## ADDRESS: DEVELOPMENTS IN FEDERAL AGRICULTURAL LAW AND POLICY<sup>†</sup>

## U.S. Secretary of Agriculture, Tom Vilsack\*

I am here today to talk about what I see as a pathway to prosperity in rural America. For those of you who are not aware, I grew up in a city. I often say that if my parents were alive today and knew that I was Secretary of Agriculture in the United States of America, they would think that the country has gone to hell—largely because growing up I did not have any contact with agriculture or rural folks until I moved to Mount Pleasant, Iowa, a small town of about 8000 in the southwestern part of the state. I married an Iowa gal and started practicing law with her father in a small town law practice. During that experience, particularly in the seventies and eighties when we had peaks and valleys in agriculture, I discovered and grew to understand the value system and the extraordinary commitment that people in Iowa—people who farm the land and care about the land—have. I saw for them a number of limited or shrinking opportunities. I felt that there was a need in public life to try to figure out ways in which we could expand opportunities so that people could have either large or small business or farming operations, but still have the benefit of living, working, and raising their families in small communities.

I am going to highlight four stories that tell you a little something about the changing landscape that is taking place in rural America. This change is not fully recognized in rural parts, but it is happening, it is exciting, and I think it is going to continue.

The first story is about an ice cream company in Philadelphia called Bassetts Ice Cream.<sup>1</sup> It is a company that has been around for 145 years and it is the longest serving ice cream company in the country. Because they started out 145 years ago, they had a pretty good, strong, invested market for many years. They

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<sup>&</sup>lt;sup>†</sup> This speech was delivered as the opening address at the American Agricultural Law Association (AALA) Annual Conference and Symposium, held October 18–20, 2012 in Nashville, Tennessee.

<sup>\*</sup> Secretary Tom Vilsack presently serves as the Nation's thirtieth Secretary of Agriculture and has held the position since the beginning of the Obama Administration in 2009. Prior to his appointment, Vilsack served two terms as the Governor of Iowa, in the Iowa State Senate, and as the mayor of Mt. Pleasant, Iowa. After graduating Hamilton College and Albany Law School, he moved to Mt. Pleasant—his wife Christie's hometown—where he practiced law with her father. The Vilsacks have two adult sons, two daughters-in-law, and two grandchildren.

<sup>1.</sup> BASSETTS ICE CREAM CO., http://bassettsicecream.com/ (last visited Apr. 9, 2013).

did not have much domestic competition. Over the course of years, however, the population became attached to ice cream and the different varieties offered. As a result, a lot of new companies began to get into the ice cream business and Bassetts Ice Cream started to see their domestic market shrink. In response, they decided to do something interesting, challenging, and risky. They decided that they would move into an export market. Bassetts did not simply consider exports to Canada or to Mexico that might be relatively simple. They decided that they were going to go to one of the world's largest potential markets: China. They started with a relationship with a small city, and by small city I mean a city with about a million people. China has over 200 cities with more than a million folks. Bassetts established a relationship with the grocers in that city and they did about \$50,000 worth of business the first year. A year later, they were up to \$800,000 of business. They see an unlimited market opportunity. This market opportunity exists because one of their competitors in China, Häagan Dazs, is making and manufacturing their product in China. The Chinese have some concerns about their own domestic dairy products, and they like the idea that this product is being produced in the United States with the food safety standards that we have.

How is it that a small company like Bassetts Ice Cream gets that kind of large opportunity, and why does that then help the dairy producers in central Pennsylvania be able to continue to sell their milk and hopefully stabilize dairy prices? It is because there has been a concerted effort in the last three and a half years to expand exports generally in this country, with a specific emphasis on agricultural exports. American agricultural products are the envy of the world in quality, consistency, safety, and price. To take advantage of this strength, the President established the National Export Initiative as a way of dealing with a struggling economy.<sup>2</sup> When a company sells more products overseas, they bring the value generated from overseas sales into this country, and those resources help create jobs. The President challenged us to double exports. Those of us at the USDA went about establishing a strategic framework for trade. We looked at every country we do business with and we put them on a trade continuum, a market continuum. Some countries are closed to trade, some are just emerging, some are sophisticated markets, some are competitive markets, and each of those market items on the continuum represents a different approach in terms of how you get business into that country. We established that continuum and then we focused on the twenty countries or so where we had the greatest opportunity to expand trade. Next, we aggressively used our trade promotion dollars, through our Foreign Market Development Program, and technical assistance resources, through our specialty crop programs, to help small businesses access trade oppor-

