

**Statement by
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Subcommittee on Biotechnology, Horticulture, and Research
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Chairwoman Plaskett, Ranking Member Baird, and Members of the Subcommittee, thank you for the opportunity to appear before you today to share the U.S. Department of Agriculture's (USDA) efforts to build more and better markets for producers and consumers, including through the implementation of the Horticulture Title of the Agriculture Improvement Act of 2018 (2018 Farm Bill).

It is an honor to serve the American people as the Under Secretary for Marketing and Regulatory Programs and to be with you here today. My mission in this job is simple. It's to be the best advocate I can be for the farmers, ranchers, producers, consumers, and communities we serve.

My roots are in agriculture. I grew up on a farm in a rural area where I saw firsthand how important farmers, ranchers, and producers are to their communities and to our country. I know, and you know, how hard they work and the challenges they face every single day to provide the food, fiber, and fauna that shape so many aspects of our economy and way of life.

During the pandemic, we saw just how hard individuals in roles across all links in the food supply chain worked to feed Americans and just how many challenges they faced. We saw the last few years highlight long-term systemic challenges, even as we also saw the food system adapt, innovate, and persevere.

Now we as a country have a unique chance to learn from the lessons of the last few years and move beyond them to build upon that adaptation and innovation to support a food system that's stronger, more resilient, and more equitable than before. Our ability to feed ourselves is a matter of national security, nutrition security, and economic security. As President Biden has said, we have the opportunity to build the economy not from the top down, but from the bottom up and the middle out. This work provides a direct opportunity to invest in rural communities in ways that will support prosperity for generations to come.

That's why USDA is committed to addressing those challenges by building more and better local, regional, national, and international markets for producers and consumers while ensuring animal and

plant health. I'm excited to share more details on that work with you today, and to work with the Committee and Congress as you draft the next Farm Bill.

Local Agriculture Market Program

There is no one size fits all to fix to these challenges. Success is going to take new partnerships, new innovations, and new ways of thinking and a recognition that solutions are likely to vary place to place. Thanks to Congress, we already have some strong tools in our toolbox, including the Local Agriculture Market Program (LAMP) that I would like to highlight first today.

Just last month, I visited an innovative collaboration in Georgia. Now, Georgia is a state with a lot of fruit and vegetable production, but in bustling Atlanta, access to these local healthy fruits and vegetables has been limited in certain communities. The Metropolitan Atlanta Rapid Transit Authority (MARTA) came together with organizations including Community Farmers Markets, Atlanta Community Food Bank, Open Hand, and Wholesome Wave Georgia to start fresh markets at five transit stations. These markets accept cash, credit, debit, and Supplemental Nutrition Assistance Program (SNAP) Electronic Benefit Transfer cards. SNAP benefits are doubled at the market through the Double Up Food Bucks program. This work, now in its seventh year, was boosted with a USDA Local Food Promotion Program grant funded by the 2018 Farm Bill, which is a part of the larger LAMP authorization. I truly loved seeing how this innovative partnership transformed food and nutrition insecure communities into opportunities both for the people living there and the farmers who grow produce in the state.

The Local Food Promotion Program that supported the MARTA project is part of LAMP, which was established in the 2018 Farm Bill, with Congress providing \$50 million a Fiscal Year in mandatory funding starting in FY19. Congress has also provided discretionary appropriations for some of the programs that are a part of LAMP and in 2021 a supplemental appropriation of \$100 million was provided for LAMP through the Consolidated Appropriations Act of 2021. USDA's LAMP grant programs also consist of the Farmers Market Promotion Program and the Regional Food Systems Partnerships at Agricultural Marketing Services (AMS) and the Value-Added Producer Grants run through USDA's Rural Development.

As I have traveled the country, I have heard repeatedly how AMS's LAMP grants have been a catalyst to support and energize local and regional food systems. It's timely that we highlight these programs

today since March is National Nutrition Month. So many of the recipients I've met with are making a real difference when it comes to nutrition security of their communities while also building more and better markets for producers.

In Massachusetts, for example, I visited a farm that had received funding resulting from a Farmers Market Promotion Program grant to the Southeastern Massachusetts Agricultural Partnership. With these funds, the farm is constructing a new farmstand to help build and expand their local markets, particularly focused on growing their customer base to include those using SNAP benefits to ensure that everyone, regardless of income level has access to healthy, fresh food and are able to support their local farmers.

