

Congress of the United States

Washington, DC 20515

April 4, 2019

The Honorable Sanford Bishop
Chairman
House Committee on Appropriations
Agriculture, Rural Development,
Food and Drug Administration,
and Related Agencies Subcommittee

The Honorable Jeff Fortenberry
Ranking Member
House Committee on Appropriations
Agriculture, Rural Development,
Food and Drug Administration,
and Related Agencies Subcommittee

Dear Chairman Bishop and Ranking Member Fortenberry:

As you begin drafting the fiscal year (FY) 2020 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill, we urge you to prohibit the use of funds to implement the U.S. Department of Agriculture's (USDA) proposal that would move the Economic Research Service (ERS) and the National Institute of Food and Agriculture (NIFA) out of the Washington, D.C. area and to reorganize ERS under the Office of the Secretary. Essential questions regarding the legality of USDA's proposal, the rationale for the proposal and the process used to develop the proposal remain unanswered.

The USDA issued a Notice of Request for Expression of Interest (RFEI) for Potential Sites to relocate ERS and NIFA on August 15, 2018, but did so without a clear determination that the USDA has the legal authority to relocate an agency without congressional approval or the budget authority to acquire the real estate necessary to execute the move of these two agencies. In a highly unusual decision, the USDA decided to issue its RFEI under its own authority rather than under the leasing authority of the General Services Administration (GSA) and to state its view that the scope of the RFEI encompassed the entire country. However, even if the USDA's leasing authority would provide adequate legal authority for a long-term lease agreement, a much larger question surrounds whether the USDA has the budget authority to proceed with this move. Section 717(a) of the Consolidated Appropriations Act of 2018 (P.L. 115-141) prohibits the expenditure of funds for the relocation of an office or employees or the reorganization of offices, programs or activities unless the House and Senate Appropriations Committees are given written notice and grant approval 30 days before funds are reprogrammed for those purposes. USDA's plan, which has not been approved by appropriators, would both relocate employees and reorganize an office by moving ERS into the Office of the Secretary.

The Government Accountability Office (GAO) has issued a report that makes clear that several federal agencies have incorrectly determined that their independent real estate leasing authority grants them the ability to sign long-term lease agreements without accompanying budget authority. We believe that the USDA may be similarly mistaken. On August 30, 2018, Democratic members of the House Appropriations Committee wrote to Agriculture Secretary Sonny Perdue expressing their concern about the move and requested more information from the USDA about the justification for these actions. We share these concerns and believe that a proposal of this magnitude should not be allowed to move forward while such fundamental questions remain unresolved.

The USDA has cited three reasons for its proposal to move ERS and NIFA away from the nation's capital but has supplied insufficient evidence to support the accuracy of those reasons. Secretary Perdue has specifically cited the USDA's inability to attract and retain highly qualified staff, a need to place USDA resources closer to stakeholders and to reduce costs of employees and real estate. However, as recently as January 9, 2018, GSA submitted a prospectus on behalf of the USDA proposing the continued housing of NIFA in Washington, D.C., USDA's home since the 1800s and the hub of a workforce that ranks among the most highly educated in the nation. Since that submission, USDA has provided no evidence that it has had difficulty recruiting and retaining ERS and NIFA staff. Similarly, USDA has not provided the explanation for why ERS and NIFA, as opposed to other USDA agencies, need to move close to stakeholders and leave the Washington, DC area. Moreover, USDA has also not indicated why it has pursued a relocation strategy independent of GSA, the federal agency tasked with providing real estate services to other federal agencies.

Finally, we are deeply concerned that the process used to develop USDA's relocation proposal may have omitted critical considerations. It is unclear whether a robust cost-benefit analysis was completed to justify relocation of two vital federal agencies. In fact, the proposed relocation may result in considerable harm to USDA. A number of press reports have indicated that USDA officials believe that many ERS and NIFA officials will choose not to relocate and that this potential relocation could deprive the agencies of many of their top economists and scientists with specialized knowledge.

In response to the many concerns enumerated in this letter, the USDA Office of Inspector General (OIG) began a review of USDA's relocation and reorganization proposal for ERS and NIFA in November of 2018. The scope of the OIG review includes: (1) a determination of USDA's legal and budgetary authority to undertake its proposed relocation of the agencies and realignment of ERS, and (2) a determination of USDA's adherence to any established procedures relating to agency realignment and relocation and procedures associated with cost-benefit analysis. This review is ongoing.

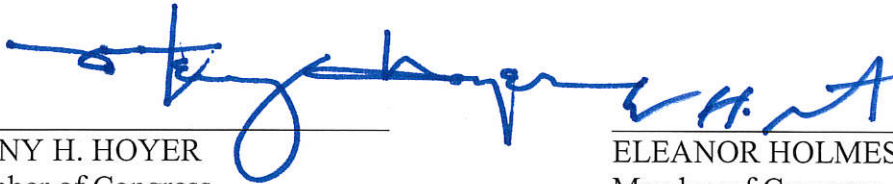
We appreciate the FY 19 appropriations report language echoing these concerns and directing the USDA to provide cost estimates and a detailed analysis of any research benefits of the proposed relocation of ERS and NIFA. This language also expressed support for an indefinite delay of the proposed transfer of ERS to the Office of the Chief Economist, deeming both the proposed reorganization and relocation of ERS premature given the lack of information and justification for the proposal.

Despite the ongoing OIG review and report language calling for a delay in USDA's plans, USDA is continuing to take steps to relocate ERS and NIFA. Therefore, we request that the following language be included in the FY 20 bill:

None of the funds appropriated or otherwise made available to the Department of Agriculture shall be available for the relocation of either the Economic Research Service (ERS) or the National Institute of Food and Agriculture (NIFA) outside of the National Capital Region, and none of the funds appropriated or otherwise made available to the Department of Agriculture shall be available for the reorganization or realignment of either ERS or NIFA outside of USDA's Research, Education and Economics Mission Area.

Thank you for considering our request.

Sincerely,



STENY H. HOYER
Member of Congress

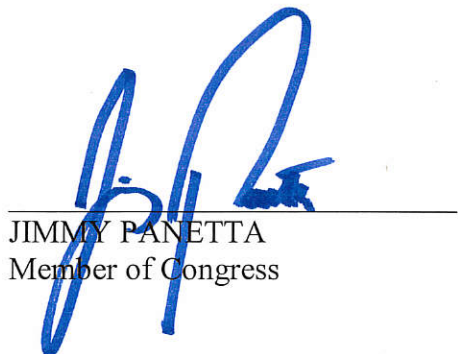
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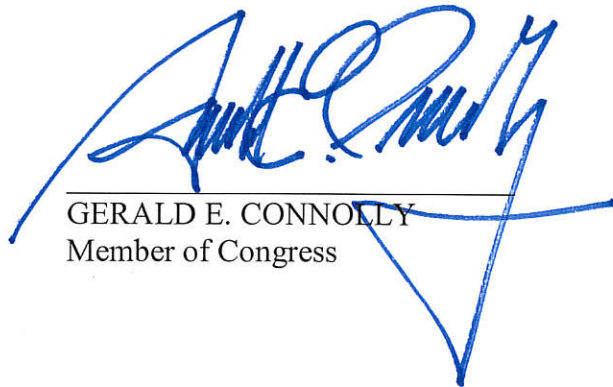
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