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Dear Doug,

The NERA Executive Committee met after the Agricultural Research Infrastructure Advocacy (ARIA) webinar was held on Monday. The NERA Executive Committee strongly agrees that addressing the issue of deferred maintenance is of great concern to directors in the Northeast. After listening to the webinar, we share the following reflections with the ARIA advisory group.

While the 2018 Farm Bill provides an opportunity to support infrastructure, the stipulation of a 1:1 match is problematic. Few institutions in the Northeast would be capable of providing match for large-scale renovation projects. We recommend a waiver of match for all institutions. Further, why not focus the effort using infrastructure funding pathways other than the Farm Bill?

The Northeast is a microcosm of the country with a preponderance of small states with significant local, non-commodity agriculture but without large commodity agriculture, states with evaporating budgets and small institutions along with large, high-population states, vigorous commodity ag groups and large LGUs. To ensure widespread political support and to make the infrastructure effort work across a diverse agricultural network, all institutions must benefit. As the leave-behinds indicated, agriculture is place-based, all regions and all institutions contribute to our national R&D efforts.

The NERA directors advocate for a funding strategy that provides support to address deferred maintenance using both a competitive and a formula-driven process. While there are a number of different ways to determine how to divide a competitive and formula allocation, the NERA Executive Committee suggests either a 50:50 competitive:formula split or a 54:46 split reflecting the NIFA competitive research:capacity research proportions (i.e., NIFA-AFRI funds, \$435 million: NIFA Capacity Research funds (\$372 million; McIntire-Stennis, \$36 million + Evans Allen, \$73 million + Hatch, \$259 million + 1994 Research Grants, \$4 million.) Last, the NERA Executive Committee suggests that AES directors should manage the formula funds versus management by the central administration of the university. Indeed, a NERA director shared this reflection on the management of the formula allocation: "Trust the station directors to decide what needs to be fixed."

While we appreciate that the planning for this effort is in a nascent state, we implore the advisory group to consider strategies to ensure that small institutions from our 1862, 1890 and 1994 communities are able to receive adequate support to address infrastructure deficits. Using an EPSCoR-like framework for the award of competitive funding, while also honoring the need to provide targeted infrastructure support based on the formula awards, would assist less well-endowed institutions and ensure a transparent, fair and equitable means for spreading opportunities to address deficits created by deferred maintenance.

The NERA Executive Committee asks the Core Committee to ensure that the infrastructure effort aligns with the need. The Gordian study indicates a need of \$11.5 billion to address deferred maintenance of existing buildings, not replacement (\$38.1 billion.) If the approach is going to be focused on competitive new projects (replacing obsolete facilities), then the ask should reflect the \$38.1 billion need. The strategy needs to stand up

to the test of whether it will truly address the nationwide deferred maintenance needs. The NERA Executive Committee agrees that new, bright and shiny can be an easy sell and needs to be part of any initiative. However, that does not address the profound and increasing need to support the delayed maintenance of the regional and national system's agricultural facilities. We advocate for a diversified portfolio and support for both infrastructure to repair and infrastructure to replace. A diverse portfolio of projects is also likely to have a greater political and economic benefit if both the main university campus (where a large proportion of the research buildings are located) and the out-lying research stations in rural communities are beneficiaries of the infrastructure support.

Last, as currently designed, the support materials (or leave-behinds) have the look of being largely APLU and not AES-centric. NERA appreciates the effort that APLU is extending to this effort. However, in the end, the beneficiary of the support must be readily apparent.