In California, I had the opportunity to meet with Maria, a farmer from just outside Salinas, and hear her story and her struggles as a farmer who hasn't had the same access to programs and markets due to language barriers, size barriers, and production barriers. Thanks to a Farmers Market Promotion Program grant and a Local Food Promotion Program grant received by a local organization, the Community Alliance with Family Farmers, she was able to access in-language support and build market connections including with institutional, food bank, and pantry partners.

Supporting farm to institution growth is a real under tapped opportunity for many local food systems. That is why we have dedicated \$130 million in supplemental American Rescue Plan (ARP) Act funding to promote competition and create more and better markets for local and regional food producers by expanding and strengthening opportunities to sell to institutions, such as universities, hospitals, and settings operated by local, tribal, and state governments. The supplemental ARP funding USDA has dedicated to this farm to institution work is divided into \$65 million for fiscal years 2022 and 2023 each.

Local Food Purchase Assistance Cooperative Agreement Program and the Local Food for Schools Cooperative Agreement Program

I'd be remiss if I didn't mention that we are also currently seeking applications from States, territories, and tribes for the Local Food Purchase Assistance Cooperative Agreement Program and the Local Food for Schools Cooperative Agreement Program. As the LAMP programs work to build capacity for producers to access new markets, these two programs are designed to build and engage local procurement marketing channels while providing nutritious food for food banks, pantries, and schools.

Through both of these programs, we are working with states, territories, and tribes to assist them in building their own unique and flexible plans to purchase and distribute domestic foods from local, regional, small, and underserved farmers and ranchers for use in nutrition programs, building the necessary infrastructure for local and regional procurement along the way.

These programs demonstrate the incredible power and opportunity of partnerships and how they strengthen American agriculture by building new markets and enhancing existing markets for producers of all backgrounds, scale, and scope, as well as how they can work to build a more resilient local and regional food system.

These efforts put rural prosperity front and center, supporting a circular economy where the value added to food happens and stays locally. With these programs both the investment in the food purchased, as well as the food delivered, stays in the broader community, supporting longer term economic growth.

Organic Production

Our work at USDA building more and better market opportunities for producers is also evident in our work on organic markets. Organic agriculture provides a climate-smart option, and ever-changing consumer tastes call for a variety of products and production methods. Nowhere else is that clearer than in certified organic production where consumer demand continues to climb.

At the start of 2022, there were 28,403 certified organic businesses in the United States. U.S. organic retail sales totaled a record \$61.9 billion in 2020, up approximately 13 percent from 2019. Since being confirmed, I've met with current and aspiring organic farmers where I heard about the importance of consistent national standards as well as the need to keep supporting and educating certifiers, and the need to provide wraparound support for transitioning farmers. As someone who grew up on and later managed an organic farm myself, I understand how important this is.

When my dad decided to convert to organic production in the 1980's, I watched him reach out to fellow growers to seek mentorship, guidance, and to get their hands-on expertise on issues like production practices and certification. He was fortunate because we had folks he knew, but not everyone who wants to get into organic agriculture has that same access and support. Those connections are crucial to new and beginning farmer success.

Of course after farmers have transitioned to certified organic production, there also must be a supply chain and markets ready to support organic production. I know many Members of this Committee paid close attention to market disruptions in organic dairy production last year, particularly in the Northeast. This has underscored the broader need to build long-term resilience of regional dairy supply chains and is why USDA announced that we are investing \$80 million in American Rescue Plan Act funding, split between the four existing Dairy Business Innovation Initiatives, to further support processing capacity expansion, on-farm improvements, and technical assistance to dairy producers, including those focused on organic markets.

The Organic brand, supported by robust national standards, is well-recognized and trusted by many consumers. To protect this important brand and ensure consistent standards for our producers, we are working on several rules.

First, we are moving forward with the Origin of Livestock and Organic Livestock and Poultry Practices rules to set how dairy cattle can be transitioned into organic production and clarify the USDA organic standards for these industries, including around production, transport, and slaughter. Both rules are currently under review and I know U.S. organic producers are eager to see them enacted soon.

We are also working to finalize the Strengthening Organic Enforcement rulemaking, which will implement the Farm Bill's Title X provisions to significantly update organic standards to respond to industry growth and the growing complexity of organic supply chains. The rule will also incorporate many recommendations from the National Organic Standards Board to strengthen the integrity of the USDA organic seal. The final rule will be submitted to the White House Office of Management and Budget in the coming months.