<sup>2.</sup> *National Export Initiative*, INT'L TRADE ADMIN., DEP'T OF COMMERCE, http://trade. gov/nei/ (last visited Apr. 9, 2013).

tunities.<sup>3</sup> In the last three or four years we have done a lot. We helped a thousand companies, promoted these companies in a hundred trade shows around the world, and promoted business contacts between these companies and potential customers. As a result we now see 55,000 opportunities for these companies to potentially link themselves to customers, and we promoted 28,500 agricultural products and food products overseas.

These efforts have resulted in record setting agricultural exports. Never has there been a four year period in our history where we sold as many agricultural products as we are selling now. Last year we set an export record at \$137.4 billion.<sup>4</sup> This year it will be slightly less, but we anticipate \$143 billion in agricultural exports in 2013.<sup>5</sup> Not only does that help the bottom line for farmers, ranchers, and producers, but as importantly in this economy, it also helps create more jobs. Every billion dollars of trade helps us support 7800 jobs.<sup>6</sup> At present, nearly a million people are employed in the United States because of agricultural trade.<sup>7</sup> That is one of the reasons why agriculture is effectively responsible for one out of every twelve jobs in the economy. As folks interested in agricultural law, this is an area that I would encourage a lot of the young people, particularly students, to consider a career in. Many ways exist in which you can help companies investigate an export opportunity. The Export-Import Bank created a new insurance product that basically makes it easier for these small companies to be able to think about trade.<sup>8</sup> If you think about the idea of a small company doing trade in China, one of the concerns would be, how do I get paid? Furthermore, what happens if I do not get paid? The Export-Import Bank has created a new insurance product that will essentially allow the bank to take on the risk of nonpayment and insure that that small business in the United States will get paid in the next thirty to sixty days. That is another opportunity for expanding trade.

The ability to use our production capacity in the United States and be able to meet not just our needs here at home but also be able to export agricultural surplus is the first pillar in the new emerging pathway to rural prosperity. Re-

<sup>3.</sup> *See Market Access Program (MAP)*, FOREIGN AGRIC. SERV., USDA, http://www.fas. usda.gov/mos/programs/map.asp (last visited Apr. 9, 2013).

<sup>4.</sup> ECON. RESEARCH SERV., USDA, AES-75, OUTLOOK FOR U.S. AGRICULTURAL TRADE 1 (2012), *available at* http://www.ers.usda.gov/media/883301/aes75.pdf.

<sup>5.</sup> *Id*.

<sup>6.</sup> *Effect of Trade on the U.S. Economy*, ECON. RESEARCH SERV., USDA (Dec. 12, 2012), http://www.ers.usda.gov/data-products/agricultural-trade-multipliers/effects-of-trade-on-the-us-economy.aspx.

<sup>7.</sup> *Id*.

<sup>8.</sup> *Small Business Insurance*, EXPORT-IMPORT BANK OF THE U.S., http://www.ers.usda. gov/data-products/agricultural-trade-multipliers/effects-of-trade-on-the-us-economy.aspx (last visited Apr. 9, 2013).

member that those of us in the United States enjoy an enormous advantage from a national security perspective—to be able to say we are food secure. We pretty much produce what we need to survive. That is not necessarily true of very many countries around the world. Not only do we produce it, but we produce it with a relatively small number of people. Roughly 200,000–250,000 farmers in this country produce eighty-five percent of what is produced. Contrast that to China where they have sixty million farmers and they have to export about twenty-five percent of our soybeans to be able to survive.

