HEARING TO REVIEW USDA'S INFORMATION TECHNOLOGY SYSTEMS

HEARING

BEFORE THE

SUBCOMMITTEE ON DEPARTMENT OPERATIONS, OVERSIGHT, NUTRITION, AND FORESTRY

OF THE

COMMITTEE ON AGRICULTURE HOUSE OF REPRESENTATIVES

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HEARING TO REVIEW USDA'S INFORMATION TECHNOLOGY SYSTEMS

WEDNESDAY, MARCH 10, 2010

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON DEPARTMENT OPERATIONS,
OVERSIGHT, NUTRITION, AND FORESTRY
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The Subcommittee met, pursuant to call, at 10:06 a.m., in Room 1300 of the Longworth House Office Building, Hon. Joe Baca [Chairman of the Subcommittee] presiding.

Members present: Representatives Baca, Dahlkemper, Peterson (*ex officio*), Fortenberry, King, and Lummis.

Staff present: Claiborn Crain, John Konya, Robert L. Larew, Merrick Munday, Clark Ogilvie, James Ryder, Lisa Shelton, Anne Simmons, April Slayton, Debbie Smith, Brent Blevins, and Sangina Wright.

OPENING STATEMENT OF HON. JOE BACA, A REPRESENTATIVE IN CONGRESS FROM CALIFORNIA

The CHAIRMAN. I would like to call to order the hearing of the Subcommittee on Department Operations, Oversight, Nutrition, and Forestry to review USDA's information technology systems.

I will begin with my opening statement and then I will turn it over to the Ranking Member to make his opening statement. Then I would like to have the Chairman of the Agriculture Committee, Collin Peterson, ask the first question, and then we will allow the witnesses to make their statements.

Good morning. Thank you all for being here before the Subcommittee as we explore the role information technology plays at USDA.

Today we will study how IT is utilized in many different USDA programs. Hopefully, we will be able to determine how IT is making these programs more efficient, more cost-effective, and better for the people they serve. Like most of us, I take IT for granted until I suddenly don't have them. For many USDA programs, IT is not only a convenience, it is an absolute necessity.

For example, during the 2008 Farm Bill, food stamps—the actual coupons—were made invalid. Now, SNAP participants rely completely on the electronic benefits transfer system. This has helped to greatly reduce the negative stigma that many people associated with the use of food stamps.

But this policy change had another purpose, to reduce the rate of fraud within SNAP Programs. Unfortunately, with cases of

SNAP benefits traded for cash being reported, the need for this type of fraud prevention is still present. We have all read the articles that have reported stories about how recipients and certain grocers have defrauded the United States Government, by acting like they are buying food products when, in fact, they are not buying those food products, but getting back the cash. And we are paying for that.

Today's topic is a very large one that affects all programs and agencies within the Department, and within the larger Federal Government. Just yesterday, it was reported that a national biometric ID card may be the newest tool to enforce workplace immigration laws.

Finally, the goals of technology are having a substantial impact on the way our government operates. Today, we have many questions we would like to ask. How much of the USDA overall budget is put towards IT expenditures and has the Department kept up with the changing technology and landscape? Is much of USDA technology outdated equipment? Has technology helped make traditional farm programs more easily accessible to rural users? What are the Department's short and long range plans for making improvements to IT systems?

All of us understand the need to make tough budgetary decisions in these difficult economic times. Now, more than ever, the cost-effectiveness of agriculture and nutrition programs is absolutely essential to the future of USDA, so today we will listen and learn from two excellent panels of witnesses on the state of technology at USDA. I hope the hearing will build an important body of evidence so that we can work together to best meet the needs of American farmers and all of our citizens.

I now yield to the Ranking Member, Congressman Fortenberry, for his opening statement.

OPENING STATEMENT OF HON. JEFF FORTENBERRY, A REPRESENTATIVE IN CONGRESS FROM NEBRASKA

Mr. FORTENBERRY. Thank you, Mr. Chairman. I will be fairly brief.

As you and I are both aware, USDA has been dealing with information technology since before we were both elected to Congress. And it is important today that we hear about these efforts, of particularly the Farm Service Agency, but also other agencies in the Department, as to how they are addressing ongoing issues with the implementation of new hardware and software, and how this actually will affect program delivery.

The second panel will offer us perspective on the challenges faced by farming groups in dealing with the USDA on technical issues. We will hear from those employees whose jobs are directly affected by these programs on a daily basis, and from witnesses who will be offering suggestions about how USDA can better address its technological needs in future years and better utilize technology from the private sector.

Technology continues to advance at a dizzying rate, as we are all aware. USDA has been somewhat slow to integrate these advancements into existing infrastructure. This has resulted in a number of problems in recent years, including inability to access personnel

files and delays in payments for USDA programs to farmers across the country.

Congress has allocated tens of millions of dollars to the USDA to upgrade and maintain a reliable system for tracking data for the thousands of farmers and ranchers who use these programs. We must provide a reliable, secure system so that all of our stakeholders can have confidence in the delivery of our farm bill programs in a timely manner. Without addressing these issues now, program delivery may suffer.

Mr. Chairman, I look forward to hearing from all of our witnesses about their thoughts and suggestions as we consider this issue, particularly during the debate on the next farm bill, and I want to thank you for holding this hearing.

And I yield back.

The CHAIRMAN. Thank you very much, Mr. Fortenberry, for your opening statement.

At this point, it is going to be a little out of the ordinary process. I am going to allow the Chairman of the Agriculture Committee, the privilege of asking a question. Hopefully, you can bear in mind his question as you make your statements. So I will turn it over to Collin Peterson.

OPENING STATEMENT OF HON. COLLIN C. PETERSON, A REPRESENTATIVE IN CONGRESS FROM MINNESOTA

Mr. PETERSON. Thank you, Mr. Chairman. Thank you and the Ranking Member for your leadership, and I have met with the gentlemen a couple times and, hopefully, I know the challenge they have with money. In the past we were off on a track that I think didn't made any sense. I think, at least now, we are on a path that will get us to where we need to go, if we can just get the resources to make these changes. To have a system where you still have COBOL is pretty crazy, but, hopefully, today we will get an update on where that is all at.

I apologize, I have a meeting with the Trade Ambassador and I had to accommodate his schedule so I have to step out. I may be able to get back. I don't know if you will still be up there.

In the farm bill, we have this provision to try to put the prices of livestock sales on the Internet in real time on a daily basis, so that everybody could have this information at the same time. We have issues now swirling around on concentration in the livestock industry, and to my judgment, the best thing we can do is to get everybody this information so that everyone has it at the same time. This is important for the guys that are concerned about the big packers, so they know what those prices are. I have heard that getting this information, apparently, has bogged down a little bit. It was explained to me that it was too complicated, or you don't have resources, so I would like to know where that is at, and how you are doing trying to get that pulled together, and if there is anything we can do on the Committee to help you get to where we need to be, Mr. Smith, if you could.

Mr. SMITH. If I could respond, thank you, Chairman Peterson. I would like to get back to you in writing on the details on that program, but I see no reason in this day and age why we can't provide that. Certainly, with the technologies if the information is available

to put that out in real-time or near real-time, if there is some reason that we should delay for some amount of time so that it doesn't impact markets in some way. But, I will take that back and I will get you an answer very shortly.

Mr. PETERSON. Have you been working on this yet?

Mr. SMITH. I specifically have not been and I have not had an update on that, so I will go back.

Mr. PETERSON. Yes, it was in the farm bill, and I had a discussion with some people at the Department who were telling me that they thought it was delayed because it was too complicated, but this does not need to be complicated. We may have to do something with mandatory price reporting to get you the information you need. If you can go back and check on where that is at. I really think that we need to work together to try to get this set up as soon as we can because that is the biggest thing we can do to get at this whole competition issue. If the producers out there, the smaller producers have all the information, if they know what the big packers are paying it solves a lot of these issues that are out there. It will answer the question about what is going on, is there undo influence, and so forth. If you could check on it and give me some kind of a timetable how and when you think you can get it done. If you have challenges that you need help from us to get it done, let us know that, but I would like to get this going as soon as we can.

Mr. SMITH. Yes, sir, I will do so.

Mr. PETERSON. All right, thank you.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Peterson follows:]

PREPARED STATEMENT OF HON. COLLIN C. PETERSON, A REPRESENTATIVE IN CONGRESS FROM MINNESOTA

Thank you, Chairman Baca for calling today's hearing to review USDA's information technology systems. We have passed the point at which simply talking about upgrades and changes is enough.

Modernization of information technology systems is an ongoing challenge for USDA. In my opinion, without improving the IT systems, it is difficult, if not impossible to move forward with many new initiatives and reforms to existing programs.

Upgraded IT systems are necessary to allow USDA to streamline service, identify and eliminate waste fraud and abuse, and ensure the security of data they collect. And, most essentially, these systems will ensure that USDA can effectively deliver the programs that support farmers, ranchers and others who participate in USDA-run programs.

In the past, a lot of money has been spent on these systems with little to no results. Fortunately, USDA is implementing a new strategy with new funding to make some of the significant changes necessary to deliver current and future farm programs. This time around, we are actually getting somewhere with modernization.

The MIDAS plan to modernize and stabilize the IT system is a concept that USDA has been developing for many years. However, the new Administration's emphasis on IT at the Department and the more realistic approach to the ongoing and dynamic needs of producers lead me to believe that USDA has a realistic plan to transition from an internally built and outdated computer system like COBOL to a modern and flexible web based system.

I am looking forward to hearing an update about USDA's progress on this modernization effort and to learning more about the IT challenges and opportunities facing the Department. Thank you again, Chairman Baca, and I yield back my time.

The CHAIRMAN. Thank you very much for asking that question.

With that, we will begin with our panelists. We would like to welcome both our panelists this morning. You will have approxi-

mately 5 minutes and we will stick to the 5 minute rule to give your opening statements, and then we will proceed with questions afterward. We will begin with Mr. Chris Smith, the Chief Information Officer, U.S. Department of Agriculture here in Washington, D.C. Mr. Smith.

STATEMENT OF CHRISTOPHER L. SMITH, CHIEF INFORMATION OFFICER, OFFICE OF THE CHIEF INFORMATION OFFICE, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Mr. SMITH. Chairman Baca and Ranking Member Fortenberry, thank you very much for the opportunity to share with you our progress on using information technology to set a new course for USDA to promote a safe, sustainable and nutritious food supply, and to ensure that America is a leading player in the fight against global hunger, climate change and revitalization of rural communities by expanding economic opportunities.

USDA is a diverse and complex organization, as you are well aware, with more than 100,000 employees throughout 7,000 offices in this country and 100 countries around the globe. In Fiscal Year 2010, we will deliver approximately $180 billion in goods and services through grants, loans and other programs. Those 300 programs, worldwide leveraged an extensive network of Federal, state and local cooperators. The infrastructure that supports those offices and employees is more than 150,000 desktops and laptops, and nearly 10,000 servers. We have five Enterprise Data Centers and multiple data rooms that are not up to the standards at this point.

Working with the Secretary, we have prioritized the necessary investments to enable the most effective delivery of critical IT modernization initiatives, and have developed a thoughtful and deliberate approach to implement these improvements. Investments in these foundational elements, communications and collaboration tools, and mission systems will ensure the security, protection and privacy of information collected and the most efficient and effective delivery of services to our citizens, producers and industry. While we have charged a clear path for modernizing USDA, there are challenges that must be met. I am going to hit three of those challenges very quickly.

We have extremely complex business models when you compare what we do within the Department of Agriculture with industry. We have a large finance and banking portfolio with a $100 billion under active portfolio and rural development loans. Last year, in Fiscal Year 2009, we insured 1.7 million policies, over 264 million acres. We have 193 million acres of forestland and grassland, as well as 1.3 billion in private lands in which we seek to help with conservation practices. That means that while we are standardizing and consolidating, there needs to be uniqueness in some of those different business models and that is a challenge for us as we move forward, but we believe we have the answer to that.

This is upon an aging infrastructure. I will just take the Service Center Agencies between Rural Development and Natural Resources Conservation Service, and the Farm Services Agency. In the roughly 3,000 offices across the country, we have 2,000 phone systems that are over 15 years old. With the average life that we

like to see with our phone systems at 10 years, we are 5 years behind. There are more than 3,000 field office servers with an average life of 7 years, that we want to see a 5 year life, and the list goes on and on. My colleague, Jonathan Coppess, will talk about some of the specific technology he needs at FSA and I will touch on them lightly, also.

Third, we have fragmented services and highly decentralized security operations. Currently, we have 27 separate e-mail systems, multiple data and computing facilities that don't meet the bare minimum for securing our information. Heretofore, for security and cybersecurity we have had a policy and compliance-based framework. We need to have an operational framework that takes care of this end and secures our information from all threats.

I have mentioned the challenges. In collaboration with USDA agencies, I have laid out a clear vision and comprehensive approach to successfully modernize IT for the Department. This overall IT modernization approach utilizes a disciplined, multi-faceted strategy with three areas of focus. I touched on them earlier, foundational elements; communications; collaboration and productivity tools; and mission systems. I am going to touch on a few key initiatives within each one of those three areas.

In the foundational elements, progress is being made towards implementing a modern, secure, robust, scalable and highly available delivery platform for the entire USDA. A large part of this is our cybersecurity effort and with the appropriations given us to in Fiscal Year 2010, we will conduct network security assessments across all agencies, procure and deploy the appropriate security tools, and establish a security operations center.

We have a Financial Management Modernization Initiative which met initial operating capability which will reduce nine general ledgers down to one and improve reporting and fiscal stewardship. The Optimized Computing Environment is a refresh of the Common Computing Environment, replacing those 2,000 phone systems, the servers and the other infrastructure I spoke about.

In the communications, collaboration and productivity area, we have a robust approach for collaborative tools. This suite of productivity-enhancing tools supports better interaction among workgroups, reduces travel and its associated expenses, and provides for better management of a global workforce.

Mission systems: My colleague, as I said, is going to talk about MIDAS and the farm systems modernization so I will defer to him for that.

And the last mission enabling point I would like to make is we have had a long tradition of using geospatial imagery and tools. Forest Service uses it for wild land fire management, for recreational activities within forests and national parks, Natural Resources Conservation Service for soil layers and the list goes on and on. And one of the most exciting things that I want to talk about is the ability, Mr. Chairman, that you spoke about is to use these tools for electronic benefits transfer and SNAP benefits to reduce fraud.

So in closing, I would like to say that we have a very concrete plan. We have a comprehensive approach and while we are making steady progress, a great deal of work remains to be done. That is

why I am advocating for the continued consolidation of these foundational elements, communications, collaboration tools. Thank you, sir.

[The prepared statement of Mr. Smith follows:]

PREPARED STATEMENT OF CHRISTOPHER L. SMITH, CHIEF INFORMATION OFFICER, OFFICE OF THE CHIEF INFORMATION OFFICE, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Chairman Baca, Ranking Member Fortenberry, and Members of the Subcommittee, thank you for the opportunity to share with you our progress on using information technology (IT) to set a new course for USDA to promote a safe, sustainable, and nutritious food supply and to ensure that America is a leading player in the fight against global hunger, climate change, and revitalization of rural communities by expanding economic opportunities.

USDA programs touch every American and many others around the world. In Fiscal Year (FY) 2010, USDA estimates that it will provide roughly $180 billion in total program benefits including loans, grants and other services through more than 300 programs worldwide. Over 50 million Americans call rural America home and just as we seek to increase economic opportunity and improve the quality of life for all rural Americans through key foundational elements such as producing renewable energy, developing local and regional food systems, and making better use of Federal programs through regional planning that offer a new future to the next generation.so must USDA invest in the key foundational elements to ensure that the Department can efficiently and effectively deliver its programs.

Working with the Secretary we have prioritized the necessary investments to enable the most effective delivery of these initiatives and have developed a thoughtful and deliberate approach to implement these improvements. We have identified the key initiatives upon which USDA will modernize its service offerings to ensure open, transparent and collaborative avenues through which USDA employees, farmers, ranchers and all citizens can easily access USDA information from wherever they may be: the field, the forest, the farm, and their homes. Investments in these foundational elements, communications and collaboration tools, and mission systems will ensure the security, protection and privacy of information collected and the most efficient and effective delivery of services to our citizens, producers and industry. While we have charted a clear path for modernizing USDA there are challenges that must be met and be turned into opportunities to excel.

Information Technology Challenges

USDA's information technology challenges are not uncommon to very large, complex organizations with a highly diverse set of missions ranging from financial to inspection services. Caused in part by resource constraints or fragmented operations, challenges tend to center around:

- **Aging Infrastructure.** Managed and operated by the International Technology Service, the Common Computing Environment (CCE), is the core information technology infrastructure providing end-user support to USDA's Service Center Agencies (SCA). These agencies include the Farm Service Agency, Rural Development, and the Natural Resources Conservation Service. Many components of CCE have not been refreshed since their initial implementation in 2000. For example, 3,000 field office servers, thousands of network routers and switches, and the voice communication infrastructure of field offices are over 6 years old and have reached the end of their warranty support. These components are starting to fail at an increasing rate and are becoming increasingly expensive to maintain.
- **Fragmented services.** Unlike many large organizations where e-mail is managed and operated as an enterprise service, in USDA there are 27 e-mail systems, with each agency or staff office responsible for maintaining its own system and connecting to the departmental hub where routing, e-mail filtering and global address lists were maintained. Only the largest USDA agencies are taking advantage of the economies of scale offered by enterprise services. This fragmented approach has hampered USDA's ability to implement and adopt new collaboration technologies that leverage part or the entire e-mail platform to deliver services such as instant and unified messaging (integrated phone and e-mail inbox).
- **Highly decentralized security operations.** For years, USDA's enterprise security program has focused on policy and oversight-related activities. Much of

the security monitoring and response beyond the departmental network backbone is handled by agencies and staff offices with a limited set of tools. These piecemeal compliance-based frameworks do not offer sufficient protection from security threats that have become very sophisticated. A Department-wide enterprise framework that provides defense-in-depth with a common cybersecurity tool set is needed to enable a proactive methodology to detect, block, and remediate threats and provide the means to better assess and understand threat patterns and trends to inform actions focused on constantly strengthening our security posture.

Modernization Overview

In collaboration with USDA agencies, I have laid out a clear vision and comprehensive approach to successfully modernize the Department. The overall IT modernization approach utilizes a disciplined, multi-faceted strategy with three key areas of focus:

- **Foundational Elements—**Initiatives in this area center on enterprise business services and infrastructure and include Financial Management Modernization Initiative (FMMI), Agriculture Security Operations Center (ASOC), modernization of the Computing Environment, and Enterprise Data Centers (EDC).
- **Communications/Collaboration/Productivity—**Initiatives in this area focus on enterprise communications services to improve collaboration and increase productivity and include Next Generation Network (NGN) and Unified Communications (UC).
- **Mission Systems—**Initiatives in this area center on critical and often related program delivery services and include Modernize and Innovate the Delivery of Agricultural Services (MIDAS), Web-based Supply Chain Management (WBSCM), Public Health Information System (PHIS), and geospatial services.

In some instances, Office of the Chief Information Officer (OCIO) is leading an initiative, while in others, OCIO is collaborating with the lead Agency or Staff Office to ensure appropriate leadership, governance, enterprise architecture, capital planning, and investment control.

Foundational Elements

Progress continues to be realized towards implementing a modern, secure, robust, scalable and highly available delivery platform across the entire USDA enterprise. Sustaining our efforts toward consolidating and streamlining core foundational services is critical to achieve our modernization objectives.

The OCIO is aggressively working to improve Information Technology systems security to counter ongoing formalized nation-state and criminal cyber attacks and threats. Cyber Security is a long-term critical area of importance to USDA, the Federal Government and our Industry Partners. The OCIO is proactively working with all USDA agencies and has partnered with the United States Computer Emergency Response Team, the Federal Bureau of Investigations and others to defend against this Federal-wide threat.

The FY 2010 Appropriation for OCIO included funding to commence our 36 month plan to improve information technology security. The increase in funding supports three initiatives: (1) conduct network security assessments; (2) procure and deploy security tools; and (3) establish an Agriculture Security Operations Center (ASOC) to monitor and protect USDA's systems.

The organizational design of the ASOC is completed and staffing of its critical positions with talented Federal employees is underway. A number of contractor services are helping to support our daily operations while we complete our staffing. The ASOC oversees the execution of all the security initiatives and projects, to ensure the public that the results of these initiatives and projects are focusing on and successfully addressing the greatest risks to the security of Federal information assets entrusted to the care of the Department of Agriculture.

A key component of our network security operations is to assess the present vulnerabilities in Departmental networks and reduce or eliminate their effect. To date, we have completed assessments within three agencies and staff offices, including the Foreign Agricultural Service (FAS). We have begun assessments in other agencies and staff offices, including the Food Safety and Inspection Service (FSIS), and expect to fully complete eleven assessments by the end of the fiscal year.

In addition to these assessments, we are acquiring and deploying various tools to monitor, secure and improve the "state of health" of the USDA IT infrastructure. Many agencies and offices have completed the installation of several key tools and obtain full benefit from them. For example, our end point security tool installs software on each end-user desktop, laptop and server within USDA. It allows USDA

to examine, report centrally, and, ultimately, manage end-user computers connected to our networks. To date we have installed the software on over 70,000 devices. Before the fiscal year ends, we expect all agencies and staff offices to obtain this same benefit as they complete their roll-outs. In addition to protecting end-user computers, we are migrating business applications into Enterprise Data Centers.

OCIO, in collaboration with the SCA, has developed a comprehensive plan designed to modernize the CCE infrastructure to prevent major IT failures and associated agency productivity losses and resultant customer service impacts. This effort replaces outdated components of the CCE, many of which have exceeded their expected life cycles. Component refreshment will reduce system vulnerabilities and improve the performance and effectiveness of the shared infrastructure. These improvements will allow the SCA to better serve program participants with a more flexible and reliable IT infrastructure. The President's FY 2011 budget request includes additional funding to allow for the first system-wide refresh of the CCE since the infrastructure was implemented in 2000. The CCE revitalization effort will improve system security, reduce the long term cost of infrastructure services, and improve service reliability.

Implementation of a modern, secure and stable work environment that empowers a mobile workforce of more than 35,000 personnel in counties across the nation is of critical importance. Such an environment needs to be in place to more efficiently and effectively deliver approximately $58 billion in USDA goods and services to about 1.7 million farms and more than 50 million Americans in rural areas.