Enforcement is a critical component of our organic standards so that consumers have confidence in the brand. Our work to establish the "Organic Agricultural Product Imports Interagency Working Group," as set forth in the 2018 Farm Bill enables USDA and Customs and Border Protection (CBP) to advance joint work on organic import oversight, organic enforcement, and data sharing. This working group meets regularly, with the following key successes:

- facilitating trademark protection of the USDA organic seal;

- facilitating data access to CBP systems;
- enabling AMS staff positioning in the CBP Commercial Targeting and Analysis Center (CTAC);
- supporting inter-agency collaborative efforts to build the NOP electronic organic import certificate; and
- providing essential feedback for the Strengthening Organic Enforcement rule.

This collaboration with CBP also extends to our electronic organic import certificate in CBP's import system (called the Automated Commercial Environment - ACE). This system is designed to modernize existing international organic trade tracking and data collection systems. The organic import certificate was launched in Spring 2020 and is now being used on an optional basis by organic importers.

Certifiers, who generate the import certificate, do not have access to the CBP system, so next, AMS conducted a pilot test and desktop exercises to identify requirements for a fully electronic workflow that will generate and validate certificates outside the CBP system. This technology, which will expand the existing Organic Integrity Database, is now being developed and will be launched concurrently with the implementation of the Strengthening Organic Final Rule. The outcome will be effective oversight of organic imports without slowing legitimate and vital trade.

Hemp

Part of building new markets includes opening the door to new crops to create income streams in support of broader rural prosperity. The 2018 Farm Bill directed USDA to establish a national regulatory framework for hemp production in the United States. USDA published a final rule on January 19, 2021, that provided regulations for the production of hemp in the United States, which became effective on March 22, 2021.

To foster public awareness and input during the regulation-drafting stage, USDA conducted a webinar that hosted more than 4,100 registrants from around the country, engaged with Native American Tribal representatives on multiple occasions, maintained ongoing interaction with multiple internal and external government agencies with related responsibilities, and engaged with global companies with interest in U.S. hemp production. USDA had held hundreds of meetings with industry stakeholders and other Federal partners.

USDA worked diligently to quickly review and approve State hemp plans before the December 31, 2021, statutory deadline. Forty-five states are now operating under USDA approved plans. USDA administers the hemp programs in New Hampshire, Mississippi, Hawaii, North Carolina, and Wisconsin. We continue to work very closely with Tribes to develop their hemp programs and have approved programs for 48 separate Tribes.

Throughout 2020 and 2021, the hemp program developed the Hemp Electronic Management Platform (HeMP) which collects licensing, mapping, testing, disposal, and remediation data from all U.S. hemp producers for sharing with law enforcement as required under the 2018 Farm Bill. The program continues to conduct extensive and critical stakeholder outreach for USDA producers, States, Tribes, laboratories, and law enforcement.

Specialty Crop Block Grants

As we work to enhance markets into the future, the need for research, innovation, education, and marketing only grows. In my previous role at the California Department of Food and Agriculture, I know first-hand how important the Specialty Crop Block Grant Program (SCBGP) – authorized and funded through the Farm Bill – is to the states as they partner with the specialty crop industries to fund critical research, marketing, and education programs that best meet the needs in their states. In California, we funded pest and production research which included key climate-smart agriculture priorities as well as non-research projects, such as, education programs for beginning farmers and marketing programs.

Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621) authorized USDA to provide State assistance for specialty crops, and the 2018 Farm Bill funded the SCBGP through 2023. USDA administers this program by awarding grants to State departments of agriculture to enhance the competitiveness of fruits and vegetables, tree nuts, nursery crops.

Last year, USDA announced \$170 million in grants, which was made possible thanks to \$73 million from the 2018 Farm Bill and an additional \$97 million that Congress provided through the Consolidated Appropriations Act of 2021. Then on January 25, 2022, USDA announced \$72.9 million in available funding for 2022.

This past January, I was able to travel to Washington state to see these grants in action as they support important production research and innovation, as well as market development for apple, pear, and cherry growers in the Pacific Northwest. From research to education to marketing, the program is supporting specialty crops to be more competitive and resilient.

