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FY 2017/FY 2018 Agriculture Appropriations

With Congress set to conclude consideration of FY 2017 appropriations and beginning the process to write FY 2018 appropriations bills, NAWG has several priorities for the future of the wheat industry. NAWG strongly urges Congress to work quickly to complete action on a full FY 2017 agriculture appropriations bill or omnibus, and to work on moving an FY 2018 agriculture appropriations bill through the legislative process.

Protect Funding for Farm Bill Programs. Budget and Appropriations bills have often been used as prime targets for opponents of federal support for agriculture to attack Farm Bill programs. In particular, there have previously been efforts during consideration of the budget resolution and appropriations bills to cut funding for the crop insurance producer support system as well as the delivery system. Such efforts will lead to less participation in the crop insurance program and ultimately lead to more expensive crop insurance policies for all producers. Particularly given the difficult economic conditions in farm country, now is not the time to impose additional costs on producers through more expensive crop insurance premiums.

Sufficient Funding for FSA Loan Programs. FSA direct and guaranteed operating and ownership loans have seen growing demand in recent years as result of low commodity prices. Those programs were maxed out before the end of the last fiscal year and NAWG applauds Congress for including funds for these programs as part of the current continuing resolution. As further work is done on FY 2017 appropriations, full funding is critical to ensure the demands of the program are met.

Funding for Ag Research is Critical to Wheat Farmers. Particularly with a new Administration and new budget priorities on the horizon, NAWG urges you to maintain support for several critically important wheat research programs, including the U.S. Wheat and Barley Scab Initiative and the Small Grains Genomic Initiative, and to provide sufficient funding for ARS labs.

Fusarium head blight (FHD), or scab, is a fungal disease occurring on all small-grain crops grown in the U.S. and is seen most commonly on spring and winter wheat, durum, and barley. Scab causes significant yield losses and quality reductions to wheat flour, and ultimately lower prices paid to farmers due to the quality impact of the fungus. (A 2014 survey by NDSU showed 90% of US flour mills were affected by SCAB.) The U.S. Wheat and Barley Scab Initiative is authorized in the Farm Bill at \$10 million annually, but Congress has not fully funded the program the past few years. The House and Senate versions of the FY 2017 Agriculture Appropriations bill includes a \$2 million increase, though this still falls short of full funding. To support this request from wheat growers, an initial report from an economic impact study by NDSU indicates every dollar invested by the SCAB initiative triggered a return of approximately \$71 to the wheat industry. We urge you to fully fund this initiative in the final FY 2017 appropriations bill and as you write an FY 2018 bill. This research investment has proven to be a viable economic return to our industry and the economy.

There has been a long-term decline in budgets for salaries and expenses due to mandatory, but unfunded, salary increases and lack of inflation offsets. Research capacity, staffing, and facilities all have suffered, as resources are reduced or shifted to other facilities, undermining the ability of the Agriculture Research Service (ARS) to meet its mission. Over the last 10 years, several quality labs and field stations have lost critical scientific personnel due to shifting of research dollars away from those labs. NAWG encourages Congress to provide adequate funding to ARS to meet salary expenses and address critical national agricultural research needs.

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