

Statement by
Mr. Lanon Baccam
USDA Deputy Under Secretary for Farm and Foreign Agricultural Services
before the
Senate Appropriations Committee
Subcommittee on Agriculture
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Mr. Chairman and members of the Subcommittee, thank you for this opportunity to provide information on the programs, accomplishments, and objectives of the U.S. Department of Agriculture (USDA) on behalf of our nation's military veterans.

As you know, I recently assumed the role of Deputy Under Secretary for Farm and Foreign Agricultural Services, overseeing the Farm Service Agency and Risk Management Agency.

I also have the honor of serving as the USDA Military Veterans Agricultural Liaison, a position created in the 2014 Farm Bill to coordinate activities throughout the Department, as well as with other government agencies and nonprofits, so that USDA resources reach more active duty military service members and veterans, particularly those interested in exploring or entering agriculture as a profession upon their return to civilian life.

As I'm sure you would agree, our veterans' military service illustrates the type of values held by those of us who grew up in rural America - love for our nation, respect for the land, belief in hard work, and the importance of investing in the freedoms that we are so fortunate to have in this country.

That is certainly true with me. I was born and raised in Mount Pleasant, Iowa, population 8,600. My hometown is where my parents instilled in me that the United States of America offered the greatest possibilities of reaching one's highest potential. It is where I learned the importance of giving back to my country, and it is why I enlisted and spent eight years in the U.S. Army and Iowa National Guard.

During my active duty service in 2004-2005, I served as a combat engineer during a 15-month mobilization and deployment in Kandahar, Afghanistan. I was stationed on a small provincial reconstruction team base and my responsibilities included working to improve our facilities and defenses, as well as explosive demolitions of unexploded ordinances, confiscation of drugs, and improvised explosive devices.

Those who have served in the U.S. military, often from diverse backgrounds and with extensive training, leave the service with unique skills, experiences, and perspectives. These skills and experiences include leadership development, dedication to the mission, a culture of service, and technical know-how, which all translate and can have enormous benefits for farming and ranching.

I am here today to discuss how USDA can serve veterans returning from their service who find themselves drawn to agriculture and to rural America. Providing assistance to returning military veterans is not a new activity for USDA; in fact, during the past eight years, we've achieved some notable results.

Since 2009, USDA has provided \$466.8 million in farm loans to help 3,991 veterans purchase farmland, buy equipment and make repairs and upgrades. Of those loans, our direct operating microloan, which we started offering three years ago to meet the needs of beginning or smaller operations, is also popular with veterans, providing \$25.8 million in support to help veterans start or grow their farming businesses. USDA has recently expanded its microloan program portfolio to include farm ownership as an eligible expense under this program, creating further opportunity. In 2014, to further support access to credit for beginning farmers who are veterans, USDA announced it would recognize leadership positions in the military as a way to satisfy experience requirements when applying for farm operation microloans.

Since 2009, USDA has invested in housing, job training, and financial assistance for veterans, such as providing safe and sound housing through Rural Development's Rural Housing Service by making and guaranteeing 12,368 loans and providing 1,769 grants to veterans. USDA has also invested in training and experience for over 850 veterans through the Veterans Fire Corps, many of which become permanent Forest Service employees. Including our staff located in communities across the U.S., there more than 11,000 veterans employed across USDA.

As we work to expand upon these efforts, USDA is focused on three main goals. First, we are developing and deepening the pipeline that will create paths from military service to careers in agriculture, including careers at USDA. Second, we are meeting an increasing number of transitioning service members at the source (before they leave the military) by integrating agricultural information into transition activities in which active duty service members participate around the world. Lastly, we are working to strengthen and expand the network of support for veterans, including developing outreach resources, leveraging technology, and building strong partnerships with national and community-based veteran organizations. Since the establishment of the Military Veterans Agricultural Liaison position, we have made considerable progress towards these goals

USDA has created new, user-friendly resources for transitioning service members and veterans to increase access to USDA programs, including a Veterans in Agriculture resource booklet, and a one-stop website - www.usda.gov/veterans - that also provides resources for new farmers. This site directly partners with www.usda.gov/newfarmers, which provides new and beginning farmers and ranchers – many of whom are veterans – with one-stop access to the programs, technical assistance, and advice available via USDA, in service of their new and beginning farm businesses.