Next, let me introduce you to Gary Matters. Gary Matters is a banker, but his parents own about 200 acres in Southwest Iowa. Gary is also hunter. He loves pheasant hunting. His parents had been farmers and when they decided to retire they gave Gary the responsibility of managing the farm. Gary decided to make it the premier place in Southwest Iowa to hunt pheasants—an opportunity for him to manage the property, generate a little income for his folks, and be able to hunt pretty effectively on the 200 acres. He enrolled and engaged himself very aggressively in the Conservation Reserve Program (CRP). Gary did this because he understood that when we do conservation correctly, we also expand outdoor recreational opportunities. We improve the soil, create habitat, and improve water, all of which allows greater opportunity for people to do more outdoors. The President wants the American Great Outdoors Initiative to better connect Americans to the great outdoors.<sup>9</sup> The reason he did it was not only because it is a good idea for us to get outside. It was not only because he is concerned about the growing rate of obesity among Americans and thought more outdoor physical activity would be helpful. He did it because it is economical. It's really about the economy, it's about jobs.

Consider that thirty-eight percent of Americans participate just in hunting and fishing alone.<sup>10</sup> Thirty-eight percent of 305 million Americans mean that over 100 million people participate in these two enterprises. Not only do they participate, but every year they spend \$145 billion doing it.<sup>11</sup> By traveling to Southwest Iowa to pheasant hunt, you have to stay in a hotel if you don't live in that area. You have to go to a restaurant and you have to buy breakfast, lunch, and maybe dinner. You probably do not have as many shotgun shells as you need so you go to the local hardware store. You have to buy the hunting license. You probably need some rain gear because you did not anticipate a rainy day or

<sup>9.</sup> *America's Great Outdoors Initiative*, COUNCIL ON ENVTL. QUALITY, http://www.white house.gov/administration/eop/ceq/initiatives/ago (last visited Apr. 9, 2013).

<sup>10.</sup> U.S. FISH & WILDLIFE SERV., 2011 NATIONAL SURVEY OF FISHING, HUNTING, AND WILDLIFE-ASSOCIATED RECREATION 4 (2012), *available at* http://digitalmedia.fws.gov/utils/getfile/collection/document/id/860/filename/861.pdf.

<sup>11.</sup> *Id*.

something along those lines. You basically stimulate the economy. Conservation is not only good for the environment, but it is also good for outdoor recreation, and we have engaged in a lot of creative ways to encourage conservation.

We have increased rental rates for CRP, initiated general sign ups, and have focused our continuous CRP on specific areas that will increase habitat opportunities. We have a new program called Working Lands for Wildlife.<sup>12</sup> In this program we are trying to provide greater protections to endangered species while at the same time providing landowners with regulatory certainty. This is something that I think the people in this audience ought to think about, because I think you can help drive this notion. The notion is simple—we want people to invest in conservation. With crop prices the way they are, sometimes that is a difficult financial equation for people to be able to pencil out. Not only do we have to encourage adequate resourcing for conservation, we have to sweeten the pot. The way you do that is by providing a guarantee to the landowner that they are going to get a return on their investment, that the rules are not going to change after they have spent thousands of dollars, and that the government is not going to come in after-the-fact and say that because you have land where endangered species may be located that you must do extra conservation. We sat down with the Department of the Interior and asked is there any way we can give these farmers, ranchers, and other landowners fifteen to thirty years of regulatory certainty. Yes was our conclusion. We know the conservation practices that will work to enhance and protect these species. We will make a deal with the landowner-if they engage in those practices, we will give them that guarantee of regulatory certainty.

To cite a couple of other examples, we went to the state of Minnesota and worked with them on their water quality certification program.<sup>13</sup> We are beginning to do that same thing in Virginia, Pennsylvania, Delaware, and Maryland as we deal with water quality issues associated with the Chesapeake Bay. Conservation needs to be creative. An awful lot of opportunities exist to figure out ways in which those programs can be creative and used effectively.

