# Statement by Mr. Joseph Reilly, Administrator United States Department of Agriculture, National Agricultural Statistics Service

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Chairman Davis, Ranking Member DelBene, and members of the subcommittee, I appreciate the opportunity to be here today to discuss the National Agricultural Statistics Service's (NASS) and Census of Agriculture's important role in agriculture. NASS' mission is to provide timely, accurate, and useful statistics in service to U.S. agriculture. NASS administers the U.S. Agricultural Estimates program, which began at the United States Department of Agriculture (USDA) in 1863. NASS also has conducted the Quinquennial U.S. Census of Agriculture since 1997, first collected by the Department of Commerce in 1840.

## Agricultural Estimates and the Census of Agriculture

The primary activity of NASS is to provide reliable data to meet the decision-making needs of the agricultural industry. The agency fulfills its mission through an annual agricultural estimates program and the quinquennial Census of Agriculture. NASS prepares estimates for over 120 crops and 45 livestock items that are published annually in more than 400 separate reports, of which 110 are Principal Economic Indicators of the U.S. Farmers, ranchers, and agribusinesses voluntarily respond to a series of nationwide surveys about crops, livestock, prices, chemical use, and other agricultural activities each year. Surveys are conducted during the growing season to measure the impact of weather, pests, and other factors on crop production. In many cases, NASS supplements farmer surveys with field observations of plan counts and measurements. NASS also uses administrative data from other USDA, Federal and State agencies; data on imports and exports; and other survey data to ensure official estimates accurately represent agricultural inventories.

### Stakeholder Input

NASS annually seeks input from the public on determining priorities and improving its products and processes. It consults with customers and stakeholders through meetings of the

Secretary of Agriculture's Advisory Committee on Agriculture Statistics, interaction with producers, data users meetings with agribusinesses and commodity groups, special briefings for agricultural leaders during the release of major reports, numerous individual contacts, and through federal register notices issued to the public. In response to this input, NASS continues to improve the quality and accessibility of its reports. The agency has adjusted its agricultural estimates program and published reports, and has expanded electronic access capabilities. All reports issued by NASS' Agricultural Statistics Board are made available to the public at a previously announced release time to ensure equal access to the information. All national statistical reports and data products, including graphics, are available on the Web, as well as in printed form, at the time they are released. Customers can electronically subscribe to NASS reports and download them in an easily accessible format using standard software. NASS also provides free Rich Site Summary (RSS). A summary of NASS and other USDA statistical data is produced annually in USDA's *Agricultural Statistics*, available on the NASS home page or in hard copy.

## Collaboration with Other Agencies

NASS conducts special surveys and provides consulting services for USDA agencies, other Federal or State agencies, universities, and agricultural organizations on a cost-reimbursable basis. Consulting services include assistance with survey methodology, questionnaire and sample design, information resource management, statistical analysis, and data collection. NASS has assisted USDA agencies in programs that monitor nutrition, food safety, environmental quality, and customer satisfaction. In cooperation with State Departments of Agriculture, land-grant universities, and industry groups, NASS conducts over 130 special surveys each year covering a wide range of issues such as farm injury, nursery and horticulture, equine, farm finance, fruits and nuts, vegetables, and cropping practices.

## International Programs.

NASS provides technical assistance and training to improve agricultural statistical programs in other countries in cooperation with other government agencies on a cost-reimbursable basis. The NASS international program focuses on developing and emerging-market countries in Asia, Africa, Central and South America, and Eastern Europe. NASS assists

countries in applying modern statistical methodology, including sample survey techniques. Accurate information about other countries is essential for successfully marketing U.S. farm products throughout the world. NASS has been an important contributor to the U.N. Global Strategy for Agricultural and Rural Statistics, and to the U.S. Feed the Future Program, contributing to better statistics for USDA global estimates of food supply.

## An Enhanced Research Program

NASS's research program, which is focused on innovation and enhancement in statistical methods, business processes and data products in support, sustainment and improvement of NASS programs, has allowed the development of new statistical models for the estimating program; computer editing applications to replace manual review; expanded modes of data collection to include Computer Assisted Personal Interviewing and Computer Assisted Web Interviewing; implemented quality assurance protocols in routine operations; developed two new tools using remote sensing data -- CropScape and VegScape; and further benefited from computer-based processing technology.