We've been cultivating more Federal, State, local, and community partners to ensure that information about agriculture careers and USDA programs reach the widest audience of service members and veterans. For example, last fall we joined with the Department of Defense's *Transition Assistance Program* so that USDA could reach an additional 200,000 military veterans and their families, providing information ranging from farm loans, risk management, and conservation programs, to business programs and technical assistance opportunities to the veterans interested in farming and ranching.

In February, we entered into an agreement with *Hiring Our Heroes (HOH)*, a program at the U.S. Chamber of Commerce Foundation that helps military veterans and families find meaningful employment in the civilian workforce, so that these transitioning members can now have access to businesses in the agriculture industry, as well as USDA programs and resources.

And just two weeks ago, I launched the first military-focused agricultural career workshop hosted by USDA, at a HOH Transition Summit at Fort Bliss, Texas, where we introduced service members, preparing to transition from the military, to USDA program information and local staff expertise. USDA staff also participated in a hiring fair, and this Friday, Texas A&M Extension will be providing a local farm tour for those service members whose interest was piqued by the workshop. This is the first of many future agricultural workshops that will be hosted by USDA staff at these Transition Summits nationwide.

The Department's fiscal year 2017 (FY17) budget request reflects our belief that veterans will help lead the next generation of agriculture and builds on the long standing work of this committee and the Department to support our veterans. The FY17 budget includes approximately \$246 million in mandatory and discretionary budget authority, an increase of about \$46 million over the FY 2016 enacted level for New and Beginning Farmers and Ranchers, including veterans. This level of funding will support a program level of more than \$3.3 billion. The request includes an increase of about \$12 million in discretionary budget authority specifically to support military veteran farmers and ranchers. This includes an increase of \$9.2 million in the Farm Service Agency (FSA) to support a program level of \$208 million in direct operating loans, to an estimated 3,800 veteran farmers and ranchers, a guaranteed operating loan fee waiver for veterans, for an estimated \$39 million in guaranteed loans, and a certified training program which will prequalify veterans for eligibility for FSA farm ownership loans. Further, the FY17 budget requests roughly an additional \$20 million to support outreach and coordination activities for New and Beginning Farmers and Ranchers, including veterans.

The budget also requests \$2.5 million for a new competitive Food and Agriculture Resilience Program for Military Veterans (FARM-Vets) through the National Institute of Food and Agriculture. FARM-Vets funding will be used to promote competition for basic and applied research that explores career opportunities and pathways, therapeutic interventions, resource conservation, and related studies for the veteran population in the food and agriculture sector. Understanding why and how best to engage veterans in the agricultural sector is congruent with the critical need to identify a new generation of farmers, livestock producers, and entrepreneurs as an aging workforce transitions to retirement, especially in rural areas where shortages are acute. Similarly, there is a limited body of research that points to the therapeutic value of

working the land in terms of psychological and behavioral health function and benefit. This funding will help us address these needs.

Conclusion

Mr. Chairman, when service members return home, we want them to know that there are real and rewarding opportunities in U.S. agriculture, that rural America has a place for them, and that the U.S. Department of Agriculture has tools and resources to help them follow their dream of starting a farm or ranch business - no matter where they're from.

That is especially important to me because rural America had a place for my family, too. In 1980 my parents and sisters settled in Mount Pleasant, Iowa after escaping from Laos and becoming political refugees in Thailand.

Many of you will remember that the 1960s and 1970s was a period when Southeast Asia was struggling with unrest in the wake of the Vietnam conflict. Militias roamed the countryside fighting for territory and terrorizing families and towns caught in the middle of the conflict. With widespread food shortages and safety threats, hundreds of thousands of refugees fled, leaving behind everything they knew to escape tyranny and famine.

Because America gave my parents a chance, I sit before you today as a proud Iowan and American who served his nation in wartime. That is what America is all about and it is reflected in the spirit of our rural communities. It is why I am honored to be in this position today, to do all that I can to help my fellow veterans secure opportunities and achieve their own personal versions of the American dream, while revitalizing rural America.

Thank you Mr. Chairman, for the opportunity to testify today, and I'd be happy to answer any questions.

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