Under the Enterprise Data Center (EDC) initiative, OCIO is working with USDA agencies to migrate business systems from being housed in multiple at-risk agency and staff office computer rooms into a limited number of scalable, highly available, Departmental Data Centers with disaster recovery capabilities that utilize the latest "green" infrastructure technologies. EDCs are certified, Department of Justice, Level IV Secure facilities that are able to deliver increased efficiency and performance by leveraging economies of scale. As systems are migrated, this effort provides improved system availability, enhanced systems management, and better overall cyber security as well as the most economic delivery of these services. A number of agencies are already migrated, to include the SCA, while others—to include Food Safety and Inspection Service (FSIS) and Foreign Agricultural Service (FAS)—are on schedule to complete their EDC migrations by end of calendar year 2010. Additionally, several agencies have migrated over fifty percent of their critical applications. These agencies include the Animal and Plant Health Inspection Service (APHIS), Forest Service (FS), and National Agricultural Statistics Service (NASS), with full migration completion dates currently scheduled for calendar year 2011.

The FMMI initiative, led by Office of the Chief Financial Officer, will improve financial management performance by efficiently providing USDA with a modern, core financial management system that provides maximum support to the mission and provides for open, transparent stewardship of public funds. It will serve as the finance and accounting software base for the Farm Service Agency's MIDAS initiative. The initial release of FMMI was implemented by Departmental Management staff offices at the beginning of FY 2010.

These will improve performance, security, and availability of USDA's mission critical information and assets in day-to-day operations as well as in the event of a disaster.

Communications/Collaboration/Productivity Modernization

USDA employees operate in more than 7,000 locations across the country and in approximately 100 countries. It is imperative that staff have a robust set of tools to be able to seamlessly communicate and collaborate from those locations, from the field, or from telework locations.

OCIO's Unified Communications initiative provides video teleconferencing, web collaboration, instant messaging, e-mail and other services all of which directly enable employee productivity, collaboration, and customer support wherever they operate. Through this program, OCIO is replacing 27 disparate e-mail systems with one enterprise system that will enable any employee to directly communicate with the more than 100,000 other USDA employees. The Enterprise Messaging System is operational with approximately 50,000 active e-mail boxes. Migration of remaining agencies is in progress. This suite of productivity-enhancing tools supports better interaction among workgroups, reduces travel and its associated expenses, and provides for better management of a global workforce allowing us to better serve Americans and interact in a more open and collaborative manner. This system also will reduce costly litigation exposure risk by establishing an effective way for preserving, searching, and retrieving e-mails sought in civil discovery.

Under the NGN initiative, OCIO is transitioning its Unified Telecommunications Network (UTN) and individual agency networks from the FTS2001 contract to the Networx contract. Deployed in 2005, UTN is the USDA enterprise-wide backbone providing employees connectivity to the Internet and data centers for all USDA agencies. It also provides the contract mechanism for USDA agencies to procure network services such as access circuits, virtual private networks, network monitoring, *etc.* UTN has enabled USDA's migration from stove-piped network solutions toward an enterprise approach that maximizes the collective buying power to realize best value in telecommunications services. Since deployment, this investment has achieved great success, consistently exceeding initial performance expectations in terms of availability, reliability, network security, bandwidth, and in documented customer satisfaction.

The NGN initiative will further consolidate the network infrastructure and begin to provide more flexible capacity utilization options to OCIO's internal USDA customers and provide end to end visibility of our operations (improving performance of business applications and overall security). It is consistent with the Department's enterprise architecture goal of replacing multiple, redundant systems and technology components using a coordinated, enterprise-wide approach and is described in detail within USDA's Enterprise Architecture Transition Strategy document. As the enterprise-wide telecommunications infrastructure for the Department, the UTN is a cornerstone technology enabler of Department-wide efforts such as the USDA eGovernment initiatives and the USDA Continuity of Operations (COOP) network. The UTN enables such critical public-facing USDA systems as the Farm Loan Program, Public Education Materials (*e.g.,* Food Pyramid, Food Safety), School Lunch Program, Supplemental Nutrition Assistance Program (SNAP), and Forest Service Incident Response Dispatch Service (ROSS), *etc.* USDA envisions increased use of, and reliance upon, UTN well into the future. UTN is positioned to support the Presidential priorities for a transparent, participatory and collaborative government.

Mission Systems Modernization

Built upon the foundational elements and leveraging our communications and collaboration capabilities, USDA must also provide modern business applications to staff and the public we serve.

As the Committee is aware, the applications and aging technology infrastructure upon which the Farm Service Agency's programs are delivered caused an almost complete shutdown of program and service delivery in January 2007. The funding Congress provided to "stabilize" and improve this infrastructure and applications has been well spent. Portions of these efforts will be useful for a modernized platform upon which the Farm Service Agency will implement the new application MIDAS (Modernize and Innovate the Delivery of Agricultural Services).

Under the MIDAS initiative, FSA will transform delivery of Farm Program benefits into a 21st century business model. FSA has created the MIDAS program to meet the needs of its customers and its employees. The objective of MIDAS is to streamline FSA business processes and to develop an effective long-term IT system and enterprise architecture for farm program delivery. MIDAS will:

- Reengineer business processes to be common and centralize data assets to support all farm programs, eliminate program specific duplication of functionality and non-integrated, distributed data that exists between farm program software applications;
- Provide capability to meet the increasing demand for customer self-service;
- Remove all of the legislatively mandated farm program delivery software applications from the outdated AS400/S36 computing platform by putting them on a web-enabled, common, commercial off-the-shelf business platform; and
- Increase compliance with modern internal control structures and effectively implement improved IT security.

The MIDAS Program Office has actively engaged farm programs to analyze business processes and identified areas where immediate changes could significantly reduce processing time. The Program Office recently awarded the major contract for development and implementation of the MIDAS system. The MIDAS system level design and proof of concept scheduled to be completed in FY 2011, with the initial operating capability of MIDAS to be deployed in FY 2012.

Under the Web-based Supply Chain Management (WBSCM) initiative, the Agricultural Marketing Service (AMS) is the lead in the multi-agency effort to develop a modern, integrated, web-based commodity acquisition, distribution, and tracking system for food aid both domestically and internationally. Replacing a more than 26 year old, failure prone, COBOL system, the WBSCM system will transform,

standardize, and streamline the way USDA food aid and domestic food purchases are managed end to end—from planning and procurement to ordering, contract management and delivery. The WBSCM Program Office is scheduled to start user acceptance testing this month.

The Public Health Information System (PHIS) is an integrated, comprehensive system of web-based applications that will provide near real-time collection, reporting, and analysis of food safety data and inspection findings for FSIS. PHIS' modern design will provide the agency the ability to adapt as requirements change and evolve. It will replace many of FSIS' legacy systems and will capture data on the findings of FSIS inspection program personnel as they perform their daily tasks (including import and export tasks) and utilize the data to analyze trends, produce automated model predictions, and ensure the data's quality to be comprehensive, timely, and reliable for decision-making. In addition, PHIS will collect inspection findings, such as humane handling information, entered by FSIS inspection program personnel, as well as data streams from the Agency's domestic and international partners. This coordinated effort, made possible through PHIS technology, will improve the agency's ability to collect, analyze, and communicate data, better predict likely outcomes, and improve protection of public health. PHIS will be hosted in USDA Enterprise Data Centers for maximum availability and disaster recovery. Currently, PHIS is in the design and development phase and technical testing and integration began this month. Targeted implementation is expected to begin in the fourth quarter of FY 2010.

USDA is one of the largest producers and consumers of geospatial imagery within the Federal Government. One example of this is the National Agriculture Imagery Program (NAIP), which provides digital aerial imagery used by USDA and other public and private users. Geospatial Information System (GIS) technologies used in conjunction with program data provides the capability to improving program decision-making for a variety of important USDA programs.

For example, GIS technologies are used by tens of thousands of USDA staff, cooperators and approved insurance providers doing day-to-day operations in crop compliance, conservation planning, forestry health evaluations, resource assessments and inventory management, assessment and monitoring of crop disease outbreaks, and crop statistical analysis.

Forest Service (FS) leverages GIS technology to allow scientists to model fire conditions and behavior; managers to plan and carry out fuels reduction programs; incident commanders to respond to and suppress fire, produce tactical fire maps, and protect lives and property; and planners assess post fire conditions and prescribe rehabilitation work. Since wildland fires typically span multiple jurisdictions, Forest Service geospatial technologies must work in an interoperable fashion with those of its partners.

The Farm Service Agency uses GIS technology to help ensure compliance and land record management requirements are met. GIS serves as a critical communication tool for reporting of crops by farmers and ranchers, who can access the NAIP images via their USDA Service Center. The imaging ultimately assists FSA staff in determining eligibility and planning for conservation and other farm programs. The Common Land Unit (CLU) program relies on the NAIP product for maintenance of farm and tract records. The CLU and NAIP together provide a foundation for delivering programs consistently within the agency and across the Department with NRCS, Forest Service and Risk Management Agency (RMA). Conservation programs are increasingly using geospatial data to determine applicant eligibility and contract rates and NAIP is vital to this activity.

The Natural Resources Conservation Service use of GIS technology enables it to tailor soils data to meet the needs of many customers dynamically, not just one single product. Over 3,000 counties have digital soil survey information that provide a user with information like the type of soil in a location, water holding capacity, depth to bedrock, depth to water table and chemical properties which can be accessed all from a home computer.

Rural Development utilizes GIS in the mapping of proposed business and housing eligibility areas in rural America. This mapping service allows lenders, applicants, and potential applicants to quickly determine whether the area in which they are considering purchasing property qualifies for funding from Rural Development. Eligibility maps can be created based on a specific address or on a broader regional area, *e.g.,* county, state. RD is exercising the opportunity to improve this service by deploying a Google base map which is more widely in use on the internet today. This will lead to faster response time and the addition of customer features such as accessing satellite and map-satellite hybrid images. RD also uses geospatial data to provide Broadband applicants the ability to map proposed service areas in the submission of their Broadband loan and/or grant application.

One of many programs where GIS technology can enhance mission delivery is the Food and Nutrition Service's Supplemental Nutrition Assistance Program (SNAP). Methods of detecting (and ultimately preventing) SNAP fraud by electronic benefit transaction (EBT) enabled retailers are essential to the successful management of the benefit redemption process, which involves over 16 billion transactions annually. Traditional methods of fraud were reduced through the use of EBT in the Supplemental Nutrition Assistance Program (SNAP) under the coupon distribution/redemption system. However, the nature of electronic transactions also introduced previously unknown approaches to committing fraud. Detecting and significantly reducing fraud by EBT enabled retailers is essential to the successful management of the benefit redemption process. To this end, the Food and Nutrition Service developed the Anti-Fraud Locator for EBT Transactions (ALERT) system in 1997.

The ALERT system has proven to be a critical tool in the FNS' fight against SNAP benefit trafficking, which is the exchange of SNAP benefits for cash. While ALERT has been very successful in fighting fraud, FNS is looking for new techniques to improve the system. One approach being evaluated is the use of Geospatial Information System (GIS) tools to interpret complex relationships among billions of SNAP electronic transaction records that might otherwise be difficult to detect. This moves beyond simple location maps showing suspect store locations and other stores within an area, and integrates business intelligence and predictive analysis features with a geospatial platform to help identify potential retailer fraud patterns, trends, behaviors, *etc.*

My office is now further expanding the capacity of GIS technology tools to build sustainable strategic and operational platforms. We have established an Enterprise Geospatial Information Office to optimize extensive, but previously uncoordinated, USDA agency best practices to deliver consistent, game changing geo-solutions to benefit all USDA programs, regardless of size.

Conclusion

While we are making steady progress a great deal of work remains to be done. This is why I am advocating for the continued consolidation of these foundational elements, improved communications and collaboration tools, and taking a deliberate and comprehensive approach for mission systems modernization planning within the Department to better secure and deliver, at a lower cost, USDA services and programs. Consolidation and protection of our technology assets will optimize use of resources, thereby decreasing operational costs and enabling increasing efficiency, while improving overall security.

USDA must transform and modernize to ensure we meet the demands of the nation, to ensure an economically thriving rural America, conserve our national forests and private working lands, promote sustainable agricultural production and biotechnology exports to increase food security, and provide a nutritious diet for all Americans. In sum, these initiatives put us on the right path to provide more efficient and effective services and successfully deliver on our mission.

Chairman Baca, Ranking Member Fortenberry, Members of the Subcommittee, this concludes my statement. I will be happy to answer your questions.

The CHAIRMAN. Thank you very much, Mr. Smith.

Next, we have Jonathan Coppess, the Administrator for the Farm Service Agency here in Washington, D.C. You may begin and if you can, try to stick to the 5 minutes. You will see the yellow light telling you, you have about a minute left. Thank you.

STATEMENT OF JONATHAN W. COPPESS, ADMINISTRATOR, FARM SERVICE AGENCY, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Mr. COPPESS. Thank you, Chairman Baca and Ranking Member Fortenberry.

I appreciate the opportunity to update you today regarding the information technology issues facing the Farm Service Agency. Today, I would like to provide an overview of our current setup in our efforts towards modernizing, and I will give you a brief overview as well of the National Agriculture Imagery Program and its benefits for farmers and ranchers in America.

As you know, FSA delivers conservation, commodity, credit, energy and emergency disaster programs through service centers located in over 2,200 rural counties. Each year, these IT systems allow thousands of staff to serve about 1.7 million farmers and ranchers nationwide, and process between $15 and $25 billion in program payments.

Also, as you know, FSA relies on some of the oldest systems within the Department of Agriculture. While certain systems supporting our Farm Loan Programs have been recently updated, our payments for farm programs, including Conservation Reserve Program, Price Support Programs and the 2008 Farm Bill's Disaster Programs, continue to depend on antiquated systems.

Outdated hardware remains one of our most pressing concerns. Our hardware systems are between 10 and 24 years old and, as you are aware, the average lifespan of an IT component is 3–5 years. Our processes suffer as a result, distribution is slower, producers continue to make more trips to county offices and endure longer wait times then they would need if our staff were using a more modern web-based system. Producers are also limited from tracking their participation in program payments online.

Before briefing you on our plans for modernization, I do want to emphasize that we have already seen some successes, namely in our implementation of the Farm Loan Programs Delivery System and the National Receipts and Receivables System. In Farm Loans we have migrated or replaced applications from the dated systems with a new package of faster web-based applications, to new processes which have been deployed to date, support a number of improvements and the average processing time for loans has been reduced from 41 days to 25 days. Using these systems allowed us to deliver $173 million in Recovery Act Loan Funding in less than 48 hours.

Last fall, we implemented the National Receipts and Receivables System, another faster web-based application for direct payments in the Conservation Reserve Program. While FSA did experience initial problems integrating data between our new software and our old system which did delay payments for a little while, 99 percent of our payments were made quickly and correctly and we will not experience the same integration issues next year.

As with any modernization, we should expect some roadblocks and complications, but I believe we are making the right choices by living through those minor problems today to prevent inevitable and disastrous issues from rising in the future. The successes I mention are independent of FSA's modernization plan, although all process improvements will work together to make a smarter system.

FSA's main plan has two parts: stabilization and what we call MIDAS, Modernize and Innovate the Delivery of Agricultural Systems. Stabilization will address two outstanding issues. First, it will address the service sales outage in 2006 and 2007 caused by unstable web-applications.

Second, as a necessary building block we need a contingency platform to ensure continued service in the event of a major system crash. The MIDAS project, which is ongoing, builds off of the stabilization and will integrate the entire portfolio of IT moderniza-

tion. The project will replace hardware, centralize data and increase security. In terms of direct service, the project will allow producers to self-serve online, although I should be clear, it is not an effort to push farmers onto the web or to replace our county office staff or the service they provide. Simply put, this is an effort to give our field staff the tools they need to serve and provide the best service possible to the farmers and ranchers.

Finally, I would like to give a brief overview of the idea of the scope and benefit of the National Aerial Imagery Program or NAIP, the U.S. Government's sole provider of aerial imaging. Under NAIP, FSA produces digital aerial images for use by USDA, other governmental agencies and the private sector. In 2009, NAIP produced more than 148,000 digital aerial photographs of more than 2 million square miles on a budget of $29.9 million; $7.7 million of that budget came in partnership funds and FSA used $22.2 million of its own salaries and expenses funding to pay for the rest.

FSA NAIP is vital for ensuring compliance, determining eligibility and planning for conservation in other Farm Programs. Farmers and ranchers themselves use the publicly available images as a tool for reporting of crops and reviewing acreage. NAIP is used by other Federal staff, local governments and the private sector as a tool to obtain reliable and accurate aerial imaging information for a variety of activities.

This is an innovative government program whose benefits are far-reaching and unique. Without this program, FSA would be greatly affected and I am hopeful for the future of NAIP and what it can do and how it can benefit American agriculture.

This concludes my oral statement, Chairman Baca and Ranking Member Fortenberry. I welcome any questions you might have. Thanks.

[The prepared statement of Mr. Coppess follows:]

PREPARED STATEMENT OF JONATHAN W. COPPESS, ADMINISTRATOR, FARM SERVICE AGENCY, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Chairman Baca, Ranking Member Fortenberry, and Members of the Subcommittee, I appreciate the opportunity to update you today regarding information technology (IT) issues facing the Farm Service Agency (FSA), as well as the Agency's ongoing work to modernize IT infrastructure and systems.

Specifically, I would like to provide an overview of FSA's current IT systems and the challenges they present; outline for you ongoing efforts to modernize FSA's IT systems and related processes; and provide a description of the National Agriculture Imagery Program (NAIP) and its uses to FSA.

Overview of FSA's IT Infrastructure

FSA delivers conservation, commodity, credit, energy, and emergency disaster programs. Most of these FSA programs are delivered through a network of state and county offices that are located in over 2,200 rural counties. The offices are heavily dependent upon FSA IT systems to store, maintain and administer business data which is vital to the administration of FSA's programs.

FSA's IT infrastructure provides vital information and capabilities to more than approximately 15,000 staff in field offices and our customers. Each year, these systems and supporting processes serve approximately 1.7 million farmers and ranchers nationwide, processing between $15 and $25 billion in program payments and loans. FSA's IT staff manage an extensive portfolio of IT systems and produce an average of one new processing application (an instance of software used to deliver programs to producers and automate processes for field staff) each week.

As you know, FSA relies on some of the oldest information technology systems, both in terms of hardware and software, within the Department of Agriculture, and systems are largely inaccessible to producers via the Internet. While FSA's system

for delivering Farm Loan Programs has been recently updated and represents a major success in modernization, FSA Farm Program payments to producers mandated by the 2008 Farm Bill and other legislation depend upon the continued viability of an antiquated system.

Outdated hardware remains one of the most pressing concerns. Currently, FSA administers IT operations using a computer system known as the AS400. FSA's vendor contract was awarded in March 2008 with four option periods to provide maintenance support through March 2013. FSA has been informed that the contract cannot be extended beyond this date since the human resources are becoming increasingly more difficult to retain and find in today's market. These skill sets are no longer taught in universities and the workforce who has them are retiring or moving to other skill sets at an increasing rate.

The AS400 platform supports critical FSA business processes, which are key to FSA's ability to provide payments to producers. At best, based on current modernization efforts, FSA will continue to be dependent on the AS400 through 2013. It is essential that these computers remain operational until modernization can be completed. In addition to our risk in retaining the necessary software and operating system support resources, it is also extremely difficult to find replacement parts for these computers that are now more than 10 years old and are no longer being manufactured.

These FSA hardware systems pose a significant risk of critical failure. While average life spans for IT system components are in the 3–5 year window, depending on type, FSA is now running some hardware which has been actively deployed since 1984 (26 years) with the life extension made possible by the migration to slightly newer AS400 systems in 2000 (10 years ago). Thus, FSA hardware is operating well beyond End-of-Life (EOL) by any reputable technology standard.

The inherent disruptions caused by antiquated hardware systems affect producers' experience with FSA in a variety of ways. Decreased processing capacity results in increased time frames between producer applications for program benefits, and the distribution of those benefits. Acreage reporting remains complicated, and producers remain limited to doing business in specific local offices. With limited web-based services, both FSA staff and producers continue to experience inefficiency in the delivery of programs. Producers continue to make more trips to county offices and endure longer wait times than they would need if using a more modern, web-based system. Producers are similarly limited from tracking their program participation and program payments online.

While these legacy systems present major challenges in administering FSA Farm Program payments, I am pleased to report that FSA is already moving away from dated systems in the delivery of Farm Loan Programs. FSA has invested in, and is implementing, the Farm Loan Program Information Delivery System (FLPIDS) to modernize and improve the automated systems supporting the delivery of Farm Loan Programs. FSA has migrated or replaced applications from the AS400/S36 environment with the initial Direct Loan Servicing web-based application of FLPIDS (which represents a portfolio of many applications in various stages of implementation).

The new and updated automated processes which have deployed to date have supported a number of improvements in the delivery of FSA Farm Loan Programs. The average processing time for loans has been reduced from 41 days to 25 days, a reduction of 39 percent from processing time before implementation of FLPIDS began.

In 2009, improvements as a result of investments in FLPIDS enabled FSA to support rapid delivery of American Recovery and Reinvestment Act (ARRA) funded Farm Loan Programs for Small and Disadvantaged Farmers. The modernization improvements and rapid updates to the existing software enabled FSA staff to obligate $173 million in Direct Operating Loans to small and disadvantaged farmers within 48 hours of funds apportionment. These improvements in the automation for Farm Loan Program delivery also resulted in the timely reporting of ARRA accomplishments and the delivery of web-based reports for informed decisions on loan making and loan management.

Regarding the major IT shortcomings FSA currently faces in delivering non-Farm Loan Programs, the Agency is committed to modernizing all aspects of the IT systems and processes. FSA's modernization plan is a broad approach which includes a commitment to centralize data and update systems and processes, in concert with a move away from outdated hardware technologies. I believe current FSA efforts to modernize aging IT systems, when completed, will work in concert to successfully modernize FSA IT systems and ensure the viability of our payment processes moving forward—and I would like to outline that plan for you today.

FSA Modernization Initiatives

FSA is committed to mitigating the long-term risk inherent to such an outdated infrastructure of hardware and software. FSA's work to modernize the IT infrastructure consists of two broad components.

The first, termed "Stabilization," involved securing web-based platform systems and putting in place systems which will work in concert with new technology to achieve the aforementioned results. The second, the Modernize and Innovate the Delivery of Agricultural Systems (MIDAS) project, represents the new technology, and the processes that will ultimately bring FSA IT up to speed with 21st century IT norms.

Stabilization and Resulting Service Delivery Improvements

The Stabilization project was initiated in 2007 to address infrastructure problems that had adverse impacts on producers' day-to-day business dealings with FSA in a time of unusually high farm reconstitution activity. There were two outstanding issues that required action. First, there was an urgent need to immediately respond to an unstable web-based environment. Beginning in November 2006, FSA began experiencing service outages for some of its web-based applications that support some farm programs. Several FSA business application software systems, operating on USDA's Common Computing Environment (CCE) web farm, began experiencing partial system outages. Problems with application software performance and telecommunications session connectivity continued to escalate through mid-January 2007.