The last creative concept that we are using is the notion of an ecosystem market. Many regulated businesses and industries need the conservation benefits that can accrue when a landowner uses their land properly. It may be a power

<sup>12.</sup> See Working Lands for Wildlife, NAT. RES. CONSERVATION SERV., USDA, http://www.nrcs.usda.gov/wps/portal/nrcs/detailfull/national/programs/?cid=stelprdb1046975 (last visited Apr. 9, 2013).

<sup>13.</sup> See Press Release, State of Minn., Governor Dayton, USDA Secretary Vilsack, and EPA Administrator Jackson Team Up on Groundbreaking Water Quality Certification Program (Jan. 17, 2012), available at http://www.mda.state.mn.us/~/media/Files/protecting/waterprotection/ 2012-01-17mou-nr.ashx.

company or a wastewater treatment operation in a small town. They may be faced with the need to build what we refer to as gray infrastructure—a water treatment plant, cooling tower, or something along those lines. But, if they think creatively, if they have people who are helping them think creatively, they may discover a way to move from gray infrastructure to green infrastructure. These businesses and industries may discover they might be able to actually save money if, instead of investing in gray infrastructure, they invest in conservation practices that prevent whatever it is that they are trying to treat.

Let me give you an example. In Oregon, salmon use cool water streams. Meanwhile, a power company raises the temperature of the water through their use of the same stream water. They take the water out of the stream, use it for their purposes, and then put it back in the stream. When returned, the water is as clean as it was in the first place-the problem lies in the fact that the water is a little warmer and the salmon do not like it. The company gets a call from the government telling them they are going to have to cool the water before putting it back in the stream. That is a ten million dollar investment. Somebody was smart enough to say wait a second, another option exists. What if we work with surrounding landowners, those who own land along the stream? What if we encourage them to plant shade trees and buffers? The water would be cooled down naturally. We can pay the landowners for the use of their land. The salmon will be happy, the landowners will be happy, and the power company will save millions of dollars. Ecosystem markets and creative thought processes, combined with a lucrative outdoor recreation industry, are new pathways to prosperity in rural America.

The next pathway to prosperity I am going to discuss begins up in Madison, Wisconsin where I was visiting a small company that has figured out that corn crops have molecules. They figured out that when researchers can isolate individual molecules they can rearrange them into something else. More specifically, they discovered we can rearrange them into petroleum molecules, and if we can do that, then we can make whatever we make from petroleum, like plastic. If we make plastic, there must be a demand for it somewhere. What company could use plastic? How about a soft drink company? They use lots of bottles to sell lots of water and soft drinks and, therefore, need plastic bottles. This company developed a relationship with Coca Cola. Coca Cola has a small order every year, about ten billion bottles. They are investing in this company because they like the notion of taking agricultural residue, crop residue, and converting it into plastic and using it to produce the raw materials needed in their industry. A plastic bottle that is 100% plant based and 100% recyclable and renewable can still contain their product safely and securely. It is a brave new world in the field of bio-based products.

We think of bio-based products mostly in the form of biofuels, which are a success story. We increased our biofuel production in this country and as a consequence decreased our dependence on foreign oil—oil imports over the last three years dropped from sixty-two percent to forty-five percent.<sup>14</sup> We gave consumers a little break at the pump. Depending on what study you want to look at, it is either \$0.25 or as high as \$1.37 saved per gallon of fuel because we have a biofuels industry. The biofuels industry is helping to create nearly 400,000 jobs and when we reach the threshold of thirty-six billion gallons it will add another million jobs in rural America. We are producing co-products and by-products for the livestock industry, as well. As we understand and appreciate the genetics of these crops, grasses, and woody biomass products, there are unlimited possibilities to develop bio-based chemicals, polymers, fabrics, and fibers.

