Local Agriculture Market Program

The NASDA Foundation¹ is part of a Community of Practice Coordinating Organization that works with the USDA Agricultural Marketing Service (AMS) in providing technical assistance support on Local Agriculture Market Program (LAMP) grant opportunities for black, indigenous people of color (BIPOC), rural and other underserved communities. NASDA Foundation hosted webinars to provide resources and information on how to apply to the Farmers Market Promotion Program (FMPP) and Local Food Promotion Program (LFPP) grants. It is through this work that the NASDA Foundation discovered that many black, indigenous people of color individuals and organizations are intimidated by the USDA application process for grant funding. Due to the time, it takes the individuals to learn and apply for grants; black, indigenous people of color businesses, indicated that they do not have the organizational capacity to go through the grant cycle process. A post-technical assistance survey found that more than

¹ NASDA Foundation is the only educational and research organization that directly serves state departments of agriculture in all 50 states and four U.S. territories. NASDA Foundation is a 501(c)(3) nonprofit organization that focuses on education, outreach and research that galvanizes the agricultural industry.

77 percent of BIPOC businesses did not apply for a LAMP grant despite receiving technical assistance, with a majority citing the application processing was both too daunting and time-consuming.

X. Conclusion

Agricultural producers, the rural economy, and communities of every size rely upon a forward-looking, and fully funded Farm Bill. The Farm Bill must provide farmers and ranchers with a reliable safety net. The Farm Bill must provide consumers access to the safest and most affordable food supply. The next Farm Bill must remain unified – securing a commitment to American agriculture and the critical food and nutritional assistance programs for those who need it most. The Farm Bill is an issue of national security.