



Oct. 24, 2013

The Honorable Debbie Stabenow
Committee on Agriculture, Nutrition, and Forestry
United States Senate
328-A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Frank Lucas
Committee on Agriculture
U.S. House of Representatives
1301 Longworth House Office Building
Washington, D.C. 20515

The Honorable Thad Cochran
Committee on Agriculture, Nutrition, and Forestry
United States Senate
328-A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Collin Peterson
Committee on Agriculture
U.S. House of Representatives
1301 Longworth House Office Building
Washington, D.C. 20515

Dear Chairwoman Stabenow, Chairman Lucas, and Ranking Members Cochran and Peterson:

The National Association of Wheat Growers (NAWG) is pleased to see the 2013 Farm Bill process move forward with the full conference committee now appointed. Our nation's wheat farmers depend on the certainty that long-term farm policy provides, and we write today to offer NAWG's priorities for this committee as your important work begins.

Do no harm to crop insurance

NAWG's highest priority throughout this process has been to maintain a strong federal crop insurance system. Wheat farmers appreciate the continued emphasis on crop insurance by conference committee members and your ongoing work to bolster this program in both versions of the farm bill.

NAWG supports provisions in the House of Representatives-passed farm bill (H.R. 2642) and the Senate-passed farm bill (S. 954) that consolidate and streamline conservation programs. However, we cannot support provisions in the Senate bill to link conservation compliance requirements to crop insurance. Conservation compliance is currently tied to commodity and conservation program participation, disaster programs and loans. The provisions included in the Senate bill would establish a new compliance scheme including new compliance dates and mitigation timeframes, further complicating a system that is already overburdened with substantial backlogs. The conservation compliance provision has also created a great deal of confusion about which crops may or may not be covered and how the U.S. Department of Agriculture (USDA) would implement the provision.

Crop insurance is different from other commodity programs because participating producers are paying for the insurance coverage each year as a measure to help protect their livelihoods from

catastrophic weather events. Our members support programs that provide financial and technical assistance to help producers address conservation issues on their operations, not a new compliance scheme.

NAWG also strongly opposes a provision in the Senate bill that will apply means testing to crop insurance. Means testing in the crop insurance program impacts everyone who purchases the policies, not just those above the adjusted gross income (AGI) levels set in the Senate bill. Crop insurance, like other lines of insurance, requires a broad pool of participants to function properly. Applying means testing to crop insurance will ultimately lead to fewer participants, increasing the cost for everyone.

Provide farm-level protection in Title I

The Senate-passed version of the farm bill includes a farm-level revenue program incorporating another priority of ours, establishing farm-level protection within Title I. Some wheat states have an average county size of 1,500-2,600 square miles or more. The most devastating losses due to a disaster (drought, hail, wind, etc.) are frequently localized, meaning a farmer within one of these very large counties could experience a near total crop loss while his neighbors cut the best crops they've ever seen, resulting in no average loss for that county and no safety net for that farmer. With wheat being grown in some of the largest and most diverse counties in the United States, NAWG feels that only providing a county-level trigger is inadequate for a majority of our growers.

Wheat is a unique crop, grown in some of the riskiest areas of the country, in rotation with nearly every other program crop and harvested over the course of many months. The price wheat farmers are paid depends not only on market factors, but also on quality characteristics and wheat class, which are not pertinent for some program crops. NAWG is cognizant that any compromise coming out of the conference committee will include a reference price. We urge you and other conference committee members to ensure that any reference price does not distort the market or impact planting decisions for all commodities.

Provide essential funding for trade promotion, food aid and crop research

There are several important programs to wheat farmers in the trade title, the most important being the Market Access Program (MAP) and Foreign Market Development (FMD) program. A study on export development programs specific to U.S. wheat showed that producer dollars combined with the MAP and FMD programs return \$115 to the economy for every \$1 spent, and the total economic gain to the U.S. economy from increased market development activity was \$1.1 billion per year from 2002 to 2009. As an export-dependent industry, MAP and FMD are essential to our future.

NAWG also supports the reauthorization of international food aid programs, such as Food for Peace (P.L. 480), Food for Progress, the McGovern-Dole International Food for Education and Child Nutrition program and the Bill Emerson Humanitarian Trust. NAWG supports in-kind emergency and development food aid, including a strong development safe box, and opposes the use of cash and local and regional procurement in Food for Peace or other farm bill-authorized programs. NAWG supports the adoption of House passed food aid provisions in the final conference report.

NAWG strongly supports publicly-funded agricultural research, which provides the foundation for U.S. wheat variety development. The dollars spent on this infrastructure reap tremendous rewards, supporting rural and local communities, our nation's ability to be a world leader in agricultural production, farmers' continued productivity and the food production chain. The American people and those to whom we sell overseas depend on a stable supply of safe and affordable food, and research at USDA's Agricultural Research Service and at land-grant universities is essential to meeting these needs. Of particular import to us at this juncture is the U.S. Wheat and Barley Scab

Initiative, which address the substantial economic threat to the U.S. wheat and barley crops from the fungal disease Fusarium head blight (commonly known as scab).

Ease unnecessary regulation

The House-passed farm bill includes several provisions that NAWG would like included in a farm bill conference report, including Section 9013 to eliminate duplicative regulation of pesticide application under the Clean Water Act and Section 11324 to increase the capacity for on-farm storage qualifying for self-certification and exemption under the Environmental Protection Agency's Spill Prevention, Control and Countermeasure (SPCC) regulation. Both of these provisions are critical to addressing the regulations faced by wheat growers across the country.

The wheat farmers of America thank you all for your diligent efforts to complete a comprehensive, long-term farm bill this year. NAWG looks forward to continuing work with you and your staffs to see such a bill signed into law.

Sincerely,

A handwritten signature in black ink that reads "Bing Von Bergen". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Bing Von Bergen
President
Moccasin, Mont.

Cc: House Farm Bill Conferees
Senate Farm Bill Conferees