Second, as a necessary step towards IT modernization of the FSA program delivery environment, a contingency computing platform was required to provide for sustained business delivery if a catastrophic failure ever occurs on FSA's aging and obsolete computing platform.

FSA work on the Stabilization program and the 29 initial Stabilization projects were completed in FY 2009. One of the projects, the Enterprise Reporting Performance Capability task, has been closed out in FY 2009; however, in FY 2010 it has been re-initiated as a new stand-alone project, Enterprise Data Warehouse (EDW). The EDW's key objective is to provide a consolidated source for data across the disparate legacy systems. Satisfying this objective will help the FSA improve management visibility across programs and provide local office staff the data necessary to better serve producers.

The Stabilization work has resulted in a lower number of work stoppages, along with a significantly lower risk of stoppages occurring in the future. The projects completed under the Stabilization project mitigate the risk of catastrophic failure before the replacement of aging hardware in FSA. They also set the stage for a number of modernization initiatives which I will outline shortly, and ensure the viability of projects under MIDAS.

It should be noted that in addition to the Stabilization efforts it will be necessary to modernize and upgrade the Department's Common Computing Environment (CCE) for the Service Center Agencies (FSA, Rural Development, and the Natural Resources Conservation Service). USDA needs to replace outdated components of the IT infrastructure, many of which have exceeded their expected life cycles, in order to reduce system vulnerabilities to failure and improve the performance and effectiveness of the shared infrastructure. These improvements will allow the SCAs to better serve program participants with a more flexible and reliable IT infrastructure. It will also allow for the first system-wide refresh of the CCE since the infrastructure was implemented in 2000. In addition, as the components of the CCE are replaced, USDA will implement a right-sizing process whereby configuration changes will be made to better support the delivery of current and future programs. As part of this process, the Department will strive to improve system security, reduce the long term cost of infrastructure services, and improve service reliability.

Modernize and Innovate the Delivery of Agricultural Systems

MIDAS targets the IT systems used for FSA farm program delivery, specifically the streamlining of FSA business processes and development of a modernized long-term IT system and architecture supporting FSA farm program delivery. MIDAS will build from the initial groundwork laid under the Stabilization project. The two are not mutually exclusive, and will work in concert to transform FSA's delivery of Farm Program benefits, on behalf of the Commodity Credit Corporation (CCC), into a 21st century business model. FSA has created the MIDAS program to meet the needs of our customers and employees. The objective of MIDAS is to streamline FSA business processes and to develop an effective long-term IT system and enterprise architecture for CCC farm program delivery.

This project will:

- Provide capability to meet the increasing demand for customer self-service;
- Remove all of the legislatively mandated farm program delivery software applications from the outdated AS400/S36 computing platform and put them on a suitable web-enabled common business platform;
- Engineer common business practices and centralize data assets to support all farm programs;
- Eliminate program-specific duplication of functionality and non-integrated data; and
- Accomplish increased compliance with modern internal control structures and effectively implement improved IT security.

Through MIDAS, FSA has established a program management office to provide the capability to acquire, manage, and deploy the MIDAS system. The program management office has been staffed with government employees and project management contractors to manage the requirements, system development, and organizational change management needed to implement MIDAS.

MIDAS has improved business practices by analyzing farm program processes and identifying areas where immediate changes could significantly reduce processing time; implementation of a small number of these changes has already resulted in increased business efficiency for FSA staff. Additionally, FSA has expanded process improvement work by forming new integrated teams composed of program business analysts, field office users and technical staff to develop detailed requirements for the initial MIDAS deployment.

FSA recently awarded the largest contract for development and implementation of the MIDAS system. This contract was initially awarded in December of 2009; however, a protest of the contract award was made to the Government Accountability Office (GAO). The protest was resolved successfully on February 25, 2010. The resolution of this protest will enable detailed project planning to be completed during FY 2010, as planned. One major contract remains to be awarded that will provide independent technical oversight over the development of the MIDAS system. FSA has received and is evaluating proposals for this contract, and expects it to be awarded during Spring 2010. These independent technical contractors will review the deliverables provided by development teams and will provide MIDAS, FSA and the Department with a check and balance mechanism to better ensure that the systems developed meets the farm program requirements and integrate with USA enterprise systems.

When complete, FSA's IT transformation will produce an environment that is better, faster, safer and more flexible in supporting FSA program management and information delivery. FSA believes transformation of IT will ultimately equip and empower FSA employees to effectively and efficiently deliver services and support FSA programs.

This transformed and modernized business environment will provide our customers with real-time access to reliable and secure information, and bring about opportunities to perform business transactions when and where they want it. Systems will be faster and timely processing of applications will be assured. IT systems will be able to provide more quality data at a faster rate, thereby improving service delivery across the board.

Other IT Modernization Solutions

While MIDAS is our most pressing IT modernization need, FSA is engaged in several other IT modernization initiatives which are beginning to bear fruit. In particular, at the end of the past crop year, FSA implemented the National Receipts and Receivables System (NRRS) in support of the Federal Management Modernization Initiative (FMMI). This effort was designed to minimize improper and inaccurate payments, reduce administrative resources, and speed payments to producers.

NRRS is a web-based application for managing payments under various FSA programs. This modernization initiative streamlined three previously separate legacy system processes allowing more effective disbursement of program payments. The implementation provided significant benefits to the producer through more timely and accurate payments. In addition, moving applications off the legacy system and into the web-based environment lays the foundation for MIDAS to further streamline business processes.

This initial phase of NRRS fully migrated two FSA programs (Direct and Countercyclical Payments and Conservation Reserve Program) off the outmoded legacy system. The deployment of the web software releases was significant in scope. Initially, FSA experienced data integration problems between our new software and our legacy systems in the field. This registered some payments incorrectly and caused the

FSA computers to suspend those payments for correction or validation, delaying them being sent to some producers. Some producers also received letters from FSA which presented incorrect information.

FSA staff worked long hours to correct the errors, and payments were ultimately delivered to producers. We do not anticipate this problem in future years, although the integration problems we experienced do highlight the complicated nature of modernization. While we certainly may encounter other challenges in modernizing systems, it's important to understand that these challenges will be relatively small when compared to the issues that will arise if FSA continues using outdated systems and processes indefinitely.

FSA has also been able to successfully deploy and implement new applications and services needed to implement the farm bill. These implementations include, for example, the Direct and Counter Cyclical Payment programs (DCP), Conservation Reserve Program (CRP), Average Crop Revenue election (ACRE) enrollments, Supplemental Revenue Assistance Program (SURE) program payment processing, Milk Income Loss Contract (MILC) program, and Dairy Economic Loss Assistance (DLAP). In addition, applications have been deployed for the permitted entity, adjusted gross income (AGI), direct attribution, payment limitation, combined producer, and producer eligibility services.

As just one example of the benefit provided by this modernization of payment programs, FSA automation cut the time taken to process payments on the Tobacco Transitional Payments Program (TTPP) from 22 hours in 2009 to 5 hours in 2010; and significantly cut down instances of payment issues following automation of the payment processes.

While these projects are separate of Stabilization and the MIDAS project, it is crucial to note that without the foundations laid by Stabilization, these improvements in FSA payment processes would not have been feasible. As the MIDAS project builds on the initial Stabilization work, a modernized FSA will enable significant software deployments such as these, resulting in time and cost savings moving forward—in addition to the long-term network viability FSA badly needs.

Overview of the National Aerial Imagery Program

Finally today, I would like to discuss with you the usefulness of the National Agriculture Imagery Program (NAIP) to FSA, USDA and others in the public and private sectors.

NAIP provides digital aerial imagery to supplement ongoing efforts to utilize Geographic Information System (GIS) technology in administering programs. Since the early 1990's, FSA has used GIS to manage geospatial data and provide a means of linking geospatial data with tabular data. Under NAIP, FSA produces and stores digital aerial imaging to be used in concert with GIS data in the implementation of USDA programs. In addition to its use in FSA programs, NAIP has become the *de facto* base imagery layer for the nation, particularly for rural areas, and is praised by public and private users alike. In 2009, the program produced more than 148,000 digital aerial photographs of more than 2 million square miles of ground across the country. Imagery produced under the NAIP holds benefits for FSA, other USDA and Federal agencies, and private sector organizations.

Within FSA, the development of a national database of aerial imaging helps to ensure FSA compliance and land record management requirements are met. It serves as a critical communication tool for reporting of crops by farmers and ranchers, who can access the images via their USDA Service Center. The imaging ultimately assists FSA staff in determining eligibility and planning for conservation and other farm programs.

NAIP has also proven to be a cost effective means for other Federal and state agencies to acquire a digital image base, and has become a *de facto* standard for a number of agencies and organizations at the Federal, state and local level. A number of Federal agencies cost-share in the acquisition of NAIP imagery, including USDA's Forest Service and Natural Resources Conservation Service (NRCS), agencies within the Department of the Interior, as well as state governments. NAIP acquisition and management is coordinated through a number of inter-agency planning bodies led by FSA, and with state governments through the support of FSA State GIS Specialists. In partnership with the vendor community, NAIP has allowed for technological innovation which has kept costs down, led to improvements in information content and quality and provided for the development of additional uses. FSA has seen a substantial increase in the number of programs that rely on the use of imagery for delivery since the inception of NAIP. The Common Land Unit (CLU) program relies on the NAIP product for maintenance of farm and tract records. The CLU and NAIP together provide a foundation for delivering programs consistently within the agency and across the Department with NRCS, and the For-

est Service and are critical to the Congressionally-mandated data reconciliation effort between FSA and the Risk Management Agency (RMA). Conservation programs are increasingly using geospatial data to determine applicant eligibility and contract rates and NAIP is vital to this activity.

Because NAIP is acquired in the public domain with no licensing restrictions, commercial entities and nonprofit organizations are free to access the imagery and add value with a wide range of services in support of the agricultural community and society at large. Farmers and ranchers themselves acquire the imagery for analysis of their own lands.

Given this wide array of customers, it is important to note that NAIP serves as the United States Government's sole provider of digital aerial imaging. In USDA alone, NAIP is used by tens of thousands of staff, cooperators and approved insurance providers doing day-to-day operations in crop insurance compliance, conservation planning, forestry health evaluations, resource assessments and inventory management, assessment and monitoring of crop disease outbreaks, and crop statistical analysis. Without NAIP, FSA would not be able to perform acreage calculations for the delivery of programs nearly as quickly or easily, which would directly affect service to tens of thousands of farmers and ranchers. Federal staff in outside Agencies would be without a tool to obtain reliable and accurate aerial imaging for a variety of activities. Farmers and ranchers themselves, who utilize the imaging for similar assessment and cropland reporting, would be without a replacement source of information.

NAIP is a strong, well run, and cost effective imagery acquisition program. Each year the program is administered according to a rigorous project plan that manages and documents planning, acquisition, quality assurance, and product delivery and distribution. A comprehensive status and problem-reporting system is in place to identify and mitigate problems and risks. A formal program evaluation is held each year to review issues, recognize lessons learned, and implement improvements for the next year. Imagery provided under NAIP is vital to the efficiency of FSA operations and the good business practices of thousands of farmers and ranchers across the country. Without this program, FSA's customer service would be experience a significant negative impact. I am committed to the future of NAIP and excited for its benefit to American agriculture, and I believe farmers and ranchers would echo that sentiment.

Conclusion

FSA works hard every day to deliver vital farm programs across the nation. While that effort is hampered by an aging IT infrastructure, I know FSA staff are doing everything they can to get the job done, and get it done right. I am happy to see the initial benefits of our IT modernization efforts already taking shape, as I have outlined for you today. I am excited for what the future holds as the MIDAS project is fully implemented; and I am ready to work hard to use important technology such as that provided by the NAIP to benefit farmers.

Chairman Baca, Ranking Member Fortenberry, Members of the Subcommittee, this concludes my statement. I will be happy to answer your questions.

The CHAIRMAN. Well, thank you both for your testimony this morning and I will begin by asking the first question. Thank you very much, Mr. Smith, for your testimony and Jonathan Coppess, as well.

My question is why is the equipment so old and why has it taken us so long to begin to do something about it, and where are we now? I mean we talked about the telephone equipment and the 10–24 year old equipment, and yet, we need new technology, new ways to communicate, and ways to be cost-effective, too.

Mr. SMITH. Yes, sir, there are two points, two parts to the question. One, the Common Computing Environment appropriation that we received over roughly a 5 year period was used to consolidate three Service Center Agencies down from approximately 9,000 offices down to the roughly 3,000 we have today. At that point, we did refresh the majority of the infrastructure of those foundational elements I spoke of earlier. Unfortunately, that started aging the day we put it in and when the CCE appropriation went away from the Department, at that point we have about a $60 million annual

bill that we needed to sustain that infrastructure, and refresh servers on a 4 year basis, PCs on a 4 year basis, telephone systems on a 10 year basis. So with the infrastructure we have had some success in the agency's funding. Computer refreshment, that part of the portfolio is newer than others.

The second part that I would add is the technology within the Farm Service Agency Program areas is on 1980s-based equipment, and that has become very, very dated. The complexity of those programs and moving that to a web-based modernization profile was begun through the CCE appropriation, but it was not finished. And at this point that is what we are trying to do is to put those programs into a modern consumer-off-the-shelf technology application that will more easily allow us to change as programs change and legislation changes.

The CHAIRMAN. What is the timeline to complete this?

Mr. SMITH. For the Farm Service Agency Modernization, I will let Mr. Coppess answer.

Mr. COPPESS. All right, so the MIDAS project, we are looking at a timeframe of funding through 2013, and that final contracting effort is in 2014. One of the big things we are looking at on MIDAS is our maintenance contracts end in 2013, and so we have a certain definite concern out there of getting ourselves modernized and up to speed in time. We are looking at another farm bill coming down the line in the near future and we need to be in this more modern environment to write the software for complex programs, and be able to better deliver on the farm bill that you all write.

The CHAIRMAN. Okay, okay, thank you.

Let me ask another question, Mr. Smith, as you know, the SNAP Program uses electronic benefit transfers to variable systems. Can you talk about the EBT has improved delivery and has it lessened the fraud and abuse?

Mr. SMITH. Yes, sir, I believe it has made the delivery of SNAP benefits very efficient and effective and at almost any store in this country that takes EBT, an individual can just pull out a card just like a credit card or a debit card and use that to get benefits. It has helped in reducing fraud demonstrably because all those transactions can be put into a data store and mined so we can look for anomalies that might not be visible to the naked eye. By taking those roughly two billion transactions across the 50 states and the territories that are in it and the District of Columbia, we can look for patterns of misuse, fraud or abuse.

The CHAIRMAN. Okay, I know that there is one other question that I have for you, Mr. Smith. The Administration has made a commitment to roll-out broadband across the country with $2.4 billion funded through the American Recovery and Reinvestment Act. Do you have any estimates of what this might mean for increasing farmer and rancher participation in USDA programs?

Mr. SMITH. Yes, sir, I believe that will have an extraordinary impact. One of the things that Mr. Coppess and myself have been doing, and we will continue to do, is carry out listening sessions with farmers and producers around the country. One of the things we hear over and over again is that yes, in cases we want to be able to self-serve and look for the information in which we are doing business with the USDA, but we don't have the capability be-

cause we don't have a broadband connection. I believe that it will have a major impact for individuals across the country to access our programs, not to mention the economic engine for the nation: for people in some of the farthest parts of the country to sell to others; for creativity and ingenuity; for educational opportunities. I think it is going to be a major impact for the nation.

The CHAIRMAN. Okay, thank you. I know that I have additional questions that I would like to submit for the record.

So I will turn it over to the Ranking Member now for questions.

Mr. FORTENBERRY. Thank you, Mr. Chairman.

Mr. Smith, I believe you alluded to the system as being fragmented. Before coming to Congress, I had served a term on the city council back home. This was in the early days of the advent of the Internet. One agency was readying itself to setup its own separate website. I was a very strong advocate for centralizing the entire city government in one place with sub-branches to the various agencies. Now, recognizing there are different service delivery models that may be incompatible in terms of having one platform for the delivery of those models, can you point to the ultimate goal in terms of solving this fragmentation problem. You talked about how we need to move to a web-based system. Is that the core element of what you are doing?

Mr. SMITH. Yes, sir, I mean one, on its face, the cost-effectiveness, the security and the disaster recover capabilities we get out of consolidating and then protecting all of our information assets in a lesser number of places is huge. I can't understate that. It gives us the flexibility to react when there are problems. It provides the ability to communicate with one voice on all programs across USDA. It also allows us to better serve the farmer, the rancher, those people in rural America to self-serve those programs. Right now we have fragmentation within some of the systems within the Farm Service Agency. So, a farmer who farms in multiple counties cannot have a view into or that employee does not have a view into all that farmer's holdings. So, just from an efficiency standpoint within the Farm Services Agency, it will be large. So the last point I would make is a security one that I spoke on. We are under a constant threat from cyber criminals and nation states. The entire Federal Government has been facing this problem for a number of years, and we must secure the information that we have so that there is no misinformation or impact to the varying economy, to the privacy information that we hold on behalf of those 1.7 million producers, and all those rural Americans who do business with us, and third, it is the food supply so it is very important to us.

Mr. FORTENBERRY. The second issue is that it would be important, and you just touched upon it, but we are striving for what the potential benefit is for increased modernization of the technology, less wait times, quicker loan processing.

Mr. COPPESS. Yes, certainly to add to what Chris was saying and to emphasize that when we talk about MIDAS modernization, it is more than just the equipment. It is more than just the IT infrastructure. It is an entire way to utilize that to improve our business processes, our paperwork, our handling times, the steps that it takes to get from the signup to the payment. So it will certainly

decrease wait times, paperwork and effort on county office staff, on farmers and ranchers that come in. So it is a big process that underlying all of that is getting it into this more centralized web-based system that allows better access across counties and for farmers across the country. So it is definitely going to help that out.

Mr. FORTENBERRY. Let me make sure I understood you correctly. The major components or the major fixes that will lead to the outcomes that you just named will be complete by 2013?

Mr. COPPESS. Yes, we are, well, our modernization will probably never—we have to continue to keep going on that so that the program, the MIDAS Program is in the 2013–2014 timeframe, so our final contracts will go, will wrap up in 2014, is the goal now.

Mr. FORTENBERRY. The Chairman alluded to the fraud, particularly in the SNAP Program. That has been reduced significantly from the old food stamp program. I believe the old number was six percent fraud and I think that is down. It is perhaps the last number we had if I recall correctly was it has been reduced perhaps by as much as 50 percent. Has it been reduced further? Do you have a specific number?

Mr. SMITH. I don't have that exact number. I would like to get that for you and get that to you in writing.

Mr. FORTENBERRY. I think that is an important number to have out in the public sphere. It is important to talk about, again, in terms of the potential in benefit from this very large investment of taxpayer dollars.

Mr. SMITH. Sure.

Mr. FORTENBERRY. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. I will ask some additional questions and then we will wrap it up with this panel and then move on to the next panel.

Chris or Jonathan, do you believe that the CIO is adequately funded and staffed to provide the support needed for USDA's IT Modernization Program? This is your pitch, your opportunity.

Mr. SMITH. Yes, we have attempted to be very thoughtful and deliberate about the needs to carry out this modernization effort. As we have some of these complex systems coming together, the Financial Systems Modernization, the MIDAS initiative, Web Supply Chain Management, Public Health Infrastructure Service, a lot of those things I talked about, or were in my testimony, we are on track and there are going to be adjustments in course. We are not going to be perfect on this, and I think that is one of the mistakes we made in the past was not coming up and saying when things were not going as well as they should. So I believe we have the resources for the plan we have in place right now. I think one of the opportunities for us as we move forward and work together on this is that if we can clearly identify the funding stream for a given IT initiative, we can be that much more accountable, that much more transparent. My organization has put a lot of effort into building sophisticated cost models that show the activities where we are spending against what projects, and then benchmarking that to industry to ensure that we are getting the best value for the American people day in and day out on these projects. But why I started off with some of the challenges, we have real challenges as we go

forward, but we have also got a strong team that we have built. Jonathan and myself and those other mission areas are working together hard at this. We have a strong governance structure we put in place, so I am confident at this point that the funds that we have are right.

The CHAIRMAN. Okay, thank you.

Let me follow up. Can you describe for the Subcommittee, the current staffing level at CIO? Has that expanded the ability for data collecting and reports on race, gender, ethnicity? Has broader data collection been implemented for all agencies serving farmers?

Mr. SMITH. The first part of the question for the staff that is under my direct control, it is about 1,000 personnel. The bulk of them are actually in the field delivering service to the three SCAs in other parts of the USDA, so my compliance and policy group is roughly 75 and the rest of that is directly in service delivery.

In reference to the second part of your question, Jonathan do you have an answer to that or do we need to go back with a written response?

Mr. COPPESS. I can provide more detail in a written response. One thing that I would point out that this is a continuing effort to improve across the agency and, of course, the Department. We have established a very important partnership and working governance structure as Chris mentioned. And one of the struggles we have is being able to transition from individuals that have worked for a long time on the 15–20 year old technology into 2010 and get new skill sets and the capability to run on these web-based systems. I think it is going to be a continual work in progress and something that we will have to watch, monitor and improve as we go.

The CHAIRMAN. Okay, thank you.

Mr. Coppess, since you have taken over as FSA Administrator, how many instances have there been of computer issues preventing the proper administration of FSA Programs?

Mr. COPPESS. I could guess at a number of instances, I think the most prominent that we have seen is this past fall, some new issues we had in making payments in the Direct Payment Program and Conservation Reserve Program. And that was really an example of when we talk about there being some rough roads as we renovate our systems and we improve and modernize. You are going to be trying to fit the new, and use the old, and you have as we go into those centralized web-based applications, we are still 2,200 offices with these 20+ year old systems in each one and they are not connected, and so we are running into some problems. What I would like to point out that I was very impressed with is that as we ran into payment problems, our IT staff was incredibly responsive, Chris' staff incredibly responsive in finding these problems, isolating them, and chasing down each and every one of them piece by piece, and resolving them so that next time we don't see the same problems again. So, it is never, as Chris says, it is never going to be a perfect effort, but we have worked incredibly hard in chasing down problems where they exist and fixing them as we go, and learning from those issues, and just working that back into our processes and our efforts.

The CHAIRMAN. Thank you.

Mr. Coppess, do you have any figures on the current level of fraud or waste in programs the FSA delivers?

Mr. COPPESS. I do not have those figures with me right now. We can look into it. I know we track improper payments and other issues but I do not. I have not seen information that indicates a high level of fraud in our program payments.

The CHAIRMAN. All right and then the final question, do you believe that better use of technology could help to cut down the incidence of fraud?

Mr. COPPESS. I think it is, certainly, that is always something that can help. It will more than anything help ensure that we get the right payment to the right producer at the right time, and that is the main goal. I don't think we see the fraud necessarily as a concern as much as being able to timely and properly deliver our program payments.