In an effort to further quantify and demonstrate the impact of this program, AMS established standardized national outcome measures to demonstrate the program's performance toward fulfilling its statutory purpose; review annual performance reports, final reports, audit results, and final financial statements; posts final performance reports on the SCBGP website; and disseminate project findings at appropriate meetings and conferences. These updated performance measures for the Specialty Crop Block Grant Program, the Farmers Market and Local Food Promotion Program, the Acer Access and Development Program, and the Dairy Business Innovation Initiatives will not only lead to greater transparency but allow us to disseminate valuable information about the programs. Specifically, for the SCBGP the new standardized national outcome measures will allow for a complete evaluation of the increases in consumption and consumer purchasing of specialty crops, access to specialty crops, food safety knowledge, pest and disease control processes, development of new seed varieties, expanded research, and improved environmental sustainability. The updates, which were announced last July¹, will apply to the fiscal year 2022 grant cycle and beyond.

International Markets and Other Activities

As part of our push for more and better markets, we are also looking to increase the markets outside of the country for American growers. As many farmers and ranchers will tell you, and as many of you know well, trade is essential and is an important economic driver in many rural communities. The United States exported a record \$172.2 billion in farm and food products in FY21, up 23 percent from FY20. Producers, processors, exporters, and rural communities have all benefited, with each \$1 billion in U.S. agricultural exports stimulating another \$1.14 billion in domestic economic activity and supporting more than 7,700 full-time civilian jobs. That means exports support more than 1.3 million American jobs, not just on the farm but also in related industries such as food processing and transportation.

¹ <https://www.ams.usda.gov/services/grants/performance-measures>

Part of enabling this trade success is by ensuring animal and plant health for products coming into the U.S. and those that we are sending to other countries. This means doing all we can to keep foreign pests and diseases out of the country so that our producers can ship their products all around the U.S. and to overseas trading partners who can trust that our products meet their standards. Our Animal and Plant Health Inspection Service (APHIS) - and its valuable employees - strives every day to protect the health and value of American agriculture. In just a few days, on April 2, APHIS will be celebrating its 50th anniversary.

These unsung heroes at APHIS have, for fifty years, kept harmful pests and diseases out and helped to maintain and expand access for healthy agricultural products.

Most of America might not see their work on a day-to-day basis, but they benefit from their impact constantly. I know that I did when I worked on my family's organic farm and when I served at the California Department of Food and Agriculture. As we approach this important anniversary, we should all take a moment to appreciate what the agency has accomplished and how critical its people have been to its success. APHIS, through the hard work of its employees, has provided incalculable value to American agriculture and will continue to ensure that U.S. farmers and ranchers have access to more markets for their healthy products for the next fifty years. I would also like to thank this Committee and Congress for the additional support that was provided to APHIS through the American Rescue Plan to conduct much needed monitoring and surveillance of susceptible animals for SARS-CoV-2 that is supported by our One Health collaboration. Although not the subject of today's hearing, it is another critical part of APHIS' work to prevent, detect, report, and respond to all potential emerging threats to American agriculture, be it plants or animals, and human health.

Outreach and Equity

I want to note, that even as we roll out these incredibly impactful programs, we are doing a disservice if they are not accessible to all. From running my family farm, I experienced firsthand how difficult it can be to maneuver through all the pieces needed to apply for a grant or loan from USDA. Farmers and ranchers don't have extra hours in their day to navigate all the layers of application processes on their own. Having readily available technical assistance to help our farmers and ranchers access all of these programs is just as important as having these programs in place.

For communities that have been historically underserved by the Department, the need for wraparound technical assistance is even greater. That's part of why I'm so proud of the technical assistance work USDA is doing, like the newly announced effort for meat and poultry processors that includes partnerships with the Flower Hill Institute and Intertribal Agriculture Council. These efforts are only the start and I look forward to building on this work in the months and years to come.

Conclusion

Thank you again for the opportunity to be here today and for your leadership in support of American agriculture and your trust in USDA. USDA is committed to working on behalf of the American people to foster more and better markets while we also support climate smart agriculture and forestry, address nutrition and food insecurity, build rural prosperity with a more circular economy, and ensure equity and inclusion in all that we do. I look forward to working with each of you to advance these shared goals through the 2023 Farm Bill.

Working with Congress, I believe we can – and must – continue to support and strengthen markets for American agriculture. Together, we have an opportunity to enhance existing markets, build new markets, and ensure fair markets to enhance rural prosperity, reduce nutrition insecurity, and combat climate change so that American agriculture is even stronger than it is today.

I look forward to working collaboratively with members of the Committee and Congress as you work to draft the 2023 Farm Bill and continue to champion American agriculture. I would be happy to address any questions you may have.