

# United States Senate

WASHINGTON, DC 20510

December 2, 2019

The Honorable Richard Shelby  
Chairman  
Senate Committee on Appropriations  
Washington, DC 20510

The Honorable Nita Lowey  
Chairwoman  
House Committee on Appropriations  
Washington, DC 20515

The Honorable Kay Granger  
Ranking Member  
House Committee on Appropriations  
Washington, DC 20510

The Honorable Patrick Leahy  
Ranking Member  
Senate Committee on Appropriations  
Washington, DC 20510

Dear Chairman Shelby, Chairwoman Lowey, Ranking Member Leahy and Ranking Member Granger:

As conference negotiations begin to finalize H.R. 3055, which includes the fiscal year 2020 Agriculture Appropriations bill, we write to express our support for robust funding for value-added agricultural product market development grants as authorized by section 210A of the Agricultural Marketing Act of 1946, also known as the Value Added Producer Grants (VAPG) program.

VAPG, which was created in 2000 to help producers mitigate risk, reach new emerging agricultural markets, and capture more of the consumer dollar, has a proven track record of success. VAPG has successfully help thousands of farmers, ranchers, dairymen, and fishermen across the country harness the entrepreneurial spirit and develop value-added enterprises. A 2016 Economic Research Service study of the program showed that businesses that received VAPG assistance were less likely to fail and, on average, VAPG recipients created more jobs (five to six more employees) for their communities than similar non-recipient businesses.

With our support, the 2018 Farm Bill reauthorized VAPG as part of an umbrella program called the Local Agriculture Market Program (LAMP) and provided VAPG with \$17.5 million per year in mandatory funding. Unfortunately, that level of annual funding falls well short of the historic average the program received in combined mandatory and discretionary funding. From fiscal years 2014 through 2018, VAPG received an average of \$25.9 million per year in combined mandatory and discretionary funding. Congress provided the program with \$15 million in discretionary funding from fiscal year 2017 through 2019. The House Agriculture Appropriations bill for fiscal year 2020 included \$15 million in discretionary spending, while the Senate's agriculture spending bill provides zero discretionary dollars for the program.

As agricultural and rural communities continue to struggle through volatile commodity prices, trade uncertainty, and a changing consumer base, programs like VAPG are needed to support independent operations and foster entrepreneurial spirit. We urge you to provide robust discretionary funding for VAPG as agriculture spending legislation for fiscal year 2020 is finalized.

Thank you for your consideration and attention to the matter.

Sincerely,

*Susan M. Collins*

Susan M. Collins  
United States Senator

*Bob Casey, Jr.*

Robert P. Casey, Jr.  
United States Senator

*Chuck Grassley*

Charles E. Grassley  
United States Senator

*Sherrod Brown*

Sherrod Brown  
United States Senator