The CHAIRMAN. Okay, thank you.

I will turn it over to Mr. King to ask a question at this point.

Mr. KING. Thank you, Mr. Chairman.

I thank the witnesses and I will start first with Mr. Smith. Can a producer access their own files electronically?

Mr. SMITH. Thank you, Congressman King, to a limited extent, yes. We don't have nearly the amount of information out there that we would like to have. There are two programs right now that people can self-serve on, and there is information that they can get if they have signed up through our E-authentication to reach it. But, a major driver for this modernization effort is to give people information, access to information securely from wherever they may be, the farm, the fields, their home or office.

Mr. KING. It will allow them also to do some filing electronically?

Mr. SMITH. Yes, sir, that is the full intent. We have been in the series of listening sessions, as I said earlier, and we plan to be in roughly 15 other states over the next 8 weeks asking farmers just that question, "Do you do home banking? Do you do your insurance online? Is that something you would like to get?" And I would add precision agriculture, in many cases the farmer is more sophisticated than we are in our offices, and so the ability for these GIS systems to require back to us acreage reporting, yields and those types of things, the possibilities are pretty intriguing to us.

Mr. KING. I would submit that farmers would be very, very glad to be able to access everything they do electronically because then they can operate off their own schedule rather than the schedule of the office being open. Yet, if they are not technically astute, they will become so from a time factor. If they wake up in the middle of the night and worry about you guys, they could just get right on the computer and resolve at least the filing issues and the informational issues, and do their planning in sequence as it comes to their mind rather than when they come to the office. I hope we can get there. I have seen the private sector get there very, very quickly.

What about the NRCS and FSA, are there duplications there that can also be eliminated electronically?

Mr. SMITH. I believe there is a great deal of overlap between the programs and the customers are in many cases the same, so yes, I believe we have opportunities for streamlining the process. I

mean that is one of the things that Jonathan spoke about a little earlier. As we are building out these systems and modernizing, sometimes there is a long trail until you get the functionality out in the customers' hand. We have been doing a lot in FSA, and NRCS is now doing some of this also around looking at business processes. How can we remove steps that are not of value, add to that and ease the pain points for our staff and the customer out there in the field, so there is a lot of opportunity across both those programs with our customers.

Mr. KING. Thank you, Mr. Smith.

I would turn to Mr. Coppess and if he has another comment to add to that I would pause for that and then I have a follow-up question.

Mr. COPPESS. Sure, and one of the important things that Chris had mentioned is that here you get these modernizing systems to fix some of the businesses processes. Whether it is NRCS or RMA, in particular with the Risk Management Agency and all we are doing in these Disaster Programs, the ability to communicate not just across county offices and not across the state lines but amongst the agencies with the information, provide that into these more complex programs to have that information in there and, of course, we work very closely with NRCS on technical systems. So, as we are modernizing and as we get all the systems together, you will see better functionality across the agencies. But I do want to stress that there is a very important component that we, in our county offices and our staff out there, what they provide in helping to educate on the programs and go through some of these complex steps, and so what we really want out of this modernization effort is more flexibility for the farmer. If you want to do acreage reporting or up-ledger your harvest information online, perfect. If you have questions about it, we want that county office to be a better service center so that when you come in with questions and work with that staff, it doesn't take as long, the answers are there and the information is there.

Mr. KING. Thank you, Mr. Coppess, and this is a follow-up on one thing that caught my attention when Mr. Baca brought it up and that is the reporting for race, gender and ethnicity. Do I take it that you expect to be able to get moved up technology so that can be easily identified and categorized?

Mr. COPPESS. Yes, I think that, and all information across the board as we centralize all of our data and have the ability that you don't have it just fragmented across areas and programs, the ability to pull all personnel and run those reports and have that information would be improved drastically.

Mr. KING. And then do we actually have that Affirmative Action Program that would, let me say, benefit those categories that we are discussing?

Mr. COPPESS. We have the Equal Employment Opportunity absolutely.

Mr. KING. Distinct from Equal Employment, do we actually, do we have a *de facto* Affirmative Action Program?

Mr. COPPESS. I am not aware of a *de facto* Affirmative Action Program but we can explore that a little bit further and get you maybe a better answer in writing.

Mr. KING. If I could just clarify, as I understand, this goal is to keep data on race, gender and ethnicity so that we can assure that we are providing equal opportunity which I am emphatically in favor of and that is our goal and our mission, as I understand it.

Mr. COPPESS. That would be one part of it, yes.

Mr. KING. Thank you very much. I thank both the witnesses and I thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Mr. King.

If I may follow-up on a question that you asked when we were talking. When we are looking at a system, do we have systems that can talk with one another? Can you please respond to that because Mr. King was right on track, and I just wanted to follow-up to make sure that we have the system that can dialogue with one another?

Mr. COPPESS. Well, we certainly that is where we are going. I mean that is what we want to be able to do. Do we have all of that now? Absolutely not. I think that is some of the things we have struggled with in implementing some of the new Disaster Programs like SURE, the Supplemental Revenue Assistance Payments program, for example, being able to communicate with the Risk Management Agency on crop insurance and indemnity payments, overall, and Chris may want to touch on this more.

Mr. SMITH. Mr. Chairman, in two parts, we have been working hard to make sure that all programs across USDA can speak together. That is the unified communications approach that I have talked about where we are combining down from 27 e-mail systems. And one is not just e-mail, it is chat, instant messaging, web-collaboration, meetings video-teleconferencing and by the end of the summer we will have about a thousand endpoints where video-teleconferencing is in place that will enable disaster recovery action so the Department of Agriculture has better collaboration and improved productivity. And then, the second part is back to farm programs, for instance, and how that talks to the financial system to make sure that we have one set of books and there is one version of those books. We have been very deliberate in the planning for that and so the FMMI modernization and the MIDAS modernization are, in fact, going to be in the same technology, so it is not an interoperability or an integration issue. It is in that enterprise resource plan, so again, we are always looking at where there are opportunities to do that and then if we don't choose the same setup technologies in our operation is a key driver. We cannot have stovepipes anymore.

The CHAIRMAN. Okay, thank you.

I will call on Mr. King for an additional question.

Mr. KING. Thank you, Mr. Chairman, and just to come back on that and, Mr. Smith, if you have agencies within the Department that disagree on what technology that might cause you some problems with the interoperability that you have discussed, are you the one then that makes that call or who does make that call? Who has the authority, the Department level or the agency level?

Mr. SMITH. Yes, sir, that authority resides with my office, but we do try to be very collaborative as we do this and make sure we understand the unique needs of any business line before we make those types of decisions. I think it is extremely important that we

do, from an architectural standpoint, have a solid blueprint to what it is that we are building. So on that note, we have actually undertaken a study where for the first time we will have a map of all of the technologies by bricks, what we call bricks and patterns. Basically if you think about the blueprint in building a house, the bricks and the foundation upon which we build we will hang that out. Right now, we have done it in the security and the information management area and we will have about seven other areas so that we can talk at the technical level and also at the business level. I would just add that the approach we are using for MIDAS and Farm Services modernization has the business person in the lead and lines the technology person up next to them, but the business has got to lead this. We have to have the right business process, the right measures so we can show exactly what it is that we are changing, and bring the technology in line and make it agile enough that it can change as programs and law change.

Mr. KING. I will note that the agencies have noted that statement and they will be very cooperative with you and still make their case. Thank you very much.

Mr. SMITH. I appreciate your support, Representative.

The CHAIRMAN. Thank you very much, Mr. King.

Next, I will call on the Ranking Member, Mr. Fortenberry.

Mr. FORTENBERRY. Just one other quick question, gentlemen, before you were going back to the conversation we had a moment ago regarding fragmentation. Can you explain the chain of command regarding the implementation of the new technologies?

Mr. SMITH. The authority falls under Clinger-Cohen for capital planning, so any investments that are made within the Department of Agriculture should and are supposed to come through the Office of the Chief Information Officer. That individual within the Department is given that authority and reports to the Assistant Secretary for Administration as well as the Secretary. We also have some authority that you all have given us for any expenditure over $25,000 in information technology investments. We have something called an acquisition review process. All of those come through my office so we own the oversight of that. I would again say though that we do want some of the entrepreneurial spirit close to the business lines to get the technology in place that meets the needs of the business, so it is a problem.

Mr. FORTENBERRY. Of fragmentation and that is why I think I agree with you to allow for innovation at the lowest level, but to understand how that might be implemented across systems so that it is most efficiently utilized is important. So is there a problem here with that authority that is something that we may need to look at?

Mr. SMITH. I don't know that it is a problem but it makes it challenging, and that is with the authority and that alignment. I would go back to a statement I made if we have clear lines of funding for IT projects it allows us to be that much more accountable and that much more transparent.

Mr. FORTENBERRY. So the appropriations makes the policy?

Mr. SMITH. I wouldn't go that far but——

Mr. FORTENBERRY. Well, that happens a lot around here but we will leave it at that.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much and that concludes the question by those of us here, but there are additional questions that we have that we will submit for your responses. I want to thank you, Mr. Smith and Mr. Coppess, for coming before us and giving us the insight of what needs to be done, what is currently being done.

Mr. SMITH. Thank you very much.

The CHAIRMAN. Well, next we will bring on the next panel. We would like to call up panel two. We would like to welcome each of these panelists up here.

Mr. Roger Johnson who is President of the National Farmers Union in Washington, D.C.; Mr. Mike Mayfield on behalf of the National Association of Farm Service Agency County Office of Employees from Pulaski, Tennessee; and then Mr. Craig Turner, President of the National Association of Farmer Elected Committees from Matador, Texas; Mr. Will Craig, President of the National States Geographic Information Council from Minneapolis, Minnesota; and Mr. Jim Krosch on behalf of the National Association of Conservation Districts from Morris, Minnesota. We will begin with Mr. Johnson. You have about 5 minutes to give your opening statement, Mr. Johnson.

STATEMENT OF ROGER JOHNSON, PRESIDENT, NATIONAL FARMERS UNION, WASHINGTON, D.C.

Mr. JOHNSON. Thank you, Mr. Chairman and Members of the Committee.

For the record, my name is Roger Johnson, President of the National Farmers Union, an organization that has been around in this country for more than 100 years and represents family farmers and ranchers. Thank you for the opportunity to testify on an issue that some might see as mundane, but is of extraordinary importance in an industry that is always looking to figure out how to do things more efficiently and more effectively. Having the right kind of IT solutions is very important. Much of what is in my written testimony has already been discussed in some detail by the former panel, so with your permission I am going to hit just a couple of highlights and then maybe turn to some of the comments that we have received from members since our written testimony was turned in that are experiencing these issues out in the field.

We are, in the industry of agriculture, always being asked to do more with less. The same thing is true with government and certainly appropriately so. In order to really do a job well, we need to have good tools, and as you heard in the earlier panel, we are kind of in the dark ages with IT at the USDA. In fact, that is the precise language that several of the folks from the field reference or used when they described their ability to interact with the USDA.

The USDA has a complex suite of some 30 different program applications based on a distributed technology platform that relies on antiquated computer code known as COBOL. Man, that is a long, long time ago since I have even heard people talk about COBOL. It is a real problem.

There are a number of reports of information now being entered manually because the computing system is simply not able to accommodate things. Standard operating procedures are being written on a piecemeal basis. Data transfers between agencies are simply not possible without doing it manually, and so we have a system that is outdated. It is unstable. It is not cost-effective for the delivery of Farm Programs. In spite of that, some $¾ billion since 2002 has been spent on these systems and discretionary spending as you all know is always very, very difficult to get and to get applied in a fashion where it can give us the results we want. It is an expensive system and it is an outdated system.

In some states, FSA actually goes to manual procedures. The SURE payment, SURE Program is one that was reported by some of the folks out in the field, they actually are taking data from RMA and manually inputting it into an Excel spreadsheet in order to calculate payments, and then in some cases, issuing those checks manually, as well.

Acreage reports are based on the same method that was used in the 1960s. The only real difference is that they now get uploaded to a computer system.

GIS, I talk about that on page four of my testimony. There is an awful lot of use for programs that would involve GIS and certainly, we need to get to the point where farmers can just get on these systems and automatically transfer with a touch of a keyboard or a PDA or whatever to get not only that information to interact back with USDA but also to report and do those sorts of things.

IT advances by leaps and bounds, the technology itself, but obviously the government is quite a bit behind. We heard words like enormous consequences if something happens. We heard words like catastrophic failures. We heard people talk about USDA having to resort to half-measures in order to implement the 2008 Farm Bill because the technical capabilities simply weren't there. It is not only a hardware issue. It is a huge software issue, both of them being significantly outdated.

And with that, Mr. Chairman, I will conclude my testimony, and will be pleased to respond to any questions.

[The prepared statement of Mr. Johnson follows:]

PREPARED STATEMENT OF ROGER JOHNSON, PRESIDENT, NATIONAL FARMERS UNION, WASHINGTON, D.C.

Chairman Baca, Ranking Member Fortenberry and Members of the Subcommittee, thank you for the opportunity to testify today about the status of information technology at the U.S. Department of Agriculture (USDA). My name is Roger Johnson and I am President of the National Farmers Union (NFU). NFU is a national organization that has represented family farmers and ranchers and rural residents for more than 100 years. NFU members understand the critical role modern information technology systems play in the efficient and effective delivery of farm programs.

New technological solutions are available and USDA has been pursuing significant modernization in recent years. Yet, we know that progress has been slow. Advances that could be made in areas such as data storage and sharing, geographical information systems (GIS) and reduced service delivery continue to be impeded by a system has not adapted to the times. In today's competitive global marketplace, American farmers are being asked to produce more food, fiber and fuel with greater precision and efficiency, and they are answering the call by investing in new technological systems. As the primary agency tasked with providing support and assistance to farmers, it is only logical that USDA would do the same.

With advances in web-based technology and geographical information systems, opportunities exist for USDA to realize gains in efficiency and effectiveness by providing producers greater ability for self-service while simultaneously reducing costs, paperwork and travel time required to apply for programs and service contracts. Coordinating web-based efforts to provide services to producers will require a new approach, new technology and new ways of managing data. USDA has begun this process, but much work remains to be done.

Current Status

The current status of the USDA Farm Service Agency (FSA) computer systems remains unstable and has resulted in service disruption to producers. This is despite the fact that Congress has made significant investments in USDA's Common Computing Environment (CCE). Currently, USDA runs a complex suite of 30 program applications based on a distributed technology platform that relies on antiquated computer code known as COBOL. Program data is kept on computers at county-based service centers and fed into central mainframe computers to process program information. This significantly impedes data sharing across boundaries, whether programmatic, geographical or organizational in nature. This IT infrastructure impacts interagency coordination in program delivery, impacts workload balancing and reduces capacity for customer service. The system has also proven sluggish to adapt to new programs. As the 2008 Farm Bill programs are implemented, field offices have often found frustration as systems have not been ready, data transfers between agencies have had to be done manually and standard operating procedures have been written piecemeal.

Producers have reported that the system is slow to respond when legislative changes are made. The sign up for 2008 SURE program payments is a good example. Sign up recently began for 2008 SURE payments, but a number of producers reported development of the programs designed for them took a long time. This resulted in a sign up window so small that many missed their opportunity to apply. Farmers and ranchers struggle to maintain the records and necessary documentation during the lengthy process to develop a working system.

The current system is outdated, unstable and is not cost-effective in the delivery of farm programs. Over the past few years, the system has become unstable several times resulting in a near shut down in operations across the country. While temporary solutions have maintained system operations, other failures, perhaps catastrophic, are likely as the system is continually overburdened. Complete failure of this struggling system would have enormous consequences for commodity, conservation, crop insurance and disaster program delivery across the nation.

Funding

USDA has received significant funding for information technology systems. Congress has provided over $700 million since 2002 for the USDA CCE. In addition to regular appropriations, the American Recovery and Reinvestment Act provided an additional $50 million to maintain and modernize the information and technology system.

The Appropriations Committees have been trying to find a way to pay for the necessary upgrade for several years, but with all of the other demands for discretionary spending it has nearly impossible to provide the level of funding needed.

The Government Accountability Office (GAO) has reported that maintenance of the existing CCE system is costly because of aging and obsolete machines for which replacement parts are neither widely available nor cheap to procure. Creation and maintenance of programs is also complicated by the fact that few programmers exist with knowledge of the COBOL programming language. As a result, a large portion of USDA's CCE funding has gone to maintaining an increasingly expensive but outdated system.

MIDAS

USDA's current effort underway to update and modernize their aging computer system is known as "Modernize and Innovate the Delivery of Agriculture Systems," or MIDAS. The goal of MIDAS is to provide better service to customers in today's Internet age through web-based technologies. MIDAS holds great promise in significantly modernizing FSA's technology infrastructure, but managerial and logistical issues must be addressed to ensure it is implemented in a smooth and timely manner.

In 2008, FSA completed a comprehensive organizational review and assessment that found MIDAS lacking in the areas of project management, intra-agency coordination, human capital planning and change management. In 2008, the GAO reviewed progress on implementation of MIDAS after USDA's decision to accelerate implementation from a 10 year to a 2 year schedule. GAO found that managerial

and logistical weaknesses existed that made uncertain the delivery of MIDAS within acceptable cost schedules and timeframes.

The GAO report recommended measures for USDA to increase coordination between the Department's and FSA's chief information officers to develop specific plans for tracking user-reported problems and to clearly define roles. The GAO also recommended a full assessment of USDA's investment in MIDAS including establishing effective and reliable cost estimates and a realistic and reliable implementation schedule.

Geospatial Data

In an effort to provide information to a variety of stakeholders, USDA maintains a vast database of aerial imagery and other geospatial data. Administration of these efforts requires robust data management facilities and procedures, expertise in image collection and organization, effective quality assurance measures and the capability of delivering the data in formats that meet customer requirements.

Updated information technology systems could greatly reduce the delivery time of current imagery acquired for use in farm programs. The computer interface with geospatial data at the field office level is critical for USDA employees to be able to access needed resources. Current deficiencies in the field office computer system often make accessing geospatial data slow and cumbersome if not impossible. The advanced application of geospatial data in servicing contracts would greatly enhance producer use of GIS in precision agriculture. While producers could provide GIS information from their equipment, the information would be lost on a USDA computing system not equipped to handle it. Similarly, geospatial information could also be utilized in making disaster assessments and payments were it readily available.

Closing

Updating USDA information technology system is a task for which there may be no finish line in sight. IT continues to advance by leaps and bounds, and keeping up with the latest technologies is a constant and costly challenge across all sectors. It is perhaps most acute in the public sector where change is slow and operating budgets remain very tight and are receiving greater scrutiny. Much has been done in the past decade to position USDA to make the next technological leap.

We support continued investment in USDA's IT overhaul. Updating the system to 21st century standards will not only improve USDA's business practices, it will also result in better customer service for producers that will ultimately be good for American agriculture as it seeks to meet the challenges of providing for a growing population. While work still remains to get the job done, we are confident that with proper management strategies, adequate resources and proper planning USDA can meet the challenge of harnessing information technology in a way that will benefit our nation's farmers and ranchers.

I thank the Subcommittee for the opportunity to testify today and I look forward to your questions.

The CHAIRMAN. Thank you very much, Mr. Johnson.

Next, we will have Mike Mayfield.

STATEMENT OF MIKE MAYFIELD, NATIONAL LEGISLATIVE CHAIRMAN, NATIONAL ASSOCIATION OF FARM SERVICE AGENCY OFFICE EMPLOYEES, PULASKI, TN

Mr. MAYFIELD. Mr. Chairman and Members of the Subcommittee, my name is Mike Mayfield and I appreciate the opportunity to testify before your Committee today.

I have been involved in agriculture for my entire life. I am part of a fourth-generation farm family and I have been employed by the U.S. Department of Agriculture, Farm Service Agency for 24 years as a County Director in Giles County, Tennessee. I am here representing the National Association of Farm Service Agency County Office Employees, and I am pleased that our President, Myron Stroup, from Kansas is also here with me.

The National Association of Farm Service Agency County Officer Employees is an organization that represents the county-level employees of the Farm Service Agency. NASCOE is proud to represent 85 percent of all county office employees. In anticipation of today's

hearing, NASCOE surveyed our membership with three pertinent questions.

Is the current IT FSA infrastructure meeting your professional needs as an employee? Seventy-six percent said no.

Have you seen any improvement in the IT infrastructure in the last year? Sixty-one percent said no.

Do the current software applications provide you with the ability to timely service producers? Eighty-one percent said no.

There is a wide range of program needs for each and every individual producer. We have heard here today how important maps are and they are our number one function. Unfortunately, this is one of our slowest processes taking 2–3 minutes to simply open, and another 2–3 minutes to prepare a map. This takes us 5–6 minutes to be prepared to service a producer in the office.

As we mentioned, 1.7 million participants have to use this program to certify and use maps. If we are conservative and see a 5 minute ArcMap startup in that production, this has caused a potential loss of productivity of over 146,000 hours. This equates to a total loss of productivity of 68 full-time employees and a cost to the government of over $4 million.

The second enrollment program for the DCP and ACRE Programs is probably our second most used function. Again, this is a function where we have to use several farm records. If there are changes such as acres, owners, addresses, e-mail address changes or changes in deposit information, we are required to use four separate log-ins to access the applications to service this one producer. A disruption, which still happens on a regular basis, in any one of these applications can prevent the office from efficiently handling this customer.

The recent investment in our IT system has made some marked improvements and we want to thank you for those improvements. As USDA drives toward becoming paperless, the online FSA handbooks are an example of a success story. They make it much quicker to search through the 118 regulatory handbooks that are required to implement the Federal Farm Programs.

The DCP and ACRE enrollment software are examples of functional and user-friendly applications. The producers especially like that they can sign up farms from other counties, however, these applications allow us to enroll these producers and get them back in the field where they need to be for their profitability.

FSA needs your continued support and investment in infrastructure and software development to assure our IT systems are the best possible. The largest problem that we have today has already been mentioned. It is antiques. FSA offices across America start business everyday with a machine and a process that by any definition is considered antiquated. This problem must be solved.

The current implementation of the SURE Program is no exception. There is no integrated software and the program is being implemented with a complicated, Excel workbook. Large volumes of data are being transferred from an interim report and keyed into that workbook. This is a perfect situation for overpayments, underpayments and mistakes and the most disheartening consequence for the county office employees is the loss of integrity and producer trust in our programs.

NASCOE's motto is *Loyalty, Service, Courtesy, and Effort.* We take our profession very seriously. Many of our employees grew up on a farm or a ranch. They still farm or have family members involved in agriculture. These are our friends, family and neighbors. We want them to respect our profession and what we contribute to our local communities. NASCOE asks that you continue to conduct oversight of the Department's efforts to assure that programs passed by the Congress are delivered in a timely manner and effectively.

Thank you for the opportunity to be here with you today. I will be glad to take any questions.

