

# American Cotton Shippers Association

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Senate Agriculture Committee Hearing
"2023 Farm Bill: Perspectives from the Natural State"
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Provided by:



Today, the Senate Agriculture Committee held a field hearing entitled "2023 Farm Bill: Perspectives from the Natural State" in Committee Ranking Member John Boozman's (R-AR) home state. The hearing had two panels.

The witnesses in the first panel were:

- Nathan Reed, Chairman, American Cotton Producers
- Brad Doyle, President, American Soybean Association
- Anne Marie Doramus, Commissioner, Arkansas Game and Fish Commission
- John McAlpine, President, Kingwood Forestry Services
- Mark Morgan, Farmer, Peach Pickin' Paradise and Morgan Farms
- Jennifer James, Chair, USA Rice Sustainability Committee

### The witnesses in the second panel were:

- Greg Cole, CEO, AgHeritage Farm Credit Services
- Elizabeth Bowles, CEO, Aristotle Unified Communications
- Buddy Hasten, President and CEO, Arkansas Electric Cooperative Corporation
- Rhonda Sanders, CEO, Arkansas Foodbank
- Dennis Sternberg, CEO, Arkansas Rural Water Association

Below are several key takeaways from the hearing prepared by Delta Strategy Group:

## **Committee Chair Debbie Stabenow (D-MI):**

We need to listen to rice and cotton farmers and see what has and has not worked from the Farm Bill. Farmers are leaders in innovation and farming, and our farmers are passionate about conservation. The 2023 Farm Bill must be a safety net for farmers and families as well as contain incentives for farmers to be conservationists. The Farm Bill must support research and trade investments as well as help rural communities thrive.

#### **Committee Ranking Member John Boozman (R-AR):**

The answers for how to write the 2023 Farm Bill must come from farmers themselves. The Farm Bill is truly about rural communities, families, supporting conservation, and research. We must ask ourselves if the current Farm Bill will work in the ever-changing world we face. We must ask if there is a role in the Farm Bill to strengthen supply chains. We must provide the most abundant, safest, and least expensive food in the world. We all lose when rural America loses. We must ensure that our rural communities have access to safe water, affordable electricity, and high-speed internet.

### Nathan Reed, Chairman, American Cotton Producers

While cotton prices are stronger than in recent years, higher input prices and supply chain issues have increased production costs. Fertilizer and diesel costs have doubled in recent years. An effective safety net for producers must consist of a commodity policy that provides either price or revenue protection and a full accessible suit of crop insurance products that producers can purchase and tailor to their needs. A strong conservation title, including funding for working land programs is an important tool. The U.S. must be able to produce food and fiber while protecting the environment. Through the Cotton Trust Protocol, cotton producers input data from their environmental efforts. I encourage a Farm Bill that will provide long term stability.

#### Brad Doyle, President, American Soybean Association

Soybeans represent the crop with the highest or second highest acreage across the U.S. in 2021. Through listening sessions and a Farm Bill survey, everyday soybean farmers gave their input. From this input, we created American Soybean Association's Farm Bill priorities, including maintaining the farm safety net for soybean growers, protecting crop insurance, enhancing accessibility of voluntary conservation programs, growing investments in U.S. commodities globally, and building opportunities for biofuels and biobased products. All of our priorities require additional resources and additional funding.

## Mark Morgan, Farmer, Peach Pickin' Paradise and Morgan Farms

Over the past 12 years, there have been a lot of changes in specialty crop farming. We have really struggled with crop insurance. Our premiums are incredibly high, and if we buy them, they do not always cash flow. Freeze damage and hail damage can destroy our inventory. We are asking for a better risk protection package through crop insurance. Noninsured Crop Disaster Assistance Program (NAP) does not work for many specialty crops. The biggest sustainability issue we face is the fact that specifically farms can be forced to shut down after a few bad years because of the lack of risk management tools.

### Jennifer James, Chair, USA Rice Sustainability Committee

The Title 1 price loss coverage program (PLC) is our biggest safety net. It levels the playing field for rice that is highly subsidized by our global competitors. U.S. rice farmers cannot compete without PLC. However, PLC reference prices no longer provide an adequate safety net. Current PLC reference prices were established by the cost of production in 2012. This cost has drastically increased since then. Steep increases in input costs have disproportionately impacted rice farmers. Crop insurance is also a vital tool. Finally, conservation is very important, and Congress should incentivize voluntary private conservation efforts.

## Greg Cole, CEO, AgHeritage Farm Credit Services

Arkansas farmers are realizing high crop prices; however, these high prices are being offset by growing inflation and input prices. There are increasing fuel costs, high interest rates, high labor costs, and supply chain challenges crippling farmers. Farm credit services are doing our best to keep Arkansas farms afloat. We have launched a program to educating marginalized communities on farming. We also are encouraging and education climate smart farming. From a lending side, financing options must be based on capacity. Lenders should not be making decisions to penalize or reward farmers for their chosen practices.

#### Rhonda Sanders, CEO, Arkansas Foodbank

During the pandemic, we learned that public-private partnerships are necessary for hunger relief. Inflation and supply chain disruptions disproportionately impact rural areas. Food banks struggle daily to meet the needs of rural communities.