#### Agricultural Estimates

Annually, NASS issues over four hundred agricultural estimates reports that are critically important in assessing current supply and demand in agricultural commodities. Producers, agribusinesses, farm organizations, commodity groups, economists, public officials, and others use the data for decision-making. The statistics NASS collects and disseminates ensure buyers and sellers have access to the same official statistics at the same pre-announced time, and making markets fair. The free flow of information minimizes price fluctuations for U.S. producers, makes commodity markets more efficient, and makes our Nation's agricultural industry more competitive. The data has become increasingly important as producers rely on future contracts to manage risks. In the latest Farm Bill, county level information is critical in implementing the Agriculture Revenue Coverage (ARC) and Price Loss Coverage (PLC) programs administered by the Farm Service Agency.

### Census of Agriculture

In 1997, Congress adopted the Census of Agriculture Act of 1997 (the "Act"), which requires USDA to conduct the Census of Agriculture every 5 years. The Census of Agriculture provides comprehensive data on the agricultural sector at the national, State, and county level. The Census of Agriculture is the only source for this information on a local level and is extremely important to the agricultural community. Prior to 1997 the Department of Commerce, Bureau of Census (BOC) conducted the Census of Agriculture and census special studies. These surveys were conducted by BOC pursuant to BOC's authority under Title 13 of the U.S. Code to require responses to the Census.<sup>a</sup> In addition to the requirement to conduct the quinquennial Census of Agriculture, the Act authorizes USDA, "in connection with the census," to "conduct any survey or other information collection, and employ any sampling or other statistical method, that [USDA] determines is appropriate." The Act also provides that anyone "who refuses or willfully neglects to answer a question, shall be fined not more than \$100." The Act of 1997 is what provides NASS the "mandatory" authority to conduct the Census of Agriculture and associated special studies.

NASS recently published a Census of Agriculture for all 50 States and Puerto Rico through a progressively detailed series of releases. NASS issued a preliminary release of 2012 Census of Agriculture data in February 2014 that contained high level estimates at the U.S. and State level. In May 2014 NASS released the full Volume I series of data at the U.S., State and county level. In addition to the in-depth large publication released in May 2014, a number of special tabulations were subsequently released. Those include State and county profiles; Congressional District Profiles; Watershed Publication; Race, Ethnicity and Gender Profiles and Specialty Crop Report.

After each Census of Agriculture is complete NASS uses the results to identify specific sectors of agriculture to collect in-depth details. Since the 2012 census was published, NASS has conducted the following special studies: Farm and Ranch Irrigation Survey (FRIS), Census

<sup>&</sup>lt;sup>a</sup> See 1987 Census of Agriculture, Volume 3, Part 2, "Agricultural Economics and Land Ownership Survey (1988)", at Appendix B, Report Forms and Information Sheets (available at http://usda.mannlib.cornell.edu/usda/AgCensusImages/1987/03/02/1987-03-02-appendixes.pdf), which has a copy of the AELOS questionnaire, which states: "[R]esponse to this inquiry is required by law (title 13, U.S. Code)."

<sup>&</sup>lt;sup>b</sup> Pub. L. 105-113 (codified primarily at 7 U.S.C. § 2204g); 7 U.S.C. § 2204g(b).

of Aquaculture, Tenure Ownership and Transition of Agricultural Land (TOTAL), Census of Horticulture, and Organic Production Survey. In 2016 NASS plans to conduct a special study on Local Foods. This will help evaluate the manner in which local food systems improve community food security, and assist populations with limited access to healthy food.

There are numerous, important uses for the data that come from the Census of Agriculture and the subsequent special studies. Below are a few:

- Provide critical data about the demographics and financial well-being of producers and the economic health of the farm sector:
- Evaluate historical agricultural trends to formulate farm and rural policies and develop programs that help agricultural producers and ultimately, consumers;
- Allocate local and national funds for farm programs, e.g. extension service projects, agricultural research, soil conservation programs, and land-grant colleges and universities;
- Develop new and improved methods to increase agricultural production and profitability;
- Plan for operations during drought and emergency outbreaks of diseases or infestations of pests;
- Make informed decisions for individual operations within the farm, agribusiness, and related food and fiber sectors;
- Provide geographic data on production so agribusinesses can locate near major production areas for efficiencies for both producers and agribusinesses.
- Develop new and improved methods to increase agricultural production and profitability;
- Appraise water use trends and research crop production technologies that maintain precious water resources;
- Analyze land ownership and the prospect for new and beginning famers to either start farming or expand their operations;
- Study historic trends, assess current conditions, and plan for the future for both private and public decision making.