[The prepared statement of Mr. Mayfield follows:]

PREPARED STATEMENT OF MIKE MAYFIELD, NATIONAL LEGISLATIVE CHAIRMAN, NATIONAL ASSOCIATION OF FARM SERVICE AGENCY OFFICE EMPLOYEES, PULASKI, TN

Mr. Chairman, Members of the Subcommittee, my name is Mike Mayfield. I appreciate the opportunity to testify before your Committee today. I have been involved with agriculture my entire life. I am part of a fourth-generation farm family. I have been active in 4–H Club, the Future Farmers of America, the Cattlemen's Association, Tennessee Farm Bureau and my local community. I have a Bachelor of Science Degree in Agriculture from the University of Tennessee. I have been an employee of the U.S. Department of Agriculture's Farm Service Agency for twenty-four years. I am currently the County Director of the Farm Service Agency in Giles County, Tennessee. I am here today representing the National Association of Farm Service Agency County Office Employees (NASCOE). I am pleased that our national President, Mr. Myron Stroup of Kansas, is also here today.

The National Association of Farm Service Agency County Office Employees is an organization that represents the county level employees of the Farm Service Agency of the United States Department of Agriculture (USDA). NASCOE was originally chartered in 1959. FSA employees are in contact with virtually every producer in the United States, and NASCOE is proud to represent 85% of all county office employees.

In anticipation of today's hearing, NASCOE surveyed our membership with three pertinent questions:

1. Is the current IT FSA infrastructure meeting your professional needs as an employee? 76% said no.

2. Have you seen any improvement in the IT infrastructure in the last year? 61% said no.

3. Do the current software applications provide you with the ability to timely service producers? 81% said no.

In most cases when a producer walks through the door of a local FSA office, the employees of the office know them by name. However, even with that level of personal knowledge, the producer's detailed farm operation information must be accessed from our computer operating system. Depending on the reason for the producer's visit to our office, we will proceed to certain areas of a producer's farm information. Many times that may be a printout of their farm operation record or a copy of a producer's farm map. It may be to make a payment on a loan or apply for a loan. There is a wide range of program needs for each and every individual producer. I would like to discuss two main functions that our offices perform. According to reports from throughout the country, the use of maps for numerous reasons from irrigation installation, acreage determinations, crop planning, farm subdivision and acreage reporting to name a few is the most heavily used office process. We have a tremendous tool with ArcMap and our GIS Common land unit layer, and it can be an intricate part of a producer's farming operation. Unfortunately, this is one of our slowest processes taking 2–3 minutes to open. Next a search must be made of farm records to find the appropriate farm number or numbers, and then printing takes 5–6 minutes before the information is available to work with the producer. If any one of these software applications is not available or disrupted, the office will have to seek out the information manually, or if the server is down, we will not be able to provide this information to the customer. The manual process dramatically increases the amount of time necessary to perform the service for the farmer or rancher.

Enrollment in Direct and Counter Cyclical Program and Average Crop Revenue Election was determined to be the second business function widely used. This process is dependent on more interactive software processes to accomplish the enrollment task. First, a printout detailing all of the farms involved in a particular operation is necessary for review. If there are changes such as acres, owners, addresses, adding e-mail addresses or changes in deposit information, it could take up to **FOUR** separate log-ins of username and password to access the necessary applications to service this one producer. A disruption, which still happens on a regular basis, in any one of these applications can prevent the office from efficiently handling this customer and may even require them to make subsequent visits to the office.

All 1.7 million participants in the DCP and ACRE programs will be required to certify and use maps. If we are conservative and assume a 5 minute ArcMAP startup on each map, we have a potential loss of productivity of 146,666.66 hours. This equates to a total loss of productivity of 68 full-time employees or a cost to the government of $4.42 million.

The recent investments in our IT system have made some marked improvements and we want to thank you for those improvements. At least, gone are the days such as in 2007 when the eastern part of the country could access their computers before noon, and the western part of the country had to wait until after lunch. According to FSA employees, there are some functional and user-friendly applications that have allowed FSA to provide better service to producers. As USDA drives toward becoming paperless, the online FSA handbooks are an example of a success story. They make it much quicker to search through the 118 regulatory handbooks that are required to implement the Federal farm programs. In addition, amending handbooks for policy changes and corrections used to take days. Now that process is instantaneous with the posting of the new amendment on the website.

The Direct and Countercyclical Program enrollment software and Average Crop Revenue Election software are examples of functional and user-friendly software applications. The producers especially like that they can sign up farms from other counties. It is nice to be able to access all of a producer's interests. These applications allow us to quickly enroll producers and get them back in the field where they need to be for profitability. The interaction of the DCP and ACRE software with the National Payment Service application for 2010 advance payments has work seamlessly so far this season.

The software to perform subsidiary file updates also is a user-friendly application. It is easy to move between the actively engaged and conservation compliance updates. The reports are easily attainable and can be adjusted for specific county office needs.

FSA needs your continued commitment to invest in infrastructure and software development to assure our IT systems are the best possible. Also, we would like to suggest that field-level input be at the forefront of any new software development, and those contributors need to be geographically diverse.

The largest IT problem that faces FSA today—Antiques. FSA offices across America start business everyday with a machine and process that by any definition is considered antiquated. For example, in my office we currently have a County Operations Trainee that is preparing to become a county director, and the 26 year-old technology that initiate's our IT start of the day is older than he. This problem must be solved before FSA can truly enter the modern Information Technology age.

I don't want to dwell today on those IT problems that have faced FSA in the last year such as the issuance of 2009 direct payments, CRP payments and the inability of our system to read appropriate eligibility flags. I want to concentrate on those issues that happened recently, impacting our ability to service the farmers and ranchers of this country.

The 2009 payment problems created numerous overpayments and receivables around the country. Producers have begun to request their 2010 advance DCP payments, and these will be offset against those receivables. However, the system is so slow that offsets made on February 22, 2010, had not cleared as of March 4, 2010, effectively eliminating our ability to release the remainder of a producer's advance payments without them being offset unnecessarily.

On March 2, 2010, county offices were informed of a national internal processing error. County offices were operating blindly not realizing there were producers that had not been paid or had problems that needed correcting before they could be paid.

Also on March 2, 2010, we were told of the challenge of maintaining and operating our old computer systems. This concerns the 3,000 servers that were installed in 2002 and "have long since reached the end of their useful life." This leads to continual connectivity and slow application problems directly impacting the availability of our computer systems when your constituents come into our office for service.

On March 3, 2010, county offices were informed that an application deployment issue resulted in the unavailability of the National Receipts and Receivables System. For a majority of the day, all processes in this system had to be completed manually.

On March 5, 2010, we were informed that the Direct Loan Making application was experiencing performance issues. Customers may not be able to access the DLM application or may receive errors in the application.

These are not abnormal occurrences and only represent a snapshot of what FSA employees deal with constantly in an effort to provide service to the American farmer and rancher.

Last but not least is the current implementation of the SURE program. This is one of the most complicated programs we have implemented in years. There is no integrated software available, and the program is being implemented with a complicated Excel workbook, still to be updated. Large volumes of data are being transferred from an interim report and keyed into the workbook. This is a perfect situation for overpayments, underpayments and mistakes. The most disheartening consequence for the county office employees is the loss of integrity and producer trust in our programs.

NASCOE's motto is *Loyalty, Service, Courtesy, and Effort.* We take our profession very seriously. Many of our employees grew up on a farm or ranch, still farm or have family members involved in agriculture. These are our friends, family and neighbors. We want them to respect our profession and what we contribute to our local communities. There are serious issues before this Committee today. NASCOE asks that you continue to conduct oversight of the Department's efforts to assure that programs passed by the Congress are delivered in a timely, effective manner.

Thank you for the opportunity to be with you today.

The CHAIRMAN. Thank you very much, Mr. Mayfield.

Next, we will have Mr. Turner.

STATEMENT OF CRAIG TURNER, PRESIDENT, NATIONAL ASSOCIATION OF FARMER ELECTED COMMITTEES, MATADOR, TX

Mr. TURNER. Good morning, Chairman Baca, Members of the Subcommittee.

My name is Craig Turner. I am President of the National Association of Farmer Elected Committees, also the Chairman of our local county committee in Motley County. I farm and ranch in Matador, Texas where we raise cotton, sorghum, wheat, forage, cattle and kids. We farm in four separate counties and I also deal with four separate FSA agencies.

NAFEC is very pleased and honored to be asked here and with the opportunity to speak. NAFEC is a 45 year-old organization of farmers and ranchers that consist of county committee members. We help serve with the Secretary of Agriculture in delivering FSA Programs. We represent many farmers and ranchers that are nominated to the CoC. Including our advisors, we serve as the eyes and ears for the Secretary and this Committee. We do all we can to help curb fraud and abuse in farm program delivery. We assist at the local level in determining your weather conditions, your farm tax and your crop production appropriate agricultural practices. There is not a day goes by that our committee members aren't in your local communities answering questions with people inquiring about programs and things like that.

I want to vary off from my written statement just a little and talk to you about some items that have been brought to my attention since I presented that. Some of the IT problems: as a producer when you receive your checks whether it be your direct payment or whatever, the new system, it is very hard, practically impossible

to document where the money comes from to trace it or track it back to the FSA serial number. That is one of the major problems.

Also, them not having the software to take our applications on a lot of this stuff, which they will have to take manually, and then whenever they get the software be it 2 weeks or 2 months, then they have to go back in and reenter the information onto the software. And that is, I mean that is just doubling their time and not being very good management of time, and I think that is one of the major problems inside our IT.

And also it seems to be the limit of IT staff to cover the vast areas. A lot of times when they have a ticket problem and they have presented it, it takes sometimes hours, sometimes days before they can get an answer back and, therefore, that is shutting the operation down with that particular farmer and causing him to have to go and then come back at another date.

There are also several instances where the new IT equipment arrives in the local offices and it will sit there in boxes for 2–3 months at a time waiting on personnel to install it. And at the same time while it is sitting there being useless, the warranty and stuff is going ahead and ticking off on it.

Not having it all on one system, trying to use the web-based system and the old 36 system as everyone has referred to, you have to reenter stuff and use different log-ins and things like that, which creates a lot of problems and a lot of wasted time, in my opinion. And also not being able to share with you, something that has been alluded to that they are working on, not being able to share your information inside your USDA agencies. You know, you may all be under the same roof, same building, same everything but when you need information you still have to get up and go get it instead of being able to access it whether you be at the NRCS and need information from the FSA or *vice versa*.

I guess that pretty well sums up my statement other than what happened to the Paper Reduction Act? Thank you, sir.

[The prepared statement of Mr. Turner follows:]

PREPARED STATEMENT OF CRAIG TURNER, PRESIDENT, NATIONAL ASSOCIATION OF FARMER ELECTED COMMITTEES, MATADOR, TX

Introduction

Chairman Baca, Ranking Member Fortenberry, and Members of the Subcommittee on Department Operations, Oversight, Nutrition and Forestry, I am Craig Turner, President of the National Association of Farmer Elected Committees (NAFEC), as well as a farmer and rancher from Matador, Texas. My family raises cotton, grain sorghum, wheat, forage, cattle and kids. We farm in four counties and work with four separate Farm Service Agency (FSA) county offices.

NAFEC is pleased and honored to have been extended the invitation and opportunity to appear before this Committee today to discuss issues relating to information technology (IT) as it relates to delivery of FSA programs.

Overview of the FSA County Committees

NAFEC is a forty-five year old organization of farmers and ranchers that serve the Secretary of Agriculture in delivering many of the FSA programs. We represent many farmers and ranchers that are nominated and elected to serve on the County Committees (CoC) as well as many of the farmers and ranchers that are appointed to represent minority and socially disadvantaged producers and act as advisors to the CoC.

County Committee members, including our advisors, serve as the eyes and ears for the Secretary, as well as this Committee, in helping curb fraud and abuse in farm program delivery. We know the producers in our county; we help document

the weather conditions during the crop year; and we know the appropriate agricultural practices required in our areas. All of this information is critical in assisting in the fair and equitable delivery of farm, conservation and emergency programs in every county of the nation.

County Committee members also assist in outreach to the farmers and ranchers in the areas we serve. We take the critical program information we learn in our capacity as members and advisors back to the producers we represent. Any CoC member or advisor will tell you that on any given day, be it at the coffee shop, sale barn, implement dealer, high school football game, farm meeting, service club meeting, church, grocery store or wherever else we may be, it is very common for farmers to ask: "what is new at FSA; when are the signup deadlines; when will benefits be available;" and many other crucially important questions that need informed answers. This collateral duty of outreach is especially important for our CoC advisors because they often have the ability to do targeted outreach to the minority and socially disadvantaged producers in the area.

County Committees also assists in approval of applications for most programs (except farm loan programs), as well as reconsiderations and appeals by producers on program eligibility, providing local expertise to the Secretary in the delivery of programs. County Committees are also tasked to hire and help supervise the County Executive Director (CED), who in turn hires and manages the day-to-day county FSA office operations.

We take all of the aforementioned FSA County Committee responsibilities very seriously, provide our time and expertise and are bound by mandatory confidentiality restrictions and a code of conduct—all for about $50 a month. We may not rank up there with Roosevelt's "Dollar a Year Men," Mr. Chairman, but you would be hard pressed to find a better deal for the money anywhere else in today's government.

And by the way, that $50 per month is also about what the National Finance Center charges FSA to pay us, a possible side topic for your Committee's oversight of Department operations.

Program Delivery Overview

I have in my hand, and have attached to my written testimony, an eight-page Fact Sheet from FSA detailing almost fifty programs currently administered by FSA. If I had a list of FSA programs from before 1986, it would be much, much shorter than the one I hold today because, since passage of the 1985 Farm Bill and subsequent farm bills, we have added the majority of the programs on this list.

CoC members do not have any authority in FSA lending programs, and with the exception of a very short window of time immediately following the reorganization of the Department of Agriculture in 1995, never have. But we are involved in assisting with the delivery of most other programs on this list.

More importantly, our local county offices deliver most, if not all, of the programs on this list and the proliferation of new and more complex programs administered by our county offices has been a mixed blessing. Prior to the mid 1980s, most of our programs were directed toward the seven major, strategic, storable crops (keep in mind that even soybeans were not a "program crop" until recently) and the programs we had for those major crops were much simpler to understand and deliver. There were few, if any, programs for dairy and other livestock, fruit and vegetable, aquaculture, biomass or producers of other crops and products.

In these modern times, FSA's programs cover a much larger sector of production agriculture. These additional programs are critically important to the economic viability of a much larger customer base and that is a very good thing—not only for dairy producers, cow-calf operations and conservation minded producers—but also for minority producers engaged in the production of highly specialized and high value crops very small acreages. These new programs are even more critical to farmers in an area like your home state of California Mr. Chairman, where until recently most of your farmers had no programs authorized by Congress to turn to. California's FSA now serves a very large, diverse customer base that raise a huge array of crops and livestock.

But on the other hand, our county FSA offices have many more programs to deliver to many more producers, many of whom had never been to an FSA office before. Contemporary FSA programs are also much more complex for the farmers to understand and for FSA to deliver.

Using California as an example again, that state's FSA now delivers services to a very large and diverse customer base which raises a huge array of crops and livestock with an organization of people, offices and infrastructure, based on delivering programs to only producers of those seven major crops of the legacy farm programs. California's FSA customer base may be three to four times what it was just a decade ago, and the number of programs they are delivering has grown three to five fold—

they are doing the job with only 30 county offices and less than 200 employees statewide, including the state office. They are to be commended, but more importantly, they deserve a modern system to deliver our modern programs.

Information Technology and its Relation to Program Delivery

The challenge of delivering this multitude of highly complex programs to a much larger customer base has been, and continues to be, exacerbated with an ever-declining FSA workforce and an ever-shrinking number of county offices. FSA has, therefore, been forced to rely much more heavily on IT in an attempt to fill the service gap. Unfortunately, much of FSA's current IT structure is archaic and fragile. We fear that we are uncomfortably close to a total IT meltdown and that service to farmers by the FSA is in a perilous situation.

In December of 2008, NAFEC submitted the following statement to President-Elect Obama's Presidential Transition Team—"*Since farm programs continue to become more bureaucratic and complicated with each new farm bill, there should be no more closings of county Farm Service Agency offices, no reductions in FSA staff and no reductions in FSA staff compensation until such time that farm programs are greatly simplified. FSA's ageing and antiquated computer and communications systems should be replaced and updated to meet the current challenges faced by FSA staff in the delivery of farm, conservation, credit and disaster programs.*"

In that same spirit, we offer these critical points:

- NAFEC appreciates the work of the U.S. Congress in providing the authority for delivery of more programs to more farmers;
- NAFEC urges that Congress consider reducing the complexities of future farm programs so that we can deliver more programs to more farms, more efficiently, but anyone that follows the current trends in that regard cannot realistically expect any real change;
- NAFEC urges more staffing at the state and county level in order to deliver more programs to more farmers, but again anyone that follows the current trends in that regard cannot realistically expect any real change;
- NAFEC urges that no more county FSA offices be closed so that we can deliver more programs to more farmers, but once more, anyone that follows the current trends in that regard cannot realistically expect any real change;
- NAFEC therefore demands an investment into a modern IT platform to allow FSA and the other field delivery agencies of the USDA, deliver more programs to more farmers and rural Americans;

The investment in a modern IT platform must be dedicated toward that objective. We commend Secretary Vilsack for his commitment and leadership on this issue and we commend Congress and the leadership in this room for helping dedicate additional IT funds in the FY 2010 Federal budget and the Recovery and Reinvestment Act of 2009, but the Secretary needs more help from Congress to fully fund and fully dedicate those resources toward that objective.

Many of you know the unwritten challenges faced by Secretary Vilsack, Administrator Coppess and their predecessors. They know very well the intended mandates of the House and Senate Agriculture Committees when it comes to farm programs and their delivery. In prior years the agency requested adequate resources to comply with those mandates, but once those requests are diced and sliced at the Office of Management and Budget, the official request presented to Congress was well short of the need. Hopefully you understand this challenge and can better assist the Secretary in the future.

For too many years, FSA has been forced to take funding away from salaries for staff and expense money for county and state offices to fund stop-gap measures to keep the old IT system up and running. FSA has bled all of the people and brick and mortar it can afford to keep the old IT system running. *There must be a separate, dedicated, statutory funding stream for a modern IT platform—authorized by Congress—if we are to deliver all of the programs authorized by Congress to all of the farmers and ranchers mandated by Congress.*

We commend President Obama and Secretary Vilsack for their bold initiatives on broadband deployment in rural America. We also suggest that county FSA offices and USDA Service Centers be prioritized as a high priority target for broadband deployment. If we can get broadband to our FSA county offices it would not only help negate the agency's antiquated and decaying LAN–WAN system, but we may also have a better chance of getting broadband deployment to the rest of the county and into the homes and offices of farmer and ranch families.

Some newer technology is being deployed using the internet as a platform. Using Electronic Authorization (e-auth), some producers have the ability to sign up for

some programs using their home or office computers. Many producers do not have computers or if they do, they do not have a comfort level or the expertise to use the online process. But an even larger obstacle may be that many, if not most, rural areas still do not have broadband internet service. *Internet based program delivery is a very good supplemental platform, but is in no way an acceptable replacement for "over-the-counter" service at the county FSA office.*

In closing, we wish to reemphasize these points:

- There are more FSA programs available today than ever before;
- There are more farmers qualifying for FSA programs than ever before;
- Farm programs are more complex than ever before;
- There are few FSA employees and fewer FSA offices than in any time in modern history; and
- The FSA IT platform is in dire need of modernization.

This hearing focused only on the final point in this list, but the other points cannot be easily addressed by either Congress or the Administration. Therefore let me restate that there must be a separate, dedicated, statutory funding stream for a modern IT platform—authorized by Congress—if we are to deliver all of the programs authorized by Congress to all of the farmers and ranchers mandated by Congress.

NAFEC and I appreciate your invitation to address this Committee today, we commend your leadership and initiative in addressing these issues and I will be happy to answer any questions you may have. Thank you Mr. Chairman.

ATTACHMENT

FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY

September 2009

FSA Administered Programs

Agricultural Mediation Program

The Agricultural Mediation Program helps agricultural producers, their lenders, and other persons directly affected by the actions of USDA resolve disputes. A trained, impartial mediator reviews conflicts, identifies options, and assists in settling disputes between participants in many different USDA program areas. These include farm loans, farm and conservation programs, wetland determinations, rural water loan programs, grazing on national forest system lands, and pesticides.

Average Crop Revenue Election (ACRE) Program

Producers on farms with covered commodity or peanut base acres may elect to participate in the Average Crop Revenue Election (ACRE) Program, authorized by the 2008 Farm Bill, instead of the Direct and Counter-cyclical Program (DCP). Under the ACRE Program, producers may receive revenue-based payments as an alternative to receiving price-based counter-cyclical (CC) payments. The following planted or considered planted crops may be eligible for ACRE payments: wheat, barley, oats, grain sorghum, corn, upland cotton, rice (medium and long grain), soybeans, other oilseeds, canola, crambe, flaxseed, mustard seed, rapeseed, safflower, sesame seed and sunflower seed, peanuts and pulse crops (dry peas, lentils, and small and large chickpeas (garbanzo beans)).

Beginning Farmer and Rancher Loans

FSA provides direct and guaranteed loans to beginning farmers and ranchers who are unable to obtain financing from commercial credit sources. A beginning farmer or rancher is an individual or entity who (1) has not operated a farm or ranch for more than 10 years; (2) meets the loan eligibility requirements of the program to which he/she is applying; (3) substantially participates in the operation; and, (4) for FO loan purposes, does not own a farm greater than 30 percent of the median size farm in the county and has farmed for at least three years.

Biomass Crop Assistance Program (BCAP)

BCAP was authorized in the 2008 Farm Bill to assist agricultural and forest land owners and eligible material owners with the collection, harvest, storage, and transportation (CHST) of eligible material for use in CHST qualified Biomass Conversion Facilities (BCF). These payments are available to eligible material owners at a dollar per dollar match per dry ton paid by the CHST-qualified BCF to the eligible material owners. Establishment and annual payments are also provided for eligible crops on eligible land for conversion to bioenergy in selected project areas.

Boll Weevil Eradication Loan Program

The Boll Weevil Eradication Loan Program provides low-interest loans to nonprofit organizations that work collaboratively with state agencies, USDA's Animal and Plant Health Inspection Service, and the National Cotton Council to eradicate the boll weevil. The program objective is to assist producers and state government agencies in the eradication of boll weevils from cotton producing areas.

Conservation Reserve Program (CRP)

CRP is a voluntary program available to agricultural producers to help safeguard

environmentally sensitive land. Producers enrolled in CRP plant long-term, resource-conserving covers to improve the quality of water, control soil erosion, and enhance wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

Conservation Reserve Enhancement Program (CREP)

CREP is a derivative program of the Conservation Reserve Program (CRP). CREP is a voluntary land retirement program that helps agricultural producers protect environmentally sensitive land, decrease erosion, restore wildlife habitat, and safeguard ground and surface water. The program is a partnership among producers; tribal, state, and federal governments; and, in some cases, private groups.

Dairy Indemnity Payment Program

The Dairy Indemnity Payment Program pays dairy producers when a public regulatory agency directs them to remove their raw milk from the commercial market because it has been contaminated by pesticides, nuclear radiation or fallout, or toxic substances and chemical residues other than pesticides. Payments are made to manufacturers of dairy products only for products removed from the market because of pesticide contamination.

Dairy Product Price Support Program (DPPSP)

Under this program, FSA supports the price of nonfat dry milk, butter and cheddar at statutory minimum levels through the purchase of such products made from cow's milk produced in the United States. The established prices are uniform for all regions of the United States and may be increased by the Secretary when considered appropriate. Reductions that cause the purchase price to fall below the minimum purchase prices can only be temporarily adjustments made in accordance with the 2008 Farm Bill. The DPPSP is authorized through December 31, 2012.

Debt for Nature Program

The Debt for Nature Program, also known as the Debt Cancellation Conservation Contract Program, is available to persons with FSA loans secured by real estate who may qualify for cancellation of a portion of their FSA indebtedness in exchange for a conservation contract with a term of 50, 30, or 10 years. A conservation contract is a voluntary legal agreement that restricts the type and amount of development and farming practices that may take place on portions of a landowner's property. Contracts may be established on marginal cropland and other environmentally sensitive lands for conservation, recreation, and wildlife purposes.

Direct and Counter-cyclical Payment Program (DCP)

DCP payments provide income support to producers of eligible commodities and are based on historically-based acreage and yields and do not depend on the current production choices of the farmer. DCP was authorized by the 2008 Farm Bill for farms enrolled for the 2008 through 20012 crop years for barley, corn, grain sorghum (including dual-purpose varieties), oats, canola, crambe, flax, mustard, pulse crops, rapeseed, safflower, sesame and sunflower (including oil and non-oil varieties), peanuts, rice (excluding wild rice), soybeans, upland cotton, and wheat.

FACT SHEET

FSA Administered Programs September 2009

Direct Farm Ownership Loan Program (FO)

FSA direct farm ownership loans are loans to purchase farmland, construct or repair buildings and other fixtures, and promote soil and water conservation. To qualify for a direct loan, the applicant must be able to show sufficient repayment ability and pledge enough collateral to fully secure the loan.

Direct Operating Loan Program (OL)

FSA direct farm operating loans are loans to purchase items such as livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance, and other operating expenses. They can also be used to pay for minor improvements to buildings, costs associated with land and water development, family subsistence, and refinancing debts under certain conditions.

Domestic and Foreign Food Assistance

USDA, through FSA, donates food to the Bureau of Indian Affairs, as well as Federal, State, and other private and nonprofit agencies in the United States. Food items are used for school lunch programs, summer camps for children, the Women, Infants, and Children program, and other organizations and charities that help needy persons. Also, agricultural commodities are donated to international relief agencies to help feed people around the world. The Foreign Agricultural Service of USDA organizes the delivery of the donated food to international development and humanitarian organizations operating in dozens of countries. Food donations also assist in the FAS Food for Progress program, which assists countries working to transition to market-oriented economies.

Downpayment Farm Ownership Loans

Downpayment Farm Ownership loans were developed to help beginning farmers and ranchers and SDA applicants purchase a farm or ranch. These loans provide a way for retiring farmers to transfer their land to a future generation of farmers and ranchers.

Economic Adjustment Assistance to Users of Upland Cotton

CCC issues payments to eligible domestic users of upland cotton. The program is designed to stimulate investment to maintain a globally competitive U.S. Textile Industry. Payments are made to eligible domestic users who enter into an agreement with the Commodity Credit Corporation. The payment rate is four cents per pound from Aug. 1, 2008, through July 31, 2012, and three cents per pound beginning Aug. 1, 2012. Proceeds received under this program must be used for capital investments that relate to manufacturing upland cotton into cotton products.

Emergency Assistance for Livestock, Honeybees, and Farm Raised Fish (ELAP)

ELAP was authorized by the 2008 Farm Bill to provide emergency relief to producers of livestock, honeybees, and farm-raised fish and covers losses from disaster such as adverse weather or other conditions, such as blizzards and wildfires not adequately covered by any other disaster program.

Emergency Conservation Program (ECP)

ECP provides funding for farmers and ranchers to rehabilitate farmland damaged by wind erosion, floods, hurricanes, or other natural disasters, and for carrying out emergency water conservation measures during periods of severe drought. The natural disaster must create new conservation problems, which, if not treated, would: impair or endanger the land; materially affect the productive capacity of the land; represent unusual

damage which, except for wind erosion, is not the type likely to recur frequently in the same area; and be so costly to repair that Federal assistance is or will be required to return the land to productive agricultural use.

Emergency Loan Program (ELP)

FSA provides emergency loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine. Emergency loans may be made to farmers and ranchers who own or operate land located in a county declared by the President as a disaster area or designated by the Secretary of Agriculture as a disaster area or quarantine area (for physical losses only, the FSA Administrator may authorize emergency loan assistance). Emergency loan funds may be used to: restore or replace essential property; pay all or part of production costs associated with the disaster year; pay essential family living expenses; reorganize the farming operation; and refinance certain debts.

Extra Long Staple (ELS) Cotton Competitiveness Payments

ELS Cotton Competitiveness Payments are made to domestic users and exporters of ELS cotton when the market prices of domestically produced versus foreign grown ELS cotton are such that payments are necessary to improve the competitiveness of domestically produced cotton in the world market.

Farmable Wetlands Program (FWP)

The FWP is a voluntary program intended to restore up to 1 million acres of farmable wetlands and associated buffers by improving the land's hydrology and vegetation under the Conservation Reserve Program.

Farm Storage Facility Loan Program

The Commodity Credit Corporation (CCC), through FSA, may make loans to producers to build or upgrade farm storage and handling facilities for rice, soybeans, dry peas, lentils, small chickpeas, peanuts, hay, renewable biomass, sunflower seeds, canola, rapeseed, safflower, flaxseed, mustard seed, and other oilseeds as determined and announced by CCC. Corn, grain sorghum, oats, wheat, barley, fruits and vegetables are also eligible, subject to program requirements.

Feedstock Flexibility Program (FFP)

Designed to avoid sugar loan forfeitures to the Commodity Credit Corporation by diverting sugar from food use to ethanol production. Every September 2009, the Agriculture Secretary announces the amount of sugar (if any) for the CCC to purchase and to be made available for sale to ethanol producers. Raw, refined and in-process sugars are eligible for purchase. Such sugar can be purchased from any marketer located in the United States.

Grassland Reserve Program (GRP)

GRP is a voluntary program for landowners to protect, restore, and enhance grasslands on their property. USDA's NRCS, FSA, and Forest Service implement GRP to conserve vulnerable grasslands from conversion to cropland or other uses and conserve valuable grasslands by helping maintain viable ranching operations.

Guaranteed Farm Ownership Loan Program

FSA guaranteed loans provide lenders (banks, Farm Credit System institutions, credit unions) with a guarantee of up to 95 percent of the loss of principal and interest on a loan. Farmers and ranchers

apply to an agricultural lender, which then arranges for the guarantee. The FSA guarantee permits lenders to make agricultural credit available to farmers who do not meet the lender's normal underwriting criteria. A percentage of guaranteed loan funds is targeted to beginning farmers and ranchers and minority applicants. Guaranteed Farm Ownership Loans may be made to purchase farmland, construct or repair buildings and other fixtures, develop farmland to promote soil and water conservation, or to refinance debt.

Guaranteed Operating Loan Program

FSA guaranteed loans provide lenders (banks, Farm Credit System institutions, credit unions) with a guarantee of up to 95 percent of the loss of principal and interest on a loan. Farmers and ranchers apply to an agricultural lender, which then arranges for the guarantee. The FSA guarantee permits lenders to make agricultural credit available to farmers who do not meet the lender's normal underwriting criteria. A percentage of guaranteed loan funds is targeted to beginning farmers and ranchers and minority applicants. Guaranteed Operating Loans may be made to purchase items needed such as livestock, farm equipment, feed, seed, fuel, farm chemicals, repairs, insurance, and other operating expenses. Operating Loans also can be used to pay for minor improvements to buildings, costs associated with land and water development, family living expenses, and to refinance debts under certain conditions.

Homestead Protection Program (HPP)

If the FSA has exhausted all loan servicing options and foreclosures on a property as required by law, the HPP allows the borrower to lease property, including up to 10 acres, for up to 5 years if it contains the borrower's primary residence. The lease may contain an option to purchase.

Indian Tribal Land Acquisition Program (ITLAP)

ITLAP loans enable Indian tribes to purchase privately held lands that lie within their reservations. Loan funds may be used to pay expenses incidental to the purchase of the land, but not for land development.

Livestock Forage Disaster Program (LFP)

LFP was authorized by the 2008 Farm Bill to provide assistance to livestock producers for forage losses due to drought and losses due to wildfire on public lands.

Livestock Indemnity Program (LIP)

LIP was authorized by the 2008 Farm Bill to provide assistance to livestock producers for livestock deaths from disaster events, in excess of normal mortality.

Milk Income Loss Contract (MILC) Program

The MILC Program financially compensates dairy producers when domestic milk prices fall below a specified level. MILC payments are made monthly when the milk price falls below the established price per hundredweight.

Noninsured Crop Disaster Assistance Program (NAP)

NAP provides financial assistance to eligible producers affected by drought, flood, hurricane, or other natural disasters. NAP covers noninsurable crop losses and planting prevented by disasters. Landowners, tenants, or sharecroppers who share in the risk of producing an eligible crop are eligible. Eligible crops include commercial crops and other agricultural commodities produced for food, including livestock feed or fiber for which the catastrophic level of crop insurance is

unavailable. Also eligible for NAP coverage are controlled-environment crops (mushroom and floriculture), specialty crops (honey and maple sap), and value loss crops (aquaculture, Christmas trees, ginseng, ornamental nursery, and turfgrass sod).

Nonrecourse Marketing Assistance Loan (MAL) and Loan Deficiency Payment (LDP) Programs

MALs provide producers interim financing at harvest time to meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. MALs allow producers to store production at harvest and facilitates more orderly marketing of commodities throughout the year. MALs for covered commodities are nonrecourse because the commodity is pledged as loan collateral and producers have the option of delivering the pledged collateral to the Commodity Credit Corporation as full payment for the loan at maturity. A producer who is eligible to obtain a loan, but who agrees to forgo the loan, may obtain an LDP. An LDP is the amount by which the applicable loan rate exceeds the alternative loan repayment rate for the respective commodity.

Primary Loan Servicing Program

The Primary Loan Servicing Program gives options to borrowers who, due to reasons beyond their control, are unable to make the scheduled payments on their debt to the Government. These options may include consolidation, loan rescheduling, deferral, interest rate reduction, and others. The program allows delinquent and/or financially stressed FSA borrowers to attain, or maintain, a current loan status - while at the same time allowing the borrower to regain a more solid financial footing for the long term.

Recourse Seed Cotton Loans

Recourse seed cotton loans are made available by the Commodity Credit Corporation (CCC) to producers through March 31 of the year following the calendar year in which the cotton crop is normally harvested. Seed cotton pledged as collateral for a loan must be tendered to CCC by an eligible producer and must be in existence and in good condition at the time of disbursement of loan proceeds, in addition to other requirements. A producer must repay the seed cotton loan principal, interest, and charges before pledging the cotton for a nonrecourse loan or before a loan deficiency payment can be approved. Seed cotton loans mature on demand by CCC but no later than May 31 following the calendar year in which such crop is normally harvested.

Sugar Loan Program and Sugar Marketing Allotments

The Sugar Loan Program provides nonrecourse loans to processors of domestically-grown sugarcane and sugar beets to stabilize America's sugar industry. The Commodity Credit Corporation (CCC) establishes marketing allotments for sugar from domestically-produced sugar beets and sugarcane. Allotments are assigned based on estimates of sugar consumption, stocks, production, and imports for a crop year with the intent being that the total allotment quantity minimizes forfeitures of sugar to CCC under the sugar loan program.

Sugar Storage Facility Loan Program

FSA may make loans to processors of domestically-produced sugarcane and sugar beets for the construction or upgrading of storage and handling facilities for raw sugars and refined sugars. Loans may be made only for the

purchase and installation of eligible storage facilities, permanently affixed handling equipment, or the remodeling of existing facilities.

Supplemental Revenue Assistance Payments Program (SURE)

SURE was authorized by the 2008 Farm Bill and covers crop revenue losses from quantity or quality deficiencies only those counties and contiguous counties declared disaster areas by the Agriculture Secretary or in cases where the overall production loss exceeds 50 percent.

Tobacco Transition Payment Program (TTPP)

TTPP provides payments over a ten-year period to quota holders and producers of quota tobacco to help them make the transition from the federally-regulated tobacco marketing quota and price support loan programs. Eligible tobacco quota holders and producers receive payments under this program in 10 installments in each of the 2005 through 2014 fiscal years.

Trade Adjustment Assistance for Farmers (TAAF)

TAA provides technical assistance and cash benefits to eligible producers of raw agricultural commodities, such as fish or blueberries, after an associated industry group petitions the Secretary for assistance. If the national average price in the most recent marketing year for a commodity is less than 80 percent of the national average price in the preceding 5 marketing years as a result of increased imports of that commodity, producers may be eligible for TAA assistance.

Tree Assistance Program (TAP)

TAP was authorized by the 2008 Farm Bill and provides partial reimbursement to orchardists and nursery tree growers for replanting, salvage, pruning, debris removal and land preparation if losses due to natural disasters exceed 15 percent.

United States Warehouse Act (USWA)

The USWA authorizes the Secretary to issue licenses to public warehouse operators who voluntarily request regulation through licensing under the USWA to store agricultural products, including bulk grain, cotton, peanuts, sugar and other agricultural products. FSA administers USWA by providing licensing of warehouse operators, regulation of paper and electronic warehouse receipt providers, protection for depositors through bonding or other financial assistance and compliance examinations. The USWA provides for the use of warehouse receipts and requires warehouse operators to accept agricultural products for storage without discrimination. Under the USWA, the facilities meet and are maintained at established standards. The USWA allows FSA to enforce a uniform regulatory system for the protection of depositors and the agricultural commodities stored in the licensed facilities.

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FSA Administered Programs September 2009

Youth Loans

FSA makes loans to individual rural youths, between the ages of 10 and 20 years, to establish and operate income-producing projects of modest size in connection with their participation in 4-H clubs, the Future Farmers of America and similar organizations. Each project must be part of an organized and supervised program of work and must be related to agriculture. The project must be planned and operated with the help of the organization adviser, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience.

The CHAIRMAN. Thank you very much, Mr. Turner.
Next, Dr. Craig.

STATEMENT OF WILLIAM J. "WILL" CRAIG, PH.D., PRESIDENT, NATIONAL STATES GEOGRAPHIC INFORMATION COUNCIL; ASSOCIATE DIRECTOR, CENTER FOR URBAN & REGIONAL AFFAIRS, UNIVERSITY OF MINNESOTA, MINNEAPOLIS, MN

Dr. CRAIG. Chairman Baca and Members of the Committee, thanks for inviting me here today.

I am going to focus my comments on the National Agriculture Imagery Program (NAIP), which is operated at FSA to serve the various programs in USDA but it also has huge value for state and local governments. I am here in my capacity as the President of the National States Geographic Information Council but I am also the Associate Director at the Center for Urban and Regional Affairs, University of Minnesota, where we have a lot of contacts with people across the state, and I am also on the Governor's Council for Geographic Information.

We have meetings when we go out to Fergus Falls, Saint Cloud, Winona, where we invite people in from the local community and ask them as a council that is trying to organize things at the state level, what can we do for you? And the answer is always get us new orthoimagery. Get us new air photos. We push them on why they need that and it includes things like Farm Programs and the farmers who need those photos for their own work. It includes things from people who are working on water quality where they took the—or flooding for that matter and that is going to happen again in the Red River Valley pretty soon. Those air photos are going to be part of the whole deployment and trying to make sure that people's lives are safe and that they can move things in and out of the community.

Those air photos are used as backdrops. They are used as things that we interpret to turn into land coverage that then we can use to do soil modeling for soil erosion which leads to clean water. So, there all kinds of things being done at the state and local government level. State DNR needs them for habitat management and DOT needs it for road maintenance and management. We do have right now pretty current air photos for Minnesota. I just asked people at our Minnesota Geographic Information Office what kinds of use those get, 7½ million hits in the last year, the last Federal fiscal year.

This data is not just used for Farm Programs. It is used by state and local government, by private sector, people who are working with state and local government and folks, and it makes a huge difference in the quality of life.

The problem is that we don't know when the next one is coming. It has been very sporadic having the NAIP Program tied to the IT budget it means that sometimes more is available, sometimes less. We have nothing we can plan on.

If we talk about what the states would like with the NSGIC, this group I represent at a national level would like, we would like statewide coverage and oftentimes we can put some resources on the table to make that happen. We would like buy-up options so that if people want to have higher resolution photos or different

bands and what the airplane picks up when it goes over, we want to have that and we are willing to pay for it. We want nationwide coverage that would include Alaska and Hawaii and the highland areas. We want the information as it does now to end up in the public domain. This is one of the beauties. People say to me, why don't you just use Google? I am telling you that Google is using NAIP for this computer server, who is feeding who here?

Our problem, as I said, is that we would like to have the program institutionalized in some way so that we know how to count on it, so we know year after year when it is coming, what we can expect and we get our part organized to use that data and to contribute to it. One possibility that we have put forward is the idea of a separate line item in the budget for NAIP.

That concludes my remarks, Mr. Chairman.

[The prepared statement of Dr. Craig follows:]

PREPARED STATEMENT OF WILLIAM J. "WILL" CRAIG, PH.D., PRESIDENT, NATIONAL STATES GEOGRAPHIC INFORMATION COUNCIL; ASSOCIATE DIRECTOR, CENTER FOR URBAN & REGIONAL AFFAIRS, UNIVERSITY OF MINNESOTA, MINNEAPOLIS, MN

Chairman Baca, Ranking Member King and Members of the Subcommittee, I thank you for the opportunity to testify about the status of information technology at the U.S. Department of Agriculture (USDA). My comments today are limited to the National Agriculture Imagery Program (NAIP), which is operated by the Farm Services Agency (FSA). The NAIP program supports the administration of USDA's various farm programs and NAIP imagery is provided to Federal, state, local and tribal government agencies, educational and scientific institutions, and private sector parties across the country at nominal cost.

I'm here in my capacity as President of the National States Geographic Information Council (NSGIC), but I'm also the Associate Director at the Center for Urban & Regional Affairs at the University of Minnesota. In both capacities, I see the tremendous value of NAIP aerial photography for state and local governments (See list of uses starting on Page 52) and I want to relate the importance of this program to the Members of the Subcommittee.

In 2004, NSGIC introduced a concept called Imagery for the Nation (IFTN) which is still being studied by a Federal multi-agency committee. There are two components to this proposed initiative. One is the existing USDA NAIP program which includes high resolution imagery (1 meter resolution) that is collected during the growing season. NAIP imagery is generally most valuable for natural resource and agricultural applications (*e.g.,* identifying timber resources and developing management plans for farms). The other component of IFTN is a very high resolution imagery program (1 foot resolution) that is collected during leaf-off periods. This type of imagery has great value to all communities for mapping applications, since you can "see" through significant areas of vegetation to

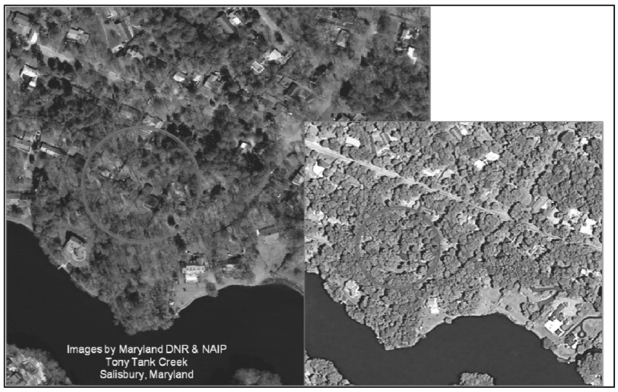

Figure 1—Comparison of a very high resolution leaf-off image (left) with a NAIP high resolution image (right) to show that leaf-off imagery is used to identify features below the tree canopy. Both image types meet specific business needs.

identify features on the ground (*e.g.,* see the red circles in the images above that show houses and roads to the left that don't appear under tree cover in the forested areas to the right). Both types of imagery are complimentary and both are critical to meet the varied needs of all government programs.

Five years after the introduction of IFTN as a concept, we are very pleased with the continuous improvements made to the NAIP program. Secretary Vilsack and the staff of the Farm Services Agency should be commended for their commitment to this program. I have previously referred to NAIP as a "happy accident," meaning that it was a Federal program that just happened to align with some of the business requirements of state and local governments. In the past few years, however, USDA has turned a happy accident into an intentionally productive partnership. They understand the inherent value of this program to all levels of government, the agricultural community and the general public (*e.g.,* as a base image in Google Earth™). FSA diligently works to improve its products and to account for the business requirements of its stakeholders. NAIP program managers have worked very hard to meet the vision of IFTN while functioning within the constraints of their mission and budget. It is truly refreshing to see this level of commitment and dedication.

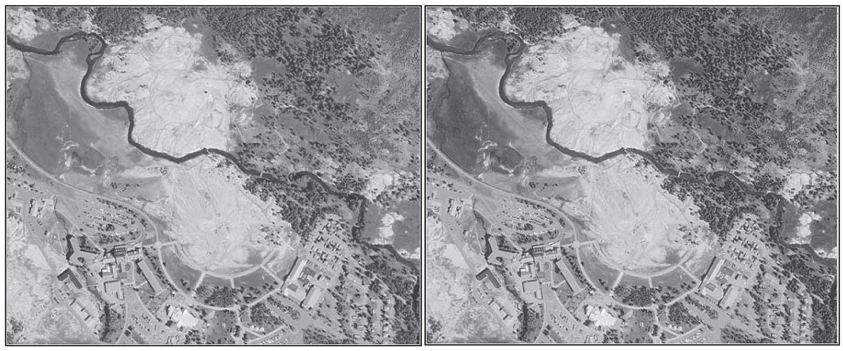

Figure 2—The Old Faithful geyser located in Yellowstone National Park. Using modern digital cameras, one image can be acquired to produce color infrared imagery (left) and natural color imagery (right). Each type of imagery meets specific business needs.