In 2015 NASS started producing the vital Current Agricultural Industrial Reports (CAIR) that were previously discontinued by the Department of Commerce. Commodities covered in these reports include: Oilseeds, Beans & Nuts; Fats and Oils; Cotton Manmade Fiber Staple & Raw Linters; Flour Milling Products, and Grain Crushing's & Co-Products Produced. Like other NASS products, these reports support estimation requirements for NASS, Economic Research Service (ERS), the World Agricultural Outlook Board (WAOB), and the USDA Chief

Economist. Private industry uses CAIR and other NASS data to monitor the effect of international trade on domestic production, evaluate the relationship between company and industry performances, market analyses, assess current business conditions, and plan future operations.

NASS is currently looking into the modern farm structure and its contributors, focusing on women and new farmers. NASS will modify statistical tools to better reflect the changing face of agriculture, especially including women, new farmers, and veterans on the farm.

## Protecting Producers' Personal and Financial Information

With every survey NASS conducts, a pledge of confidentiality is provided to survey respondents and extensive measures are taken to honor that pledge. Title 7, U.S. Code, Section 2276 specifies neither the Secretary of Agriculture nor any USDA employee may, "disclose such information to the public, unless such information has been transformed into statistical or aggregate form that does not allow the identification of the person who supplied particular information." NASS employees are required to sign a "Confidentiality Certification" form that ensures understanding and compliance of Title 7 and other statutes covering data confidentiality. NASS processes information using approved and certified computer technology and protocols that protects data integrity. NASS maintains internal policies that specifies algorithms used to aggregate data and to determine if a summarized total may be disclosed or suppressed, prior to publication. Lastly all NASS reports are released at an exact pre-determined and publicized time, to ensure that everyone has equal and fair access.

## Surveys Regarding Farmers' Financial Information

Publication of data on land ownership characteristics began in 1880, with the classification of farm tenure. Land ownership surveys have been an important tool used to gauge who owns land, the transition of land, finances surrounding land, and the availability of land to new and beginning farmers. Varying elements of farm financial data have been collected since the first agriculture census was taken in the United States in 1840. The principal financial characteristics in earlier data collections were value of farm land and sales of agricultural products, but in 1890, census data were also requested on farm mortgage debt. In later censuses, farm taxes were

included. Prior to NASS taking over the Census of Agriculture from the Department of Commerce in 1997, BOC conducted land ownership surveys using mandatory authority under Title 13 of the United States Code. Most recently, BOC conducted the Agricultural Economics and Land Ownership (AELOS) survey in 1988, as a follow-on survey to the 1987 Census of Agriculture. AELOS included the majority of the financial measures collected in the 1979 and earlier Farm Finance Surveys and greatly expands the data on land ownership. That survey was conducted under BOC's mandatory authority. After the adoption of the Census of Agriculture Act, NASS conducted the AELOS survey in 1999, as a follow-on survey to the 1997 Census of Agriculture, using mandatory authority. As set forth in the report on the 1997 Census of Agriculture, "AELOS was an integral part of the 1997 Census of Agriculture and was conducted under the authority of the Census of Agriculture Act of 1997. . . . " In 2014, NASS changed the name of the AELOS survey to the Tenure, Ownership, and Transition of Agricultural Land (TOTAL). As set forth in the *Federal Register* notice announcing it, "[t]he 2014 Tenure, Ownership, and Transition of Agricultural Land (TOTAL) is an integral part of the 2012 Census of Agriculture and is conducted under the authority of the Census of Agriculture Act of 1997. The 2014 TOTAL sampling population heavily overlapped the sampling population for the Agricultural Resources Management Survey (ARMS). The ARMS is an annual economic survey conducted jointly by NASS and the Economic Research Service (ERS). In order to save taxpayer resources and minimize burden on respondents, NASS and ERS integrated the two surveys.

## *Summary*

NASS's dedication to research and continued process improvement will ensure the organization remains relevant and viable to fill the urgent need for timely, accurate, and useful statistics in service to U.S agriculture. Knowing where our food is coming from, who is producing it, how much is being produced, and how the agricultural sector is performing financially adds to our national security by providing assurance that Americans have a safe, nutritious, affordable, and adequate supply of food.

This concludes my statement, Mr. Chairman. Thank you for the opportunity to submit this statement for the record.