One key element of Imagery for the Nation is the opportunity to "buy up," that is the ability of users like state and local governments to pay an extra amount to obtain improvements in the basic NAIP images tailored to meet their own business requirements. They work with USDA through cooperative agreements and pay the full cost of modifying the base imagery to meet their own requirements (*e.g.,* image type, accuracy and acquisition date). The examples shown above compare natural color and color infrared imagery as one example of a possible buy-up option. Each type of imagery allows the user to interpret and understand different things about the condition of the land. Color infrared (CIR) imagery can be acquired at a slightly higher cost than the base product and the requesting party pays all additional costs. CIR allows for accurate interpretation of forest type and identification of wetlands among other uses. Again, USDA has been willing to work with state and local governments to incorporate their requirements into its contracts to help reduce duplication of effort and government waste. By working through the contracts administered by USDA, states are able to significantly reduce their own costs. This is because large area contracting reduces the per square mile costs for acquiring and processing imagery. This translates into smarter, more efficient and cost-effective government. Imagery acquired on an annual basis can help monitor the conversion of agricultural land, urban growth, general land cover changes and construction activities. Imagery also helps to document progress on major construction projects such as those being funded through the American Reinvestment and Recovery Act.

Over the eight years since the inception of NAIP in 2002, state and local partners have contributed $10 million to the program, or about 7 percent of its total cost. It is estimated that at least twice this amount was leveraged in additional work outside the FSA contractual arrangement. These state monies are a prime example of state, local and tribal entities cost-sharing with a federal program. Both the states and USDA have benefitted from the additional coverage and products resulting from these arrangements. At the same time, NAIP imagery is being used as the imagery layer for The National Map program operated by the US Geological Survey. The State of Idaho partnered with NAIP in 2009 to acquire the statewide imagery shown at right. They invested $269,000 which was matched by $758,000 contributed by Federal and other partners. This allowed Idaho to become a full partner in the acquisition and buy-up the product to 4-band digital imagery which is capable of supporting many types of analyses and producing a variety of image types similar to the Yellowstone Park example above.

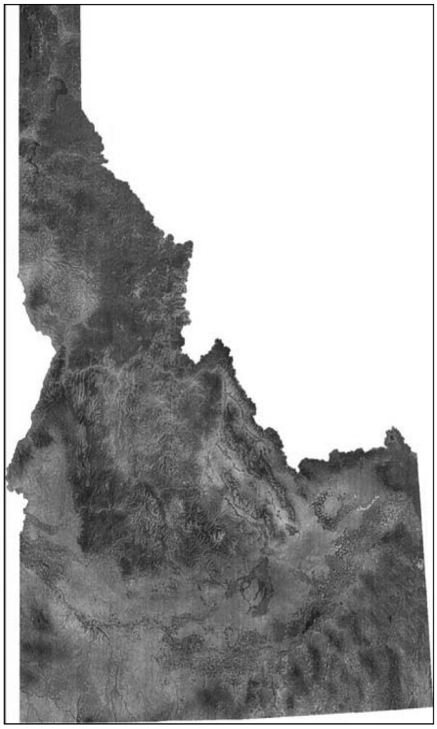

Figure 3—2009 NAIP 4-Band image of Idaho.

I would be negligent, if I didn't discuss the importance of this program to the private sector companies that perform the image acquisition and processing work. They have enormous investments in research and development, aircraft, equipment, facilities and IT infrastructure. The business generated by the NAIP program is responsible for maintaining hundreds of high-tech jobs within the photogrammetric industry and related support jobs throughout the country (*e.g.,* aircraft mechanics and hotel staff). Given the current economy, the positive impact of this program can't be overstated and it will help these companies survive until our economy is once again solvent and growing.

Now, I would like to get to the point of this discussion. I'm asking you, on behalf of the Board of Directors and state government members of NSGIC, for legislation that will provide a statutory authorization to assure that funding for NAIP is kept separate from salaries and expenses of FSA—a step necessary to keep the program stable and predictable. I'm also asking you to fund the NAIP program at a level adequate to support annual 1 meter image acquisition over the Continental U.S. (CONUS), 1 meter imagery every 5 years over Alaska, and 1 meter imagery every 3 years over Hawaii and the insular areas—a total cost estimated at about $55 million per year. NAIP funding has previously been limited to CONUS, but these other areas are also critical to the economy and security of the nation. They are either not served, or are severely underserved by government imagery programs. NSGIC is absolutely confident that FSA staff can manage a comprehensive 1 meter program for the entire nation and we urge you to give them this responsibility.

Full funding (including new funds) is important for this program because the principal mission of NAIP is to acquire imagery over the common land units (CLU) which are basically farm locations. In many states this represents a small portion of the state, but there are many other related agricultural issues (*e.g.,* forestry and water resources management) in other areas that are subject to numerous government programs. One example of this can be clearly seen in the map of Utah at right where the green areas represent the extent of the CLUs.

NSGIC does not have detailed information on the breakout of costs that will be required to accomplish this work, but I'm certain that FSA could make this information available for review by the Subcommittee.

My final thoughts turn to the countless uses for NAIP imagery. I have included a partial list that was compiled

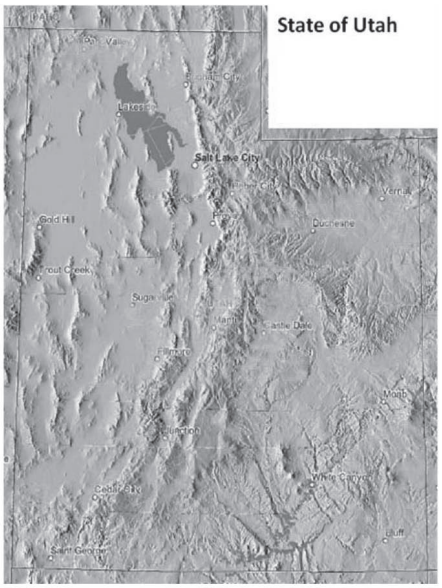

Figure 4—Map of Utah showing the location of Common Land Units (agricultural areas) in green.

by NSGIC members. In many cases, these applications can also be satisfied by other types of imagery. Others are only partially satisfied by NAIP due to the characteristics of the imagery, but regardless of any issues, this is an impressive list that demonstrates the usefulness of this program. Having a dependable program with annual refresh cycles will increase the number of uses for NAIP.

Typical Uses for NAIP Orthoimagery

(Partial List for Illustration Purposes)

Fire and Emergency Services

- ☑ Locating roads, buildings and infrastructure in wildland fire prone areas and during other events that require protection or evacuation (*i.e.,* hazardous materials release)
- ☑ Mitigate and plan for wildfire losses (*i.e.,* Firewise Program).
- ☑ Determine staging areas for large incidents.
- ☑ Determine ingress and egress points during incidents.
- ☑ Provide to mutual aid companies to assist their orientation to the area.
- ☑ Locating snowmobile, ski and ATV trails for wireless 911 rescues.
- ☑ Aid in search and rescue operations and for finding landing sites in wilderness areas for helicopters.

Law Enforcement and Homeland Security

- ☑ Use during incidents and preplan for containing escaped offenders from crime scenes and at correctional facilities.
- ☑ Determine ingress and egress points when serving warrants and during incidents.
- ☑ Determine staging areas for back-up and special operations units.
- ☑ Identify weaknesses in border security.
- ☑ Depict critical infrastructure features and their location to populated areas.
- ☑ Use for crime scene analysis, trends and pattern recognition.

Emergency Management

- ☑ Evacuation route planning.

☑ Floodplain mapping.
☑ Flooding analysis and mitigation activities.
☑ Emergency management analysis and planning.
☑ Identify, monitor, assess and map the effects of wildland fires, wind storms, ice storms, landslides, avalanches, tornados, hurricanes, flooding and other disasters.
☑ Identify, map and plan for the security of critical infrastructure.
☑ Use in command posts to brief and inform senior managers.
☑ Identify existing structures in danger due to natural or man-made disasters.

Transportation

☑ Use for alternative route analysis and planning.
☑ Assist in the design and engineering requirements for bridge and culvert projects.
☑ Assist in establishing rural route addressing.
☑ Display, analyze and map road accident locations.

Natural Resources & Environmental Management

☑ Identify, delineate and map wetlands.
☑ Develop land and timber management plans.
☑ Identify, analyze and map wildlife habitats.
☑ Support soil erosion assessments.
☑ Support drainage studies.
☑ Identify and map surface waters, streams and shorelines.
☑ Identify, map and analyze watersheds.
☑ Identify, map and maintain trails (snowmobile, ski, ATV, Horse & Hiking).
☑ Use for hunting and fishing activities.
☑ Reduce the number of field visits made by permit staff.
☑ Help identify and notify property owners affected by permit decisions.
☑ Monitor natural and man-made changes in the landscape (*i.e.,* encroachment on wetlands).
☑ Quantify the impacts of sea-level rise and climate change.
☑ Assist in carbon sequestration studies.
☑ Assist in monitoring and regulation of permit violations (*e.g.,* floodplain and wetland fills, and expansion of mining facilities).
☑ Identify and map forest fragmentation.

Geological Studies

☑ Soil mapping.
☑ Geologic mapping.
☑ Groundwater analysis and mapping.
☑ Identify and map geologic hazard areas.
☑ Identify and map land subsidence and ground fissures due to groundwater extraction.
☑ Identify, analyze and map geothermal and mineral resources.
☑ Use for oil and gas exploration and development.

Agriculture

☑ Compliance and crop monitoring.
☑ Agricultural land delineations.
☑ Monitoring the spread and eradication of invasive species.
☑ Determine need for and plan spraying programs (*e.g.,* Mosquito and Gypsy Moth abatement).
☑ Plan re-vegetation programs.
☑ Determine the health of forests, grazing and multiple use areas.
☑ Use for farmstead activities (*e.g.,* routing driveways, and locating new feedlots and buildings).
☑ Use in precision agriculture to assure maximum economic return to farmers while reducing environmental problems associated with over-fertilization.

☑ Use in developing conservation plans, nutrient management plans, tile drainage plans, wind break plans, and manure management plans.
☑ Identify grazing issues and rangeland health.

Education

☑ Bus Routing Decisions.
☑ Help students learn more about their world.
☑ Help teach students about geography.

Planning

☑ Use during comprehensive plan development.
☑ Assist site development and redevelopment activities.
☑ Determine and map land use.
☑ Assist zoning decisions.
☑ Detect changes in land cover over time (*e.g.,* conversion of agricultural lands, forestry operations and urban sprawl).
☑ Help relate planning decisions to the public.

Assessments and Taxation

☑ Assist in property assessments.
☑ Locate new and/or unauthorized building activities.
☑ Defend assessments during Board of Review hearings.

Public Health

☑ Identify and map groundwater recharge areas and well head protection zones.
☑ Inventory potential sources of groundwater contamination.
☑ Identify and map known Superfund locations and other sources of contamination.
☑ Identify and map air pollution sources (*i.e.,* factory smoke stacks).
☑ Provide inputs for and develop modeling programs.
☑ Identify and map disease habitats and disturbed areas (*e.g.,* Hantavirus, Chronic Wasting Disease and Lyme Disease).
☑ Identify and map failing septic systems.

Economic Development

☑ Identify areas of interest for recreation and tourism.
☑ Use for real estate acquisition decisions and to show properties to customers in relation to the landscape.
☑ Identify areas for Federal land disposal and land swaps.
☑ Plan for construction and use to monitor oil and gas pipelines, and electric transmission lines.
☑ Assist preliminary site planning and construction for general construction projects.

Other Uses

☑ Use during public meetings and hearings to help citizens relate to public programs and development activities.
☑ Inventory public infrastructure to comply with GASBY 34/35.
☑ Manage public utilities in compliance with EPA rules.
☑ Identify and map every aspect of the Earth's surface and manmade structures.
☑ Use as historic records of man's activities.
☑ Use to locate survey monuments and to plan surveying activities.
☑ Monitor water "rustling."
☑ Inventory, analyze and map open space for wind, solar, and other alternative energies.
☑ Backdrop for interactive web-mapping sites.
☑ Providing on-demand printed aerial "Maps" for the public (*e.g.,* hunters, land owners, real estate developers, and hiking).
☑ Selecting sites for communications towers.

☑ Help provide location information to a more geographically aware public (*e.g.,* public meetings, news broadcasts, and commercial mapping sites like Google Earth™ and Mapquest™.

The CHAIRMAN. Thank you very much, Dr. Craig.
Mr. Krosch.

STATEMENT OF JIM KROSCH, SUPERVISOR, STEVENS SOIL AND WATER CONSERVATION DISTRICT, MORRIS, MN; ON BEHALF OF NATIONAL ASSOCIATION OF CONSERVATION DISTRICTS

Mr. KROSCH. Good morning. I am Jim Krosch, one of five elected supervisors of the Stevens Soil and Water Conservation District located in Morris, Minnesota. Currently, there are 91 Soil and Water Conservation Districts in Minnesota providing 100 percent coverage of the state. I am pleased to be here today on behalf of the National Association of Conservation Districts to discuss the importance of the USDA's information technology systems.

To assist in the implementation of Federal conservation programs, our members work with the NRCS in the FSA agencies as well as other Federal agencies and state and county programs. USDA relies on conservation districts and other partners to deliver local technical services to farmers, ranchers, private land owners that are in the communities. It is vital that the USDA data and technical tools are available to conservation district employees. As full partners of NRCS, districts use these tools every day to support local conservation efforts.

The partnership between NRCS and conservation districts is unique. Most districts have technical staff with access to the same technology that NRCS uses. This ensures the landowners have access to the tools needed to develop and implement the appropriate conservation actions.

At SSWCD in Minnesota, we use this technology on a day-to-day basis. It is a vital link between us as a conservation district and our Federal partners so we may work together putting conservation on the ground. Without access to these programs, we would not be as effective. Using the NRCS Toolkit, we, along with our partners, have put over 5,400 acres into the Wetland Reserve Program in our county alone averaging over $12 million of Federal and matching state funds, which in turn stimulates the local economy through the use of local contractors, seed vendors and other partners.

As a third-generation farmer, who has actively farmed for over 25 years, I can personally attest to the importance of technical assistance and access to the technology needed to design and implement sound conservation practices. In partnership with my conservation district and the NRCS, I have implemented a number of different conservation practices on my farm. Without this technology, it would have been very difficult to effectively employ successful conservation practices on my land.

Let me use a couple of examples from my work at Stevens SWCD. When a landowner comes in with an idea for a particular piece of property he will sit down with a technician and discuss his or her plan. This initial interview gives our technician the basic groundwork for what the producer is looking for. The Toolkit software then allows us to work with the landowner to effectively de-

termine the feasibility of his or her project. The map you have in front of you is an example of how we use GIS Toolkit and aerial photography to map a filter strip along a stream. We are able to use these tools on both an individual and multi-farm or watershed basis.

As an elected district supervisor, I cannot stress enough the importance of this technology to effectively serve producers and landowners in our district. Landowners and local units of government expect conservation district and NRCS staff to be able to obtain maps and detailed imagery of their land during their visit. This service and technology provides the American taxpayer with excellent value.

Yes, the system is not perfect. It has had problems with download speeds and difficulty in getting things going, but your IT staff does an excellent job of trying to keep it going. We are especially excited about the improved aerial imagery that is slowly becoming available. One of the most promising new technologies to enable the gathering and availability of the elevation data is Light Detection and Ranging, or LIDAR. LIDAR makes possible the collection and analysis of elevation data over large areas at a scale that has not been feasible in the past. We need to make sure this exciting technology is available in all states to assist in our conservation efforts.

Without the continued upgrading of software, maintenance of the system and full access for conservation districts to form information and technical tools through the USDA's IT system, the seamless and efficient delivery of conservation technical assistance by our conservation districts would be severely reduced. Ultimately, America's food, fiber, feed and fuel producers would suffer due to diminished access to quality technical assistance to help them protect their natural resources.

We encourage you to continue to provide quality technology support for all of our agencies. The better the technology we have, the better we can serve our producers and in the end, achieve our goal of putting conservation on the ground.

Thank you for the opportunity to testify today on behalf of the conservation districts across the country.

[The prepared statement of Mr. Krosch follows:]

PREPARED STATEMENT OF JIM KROSCH, SUPERVISOR, STEVENS SOIL AND WATER CONSERVATION DISTRICT, MORRIS, MN; ON BEHALF OF NATIONAL ASSOCIATION OF CONSERVATION DISTRICTS

Good Morning. I am Jim Krosch, one of five elected supervisors of the Stevens Soil and Water Conservation District located in Morris, Minnesota. Currently there are 91 Soil and Water Conservation Districts (SWCD) in Minnesota, providing 100 percent coverage of the state. There is at least one SWCD in each of the 87 counties, while a few of the larger counties have more than one. Soil and water conservation districts are established in each community, governed by local leaders and focused on the conservation of local soil and water resources. As a result, Minnesotans trust SWCDs to provide needed technology, funding and educational services for their respective communities. I am pleased to be here today on behalf of the National Association of Conservation Districts (NACD) to discuss the importance of the U.S. Department of Agriculture's (USDA) information technology systems.

Across the United States, nearly 3,000 conservation districts are helping local people to conserve land, water, forests, wildlife and related natural resources. We share a single mission: to coordinate assistance from all available sources—public and private, local, state and Federal—in an effort to develop locally-driven solutions to nat-

ural resource concerns. More than 17,000 officials serve in elected or appointed positions on conservation districts' governing boards. Working directly with more than 2.3 million cooperating land managers and local communities nationwide, their efforts touch more than 1.6 billion acres of private land. We support voluntary, incentive-based programs that provide a range of options, providing both financial and technical assistance to guide landowners in the adoption of conservation practices, improving soil, air and water quality providing habitat and enhanced land.

Established under state law, conservation districts are local units of state government charged with carrying out programs for the protection and management of natural resources at the local level. To assist in the implementation of Federal conservation programs, our members work with the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS) and the Farm Service Agency (FSA), as well as other Federal agencies and state and county programs.

Technical assistance is the backbone of Federal conservation programs, as well as state and local programs. Technical assistance is the individualized guidance and information that helps a landowner make a change. It could be engineering design work, assistance from an agronomist, localized information for soil types, habitat, nutrient reduction strategies and know-how for application of conservation practices and structures or the development and implementation of nutrient management plans. Whatever form the technical assistance takes, USDA information technology provides the important tools by which technical assistance is delivered.

NRCS relies on conservation districts and other partners to deliver a substantial amount of local technical services to farmers, ranchers, private landowners, and urban communities. It is vital that that the NRCS data and technical tools to service landowners are available to local conservation district office employees. As full partners of the NRCS, districts use the technical tools day in, day out to support local conservation efforts.

USDA provides a wide range of information technologies and tools to users of its systems, including conservation districts. Some examples include tools or technologies to address erosion and soil quality, water quality and water conservation, nutrient and pest management, air quality, livestock management and grazing, stream restoration, hydraulics and hydrology, and energy conservation assessment.

The partnership between NRCS and conservation districts is unique. As full partners with NRCS, conservation districts make heavy use of the USDA database. Most districts have technical staff that provide technical service to landowners that want to participate in farm bill programs and develop conservation plans. These district technicians, with access to the same Federal technology that NRCS uses, are able to work with clients and provide technical assistance in partnership with NRCS. This strong partnership between NRCS and conservation districts allows districts to take on some of the local conservation workload and ensures that landowners have access to the tools needed to develop and take appropriate conservation actions.

Geographic information systems (GIS) are a core technology for conservation districts to utilize in the delivery of conservation technical assistance helping landowners address natural resource problems on the land. Every NRCS field office across the nation has GIS as part of their information technology system, which includes GIS layers such as soils, topography, roads, streams, field boundaries and other layers. Through access to NRCS information systems, conservation districts also have access to GIS data and analysis capabilities.

The two important programs that contribute to GIS are the National Agriculture Imagery Program (NAIP) and the National Digital Orthophoto Programs (NDOP). These are important components of geospatial tools used by local conservationists.

NAIP acquires much of the aerial imagery used in conservation planning and provides the base layer used in GIS. It is the foundation of GIS programs.

The National Digital Orthophoto Programs (NDOP) is a consortium of Federal agencies with the purpose of developing and maintaining national orthoimagery. This is the program that generates the GIS layers used for conservation planning and other natural resource activities by digitizing and "correcting" the aerial photography from NAIP or other sources.

As an NRCS and FSA partner and user of USDA technologies, conservation districts also have access to this imagery and orthophotography.

In our Soil and Water Conservation District in Minnesota we use this technology on a day-to-day basis. It's the vital link between us as a Conservation District and our Federal partners to work together putting conservation on the ground. Without access to these computer programs, I have no doubt that we would not be as effective as we have been over the past several years. Using the NRCS Toolkit we, along with our partners, have put over 5,400 acres into the Wetland Reserve Program (WRP) in our county alone, leveraging over $12 million dollars of Federal and

matching state funds, which in turn stimulates the local economy through the use of local contractors, seed vendors and other partners. WRP takes sensitive, marginal land out of agricultural production and puts it back into wildlife habitat and wetlands, which helps alleviate erosion and flooding. The importance of being able to effectively use programs such as WRP are even more apparent today, as we watch Fargo, North Dakota and other cities along our rivers prepare for near record flooding again this spring.

As a third generation farmer who has been actively farming for over 25 years, I can personally attest to the importance of technical assistance and access to the technology needed to design and implement sound conservation practices. In partnership with my conservation district and NRCS, I have implemented a number of different conservation practices on my farm, including nearly 100 acres of CRP, filter strips, sediment dams and grass waterways. All this was done by working with Stevens SWCD and the local NRCS office. Without this technology, I would be unable to effectively employ successful conservation practices on my land.

Let me use a couple of examples from our work at Stevens SWCD.

When a landowner comes in with an idea for a particular piece of property, he will sit down with our technicians and discuss his or her plan. The landowner may be interested in putting a buffer or filter strip along a river, stream or ditch, or perhaps something as simple as dealing with an area in a field that is perpetually wet and floods out his or her crop year after year. This initial interview gives our technician the basic groundwork for what the producer is looking for. The next step is pulling up the aerial photo of the producer's field. The convenient thing about Toolkit is that it provides a one-stop-shop, if you will, of everything the technician will need to determine if the area the farmer is looking at is eligible for any of the programs currently available. This includes the aerial photo, common land units (CLU), soils maps, national wetlands inventory (NWI), highly erodible land (HEL), hydric rating, as well as other layers that delineate where sensitive state and Federal lands are located. The technician takes all these factors into account when they draw out the proposed areas that the producer would like to enroll. These maps are stored in a Toolkit database under the producer's name or farm name along with all related information for their operation. Having access to this technology gives our technicians the ability to get an accurate feel for the producer's land, so we can help him or her make the best conservation choices for his or her operation, perhaps even a program he or she hadn't thought of.

As I stated before, SWCD use this technology on a daily basis for all programs. It has been and continues to be a successful tool when dealing with the Conservation Reserve Program (CRP) or the Wetland Reserve Program (WRP). Another example is a producer who has a stream running through his or her property. The landowner may want to provide a buffer strip along the stream to improve water quality or create habitat for wildlife. Again, we can use the aerial photo to lay out the approximate location, calculate the area, and check the size of the remaining fields to ensure that the producer is investing in a practice that makes sense for him or her and the purpose(s) that he or she wants to achieve.

A third example is using the GIS and design software to lay out a series of strips or terraces for water control and for the purpose of helping a producer farm a more erosion-sensitive field in a way in which he or she can still protect the soil while raising a profitable crop. We use this approach to be able to help the landowner plan and figure what the costs would be as well as to make the field sizes and shapes configure to the kind of equipment that is used on the farm.

It is also very beneficial to use the aerial photos and GIS capability for multi-farm projects on a watershed or habitat basis. This allows us to sit down with a group of landowners interested in the same objective and design a joint plan to accomplish their specific goals.

Toolkit enables us to work with local, township and county road officials to plot out drainage from farm fields and road ditches so the system is as efficient as possible without causing undo problems downstream.

These are just a few examples of how valuable this technology is to landowners and local conservation districts. As an elected district supervisor, I cannot stress enough the importance of this technology to effectively serve producers and landowners in our district. This technology provides my constituents with an excellent and invaluable service. Landowners and local units of government expect conservation district and NRCS offices to be able to obtain maps and detailed imagery of their farm or land area during their office visit. This technology can assist both large and small landowners and units of government in planning and implementing natural resource conservation practices. This service and technology provides the American tax payer with excellent value.

An example of this type of service and the importance of access to detailed and accurate maps is what a local conservation district and the NRCS developed for the local drainage boards in Acadia Parish in Louisiana. Using USDA's technology, the local conservation district was able to provide maps of each drainage district, showing not only the natural drainage, but also providing the locations of all major water control structures, erosion control structures and recreational areas. This allowed for installation of conservation practices and projects on a watershed basis rather than just an individual landowner basis. The local drainage boards had never had such a complete picture of their area of responsibility. Similar examples can be found across the country.

The system isn't perfect and has had some issues with speed of use, but USDA IT staff is constantly working on it to keep it updated and running as smoothly as possible. Of course there are always things that could be done to improve the system. There are times when it seems the machines are not able to download as fast as we would like and of course this slows down our customer service, but I understand the next upgrade or generation will help us on this front. We are especially excited about the improved aerial imagery that is slowly becoming available.

The most promising new technology to enable the gathering and availability of elevation data is Light Detection and Ranging or LIDAR. LIDAR makes possible the collection and analysis of elevation data over large areas at a scale that has not been feasible to do in the past. LIDAR can be used to develop digital elevation models that are accurate to within 1 meter. Conservation districts and NRCS can take advantage of very accurate, high resolution data to analyze small differences, as little as 1–2 feet. This allows conservation district offices and NRCS to create very accurate soil maps which allow the district technician to determine where conservation practices have been or need to be installed before they go to the field. It also allows NRCS soil scientists to more efficiently do pre-mapping with increased accuracy based on elevation and spend less time in the field collecting elevation data. Many states are involved in efforts to acquire statewide LIDAR coverage. However, we need to make sure this exciting technology is available in all states to assist conservation efforts.

Without the continued upgrading of software, maintenance of the system and full access for conservation districts to information and technical tools through USDA's IT system, the seamless and efficient delivery of conservation technical assistance by our conservation districts would be severely reduced. Ultimately, America's food, fiber, feed and fuel producers would suffer due to diminished access to quality technical assistance to help them protect their natural resources. We encourage you to continue to provide quality information technology support for the agencies. The better the technology we have, the better we can serve our producers, and in the end achieve our goal of putting conservation on the ground.

Thank you for the opportunity to testify today on behalf of conservation districts across the country.

ATTACHMENT

CRP Quote for Filter Strip (CP21)

Customer(s): John Doe
Legal Description: NW1/4 of Scott 17
Approximate Acres: 12.1

Agency: STEVENS SWCD
State and County: MN, STEVENS
Date: 2/17/2010

CP21
Sections
Townships

1:10,000 1 inch equals 833 feet
660 0 660 1,320
Feet

N

Maps are for graphical purposes only. They do not represent a legal survey. While every effort has been made to ensure that These data are accurate and reliable within the limits of the current state of the art, NRCS cannot assume liability for any damages caused by any errors or omissions in the data, nor as a result of the failure of the data to function on a particular system. NRCS makes no warranty, expressed or implied, nor does the fact of distribution constitute such a warranty.

The CHAIRMAN. Thank you. I want to thank all of you for your testimony this morning.

I recognize myself now for 5 minutes and then I will recognize the Ranking Member and then Mrs. Dahlkemper.

Also, I will begin by asking any one of you that would like to respond: has anybody testified before or ever come before us to make sure that we get modernized equipment or updated IT, because apparently all of you feel that we are still in the dark ages? Can any one of you respond to that?

Mr. MAYFIELD. I will attempt to, Mr. Chairman. No, this is the first time that we as NASCOE have been before the Committee and testified specifically on the need for improvement of our system. As far as why that hasn't been addressed, I can't answer that. I know that.

The CHAIRMAN. That is why we are having this hearing, right? The other Members who have been here before us, it has never been brought before them?

Mr. JOHNSON. Mr. Chairman, I am relatively new as the President of the National Farmers Union and I just turned to my staff member who is newer than I am, so we don't have a lot of history about whether the organization has been asked to testify on this. I know we have testified before on USDA budgets. I would be very surprised if we haven't at least encouraged adequate funding for technology. I say that because most of my life I have been a farmer and I talk to farmers and ranchers on a daily basis. They all pretty much, I mean there is nothing that was said here this morning that farmers don't talk about regularly, routinely. They know that we are way behind. Most farmers are much further technologically-advanced on their own farm than what the government agencies are at USDA that are serving them, and they often are asking for the ability to file reports online, do just what we do with everything else in our everyday life to have that same kind of ability.

The CHAIRMAN. Would anybody else like to attempt to answer?

Dr. CRAIG. Mr. Chairman, I wondered whether to say this or not, but the last year or so we have had pretty good luck in getting the aerial photography that I was talking about. But, for 2 or 3 years before that, the entire IT budget or significant portions of it were pulled away from the aerial photography to get into the modernization, to help with the IT side of things. Maybe they made a good start but it hurt the thing that I care about the most.

The CHAIRMAN. Thank you.

Mr. Turner.

Mr. TURNER. Yes, sir, I tell you I also am relatively new as the President of NAFEC but NAFEC in the past has made contact with several Committee Members about IT problems and the problems that it caused and we have not ever heard anything back.

The CHAIRMAN. Thank you. Hopefully, this time we will be able to respond, but let me start asking my additional questions.

Mr. Johnson, thank you very much for you testimony today. As an organization representing the family farmers and ranchers that rely on many of the critical Farm Programs at USDA, I appreciate hearing NAFEC's views and thoughts on this important subject. In your testimony you mentioned the problem that USDA IT systems have had in implementing newer programs established in the 2008

Farm Bill. I believe that you were involved in the creation of the SURE Program and new Permanent Disaster Program in the 2008 Farm Bill. Did you consider the ability of FSA to deliver these programs when you were working on the concept? That is question number one and then do you know of any farm bill programs that have not lived up to their Congressional intent due to poor technology at USDA?

Mr. JOHNSON. Well, yes, Mr. Chairman, we were very deeply involved in the details of the SURE Program as it was moving through these committees and others in Congress. All of the components that are used to make payments under SURE are components that currently exist in USDA. There is nothing new. The one part that might be new is the need to make sure that you are using data that RMA is also using because the two are very closely linked to the other, but, frankly, that ought to be an automatic. So I mean as we are putting the details together, it sounds like the question you are asking is should we have designed it differently so it could have worked with the technology that we have. I don't know that that was your intent but I don't know that anyone could design a program that would work with the technology that is as old, as outdated, as archaic, as what currently exists. So, maybe I ought to just leave it right there.

The CHAIRMAN. All right, thank you very much.

I know that my time has expired so at this point, I will recognize our Ranking Member, Mr. Fortenberry.

Mr. FORTENBERRY. One of you had observed, I am sorry, I have forgotten which one it was, that many farmers have more advanced, sophisticated technological tools that you actively utilize as part of the farm operation. Now, most farmers are either there or are rapidly transitioning to this. But, in the earlier testimony it was alluded to that older systems that do empower a farmer to continue to access services in the more traditional fashion also need to be available. Why don't you give me a benchmark as to where we are in terms of the evolution of the use of technology by the farm community as it would interface with government programs more simply and more easily, reducing wait time, reducing paperwork such as things that could be filled out online ahead of time *versus* the segment of the community that may not be there yet?

Mr. MAYFIELD. I will attempt that, Ranking Member Fortenberry. I guess the biggest challenges we have, most of our larger producers, have GIS technology. You know, they have their combines that now have the capability to keep orthomapping data and it would be great to be able to upload that information into our system to directly report new-old and be able to calculate yield for ACRE Programs, for DCP Programs and for our record-keeping purposes. Simply, the system we have now, that is not possible, so we deal everyday with producers that are applying nutrients that are required by soil conservation plans or whatever to be precisionally applied to protect against runoff, and that type of thing for nutrient loading. Our systems aren't capable to provide or share that information to allow us to be able to accomplish these tasks. So certainly, a lot of our producers are much further technologically advanced than we are and it is sometimes especially frustrating for us to see that happen. One of the things that could real-

ly accomplish that task and help us move in that direction is maybe the elimination of some of the duplicative services that we have within our offices.

I know we have mentioned here about working with maps. For example, in a county service center, we have two separate systems within the same service center that deals with the map process. The gentleman mentioned Toolkit. NRCS uses a product called Toolkit. FSA uses a product called the Maintenance Tool. They are not compatible. They don't communicate with each other and we would certainly like to see those be compatible because it would make so much easier to share information, and it would keep a producer from having to give that information to both of us. If they are trying to satisfy the requirements for our programs into their programs, they could give it to one central place and then we could share that information. The same thing is going on with RMA, with NASS and with FSA processes. You know, within USDA we are paying for and accepting the acreage reports and yield information in three different places and why do we continue to invest in that—a budget environment where we are restricted on available dollars where we could take that information in one place and share it within departments or within agencies.

These are the things that our producers would like for us to see. Again, as Congressman King had mentioned, their time is very valuable and they don't want to have to go to two or three different places and provide the same piece of information when they should be able to upload that information to one central place and be able to share it within the Department.

Mr. FORTENBERRY. Any broader sense though of the numbers of producers who have advanced capabilities that would be able to, not just in terms of downloading information from the farm that would be a part of the reporting requirements, but in terms of other interfaces that take place, for instance, at the Farm Service Agency. And by the way, there is a little bit of a tension here in that we want to move in the direction like you are talking about, but it is based on the premise that all producers are ready to do that with the technology, with an understanding of the technology that is available to them. So I am just trying to get a sense in terms of where we are as a farm community, pretty well there, partly there?

Mr. JOHNSON. Well, I would think that we are quite a ways there with the farm community. We have to look at this thing kind of piecemeal. I mean obviously not everyone has GIS capabilities, but a lot of folks have PCs at home and that is sort of a basic. I had one of the farmers in one of the states tell me that FSA has 30 different program applications. This farmer said in his state three of those program applications were available online and had been available online for some time. The three that he said were online were the customer statement, the LDPs and DCP. He went on to say that it has been 5 years since he even had an LDP payment made, so ten percent of the total is available online and some of what is available isn't even being used anymore. So it is that real basic to just let the farmers interface, if you will, with the agency might be sort of the first step.

Mr. TURNER. If I could touch on that briefly, this is a prime example of where a lot of the rural community still don't have the broadband so the capability is not there. I mean this would be an excellent opportunity to move our agriculture into that area if broadband was available in all those areas, but where I live there is still a considerable amount of people that are on the old dial-up system. If you start in on an FSA application, by the time you get it open and get your name and your number entered, your dial-up has dropped and you start over.

Mr. FORTENBERRY. Yes, the question was premised on that availability. Yes, that is a good point. Thank you.

Mr. KROSCH. Okay, in my area, the farming community is rapidly progressing. We have the entire spectrum from the older farmers who use their PCs for e-mail capability to the young farmers who live by it. The equipment is gaining—we have all the yield mapping or the sprayers are mapping what chemical goes where. I mean we have do all of this. It is also scattered, as many different programs, many different manufacturers of different software, so it is going to be difficult to pull that together for the FSA. It is going to have—it is struggling just like we are or you are talking about with yours, we are all growing and it adds more problems to what you are trying to accomplish. But, the farm industry is moving very rapidly fowards, very rapidly.

Mr. FORTENBERRY. Okay, thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Fortenberry.

Now, I would like to call on the gentlelady from Pennsylvania, Mrs. Dahlkemper.

Mrs. DAHLKEMPER. Thank you, Mr. Chairman.

If we go ahead and imagine 1 year from today and you or your successor is sitting here in front of us, can you each tell me what would be the one improvement that you would like to see they would be reporting on has changed, something that is attainable, that is practical and what is most important. Just one thing you would like to be sitting here reporting to us has changed.

Mr. Johnson.

Mr. JOHNSON. It is hard to narrow it to one. Certainly, having the ability to report once across multiple agencies, that probably isn't it going to be a problem that gets fixed in 1 year, so maybe a smaller goal would be to at least have the program applications available online so farmers could connect.

Mrs. DAHLKEMPER. Thank you.

Mr. Mayfield.

Mr. MAYFIELD. I would say that probably the most important thing would be elimination of these duplicative services that our processors are going out to today to get that down to where that producer can use one place to do his business and not have to worry about providing that same information to multiple places.

Mrs. DAHLKEMPER. Okay, thank you.

Mr. Turner.

Mr. TURNER. I would agree with both of these gentlemen and also on the importance in getting the IT technology into the rural areas would be your first attainable goal, the broadband.

Mrs. DAHLKEMPER. Do think what we have been doing through the Recovery Act will help with that?

Mr. TURNER. I think it will.

Mrs. DAHLKEMPER. Okay, thank you.

Dr. Craig.

Dr. CRAIG. For me, it is simple. I want a regular program for delivering aerial photography.

Mrs. DAHLKEMPER. Okay, thank you.

Mr. Krosch.

Mr. KROSCH. From a conservation standpoint, the LIDAR imaging so that we can sit in our offices and get a good picture of what is out in the land, so we can tailor a program for what the producer wants to do.

Mrs. DAHLKEMPER. Okay, thank you very much.

I also want that, because obviously we have huge issues with the budget and so we have to find a way to pay for this. There should have been money expended for many years that was not expended in this area. I guess I just want to ask all of you if you have any thoughts on where we would get this additional funding. Are there other places we could save in the areas that are you dealing? Are there areas we could look to, to actually funnel money into improvements that you are looking for?

Mr. TURNER. I think you won't have an initial savings, but once you get this system in place, you will save immensely because of the duplications and the man hours that it takes to use multiple systems inside one agency, is one of my feelings.

Mrs. DAHLKEMPER. Thank you.

Does anyone else have anything different?

Okay, that is all the questions I have. I yield back.

The CHAIRMAN. Okay, thank you very much.

This is a question for all of the panelists here. Any one of you can attempt to answer it if you care to. Do you believe that the current statutory limits and regulations on the release of producer data together are striking a good balance between the producer privacy and the ability to carry out programs or the public's right to know about program participation?

Mr. MAYFIELD. I understand the public's right to know, I mean most the money that we deal with and the programs that we implement are tax dollars. I understand that and I think we are close to a place where the public does have sufficient access to the information that they need to know that those dollars are expended appropriately and accurately without crossing into a producer's personal privacy. I do think that is very important to protect our producers across the country that their privacy and what they do in their private business is just as important as an IBM or any other company across this country. It is part of their own personal small business that they operate each and everyday, so I do feel that we are very close to a balance with the information we provide. It is sufficient as far as what the public is aware of a producer's particular information.

The CHAIRMAN. Does anybody else wish to—yes, Dr. Craig?

Dr. CRAIG. You have touched another part and I guess you may have it in the geographic information system world and for us data is important. One of the biggest problems we have with this being

local government is the lack of good personal mapping around the country, and yet here you have locked up the CLU boundaries which could be just generalized out to ownership parcels. That is all anybody needs for appraisal and for that matter, emergency response kinds of issues. Yet, you had those out for a little while and then you pulled them back in, and it has meant that the smaller local governments are just dead in the water for getting any kind of a digital personal map.

The CHAIRMAN. Anyone else?

Mr. JOHNSON. I would say the same thing. I was scratching my head trying to think of an example but that actually is one where we have had a number of folks talk to us, the CLU boundary issues. That is a big deal, yes.

The CHAIRMAN. Okay, thank you.

Dr. Craig, it is clear to see that you are enthused about the NRCS Toolkit. Can you explain for the Subcommittee its greater detail and what makes this program so effective?

Mr. Krosch.

Mr. KROSCH. I personally don't use it. I am a supervisor. I am not an employee in the office, so for me to describe it perhaps is not appropriate. I would be happy to get that information back to you.

The CHAIRMAN. Okay, thank you.

And then, Mr. Mayfield, the results of your internal survey and the problems you have highlighted throughout your testimony, you show that there is much work that needs to come with a little bit more efficient and cost-effective program delivery system within the USDA. In your opinion as a representative of Farm Service employees, what is the most important thing that we can do in Congress to fix the IT mess at USDA? Is there a mess?

Mr. MAYFIELD. Well, there is. I think first and foremost, we have to find a way to get away from a system that we start business with every day that is 26+ years old. I mean this system was there the day that I walked into the office, the first day and it is still there. It won't be very long before I walk back out so that system has to be replaced, and it has to be fixed for those people that are coming on. It is older than most of the employees today. I think the next thing in this budget environment is we have to find ways to do things more efficiently. If we are going to have one process that we pay for to work with ArcMap and CLU layers, why do we want to continue to pay for service agreements and maintenance agreements on two different software applications? Surely we can come to an agreement of what the appropriate application would be that both NRCS and FSA could use within one particular service center, and not only that, there are also other duplicative services. There are administrative services that are handled by more than one agency that the decision could be made to place those in one particular place and save the money on having to support two separate administrative arms that we deal with within one particular service center agency. Again, to go on, we are paying for within the USDA the gathering of acreage and yield information in multiple places, and if we can gather that information in one place, I see that as saving money. All of that invested back in our IT system, I think as I mentioned in my testimony, are currently just waiting

for ArcMap to open and become ready to process. We are wasting several minutes of an employee that simply sits there and waits for the system to open. This is an investment in waste of those tax dollars while an employee is trying to perform their daily service.

The CHAIRMAN. Okay, let me ask one final question. What do you believe that the timeline should be to implement new, appropriate equipment so that we can be a lot more cost-effective in operating and communicating with one another?

Mr. MAYFIELD. Mr. Chairman, I guess I am an eternal optimist. I would like to have it tomorrow and I realize that is not practical. It concerns me somewhat as we talk about a MIDAS project, and I am very supportive of that project, and I don't mean that I am not, but it concerns me considerably when we are talking about a project that is going to be another 3–4 years and we are looking at 2013 or 2014 before it wraps up. And we are already looking at a system that we realize is 26 years old or 24 or 5 years old. When you add another 3–4 years to the age of that system it becomes extremely difficult to believe that system is going to be able to survive that long. It amazes me each and every day that it is able to operate today. I don't know that there are very many people that still even write COBOL software, so and I guess that concerns me that we are still looking at 3–4 years before we can rectify that situation.

The CHAIRMAN. Okay, thank you.

Anybody else want to answer that? If not, that concludes the questions that we have. At this point, I want to thank each of the panelists for testifying before us.

I am going to call on our Ranking Member for any remarks you would like to make before we adjourn.

Mr. FORTENBERRY. No, simply, gentlemen, thank you all for your testimony. Clearly, the gentleman, Mr. Smith, who testified from the Department talked about the fragmentation of our system. This easily happens in any large multi-agency or bureaucracy, and I think the challenges ahead are to ensure that the end-user is serviced in the most efficient manner, saving money for the taxpayers, but also continuing to help develop our agriculture programs and our conservation programs in a way that is consistent with the ideals of the nation, so that we are again producing an abundant and safe food supply, not only for ourselves but the entire world. So with that said, that is all of our ultimate goals here as we dig down into to assess how we do this more efficiently. So, I am going to thank you for your various ways in which you do participate in public service.

With that, Mr. Chairman, I will yield back.

The CHAIRMAN. Thank you very much.

Before we adjourn this hearing, I would also like to thank each of you for your participation in today's hearing and your thoughtful testimony. Your knowledge and research, I hope, will be used by Congress to find the best solution to improve access and more effectiveness of the information technology at USDA. Again, I want to thank our witnesses and Members for participating today.

The Subcommittee will now be adjourned, but before I do I would like to state that under the rules of the Committee, the record of today's hearing will remain open for 10 calendar days to receive ad-

ditional materials to supplement the response from the witnesses or any question posed by Members. This hearing on Subcommittee on Department Operations, Oversight, Nutrition, and Forestry is now officially—before I do, I would like to ask are there any questions you would like to ask before we adjourn? I would like to give the gentlewoman from Wyoming an opportunity, Mrs. Lummis, an opportunity as most of us had an opportunity to ask questions.

Mrs. LUMMIS. Thank you, Mr. Chairman, and I am sorry. I have conflicting hearings today so it is very nice of you to accommodate me.

I just want to comment with regard to IT that I appreciate the problem of having outdated IT. I understand that some of it is even older than some of the people who are working on the computers. I remember taking my old skis to have the bindings adjusted and the young man who was going to do it said your bindings are older than I am, I don't know how to work on these. And so I appreciate that there is a problem there, but I also want to remind people that for those of us on the user end of computers, some of us are older than those computers too and don't know quite how to interact. And in Wyoming, I would express the concern that I would hate to see an increase in IT technology that is desperately needed be used as a reason to close offices that allow for eye-to-eye contact between USDA employees and the public. It is those interactions that allow the services of USDA to be fully implemented out in states such as my own. And so I encourage as *proviso* that it not be used as a substitute to close offices around the country.

And, Mr. Chairman, I do have other questions but I will submit them for a subsequent follow-up, and I do appreciate your allowing me that one little comment before you officially close the hearing.

The CHAIRMAN. Thank you, Mrs. Lummis.

So again, I will repeat, under the rules of the Committee, the record of today's hearing will remain open for 10 calendar days to receive additional materials and supplement the written response from witnesses, and any question posed by a Member.

This hearing of the Subcommittee on Department Operations, Oversight, Nutrition, and Forestry is now really adjourned.

[Whereupon, at 11:48 a.m., the Subcommittee was adjourned.]

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