Consider also that in Madison there is the forest products lab where they are taking scrap wood and through nanotechnology producing fiber wood.<sup>15</sup> You have heard of fiber glass, but fiber wood is stronger and lighter. Who would be interested in a stronger and lighter material? How about the auto industry? Meeting Corporate Average Fuel Economy (CAFE) standards will really challenge the auto industry to produce automobiles that get fifty miles to the gallon. How is that going to work? We need cars that are stronger and safer, but lighter. It is conceivable that we, in the lifetime of the folks in this room, will drive automobiles built using nanotechnology and made from wood scraps harvested from our national forests—where we have a significant amount of wood to harvest in order to reduce risk of serious forest fires, too many of which we have seen in the last couple of years. Think about the possibilities.

Additionally, I am so impressed with the research that is happening at Ohio State. One of the great moments of my life, as a former Governor of Iowa who has dealt with hog confinement issues forever, was walking through their bio-products enterprise and seeing this big chunk of black stuff on the table. The young lady explained to me that it was asphalt. I made sure she understood that I was the Agriculture Secretary, not Ray Lahood from the Department of Transportation. She said they still thought I would be interested in this, because the adhesive binding material of this asphalt is hog manure. She said they are actually experimenting with this material on roads in Ohio. Think about that. Think about the challenges that we have at confinement facilities in odor and in accumulation of hog manure and what to do with it. Applying it to land is one strate-

<sup>14.</sup> NEELESH NERURKAR, CONG. RESEARCH SERV., R42465, U.S. OIL IMPORTS AND EXPORTS 1 fig.1 (2012), *available at* http://www.fas.org/sgp/crs/misc/R42465.pdf.

<sup>15.</sup> *Forest Products Laboratory*, U.S. FOREST SERV., USDA, http://www.fpl.fs.fed.us/ (last visited Apr. 9, 2013).

gy, but we all know that there is more of it than the land potentially needs. Can we find another use for it? How about paving roads?

Unlimited opportunities exist in the area of bio-products. That is why the President has instructed me, as the chair of the Rural Council, to really focus on the U.S. government's role of purchasing bio-preferred products and doubling the number of products that we, as a federal agency, and the federal government can purchase to help stimulate the market opportunities in this exciting new world. Imagine bio-refineries dotting the landscape, helping to employ people in rural America, providing new income opportunities for nonproductive land, land that is enrolled in conservation, or forested areas. Think of the possibilities and think of the lack of need that we will have for petroleum purchased overseas. I would rather create jobs in the Midwest than in the Middle East, and I suspect that you would as well. That can happen in every part of the country. We have very aggressive biofuels promotion efforts, research efforts, and bio-refineries investing in every part of the country—using algae, woody biomass, perennial grasses, municipal waste, and agricultural waste as feedstock. It is an exciting future and this is the third pathway to rural prosperity.

The fourth pathway is further development of local and regional food systems. I credit Neil Hamilton<sup>16</sup> and Deputy Secretary Kathleen Merrigan<sup>17</sup> for understanding the power of this idea—the notion that we can actually sell directly to the consumer. A growing number of consumers in the United States want to know where their food comes from. They want to actually talk to the farmer. They want to talk to the farmer about the techniques, strategies, and technologies that the farmer uses, because they are interested. They are really focused on this. This interest has expanded dramatically in the last few years. We witnessed a sixty percent increase in the number of farmers' markets in part because of our Know Your Farmer, Know Your Food initiative.<sup>18</sup> Take a look at the Know Your Farmer Compass on our website.<sup>19</sup> You will see a fifty page document that out-

19. *Know Your Farmer, Know Your Food*, USDA, http://www.usda.gov/wps/portal/usda/usdahome?navid=KYF\_COMPASS (last visited Apr. 9, 2013).

<sup>16.</sup> Professor Hamilton is the Dwight D. Opperman Chair of Law at Drake University Law School in Des Moines, Iowa and serves as the Director of the Drake Agricultural Law Center.

<sup>17.</sup> Kathleen A. Merrigan is the Deputy Secretary of the USDA. She has managed the Know Your Farmer, Know Your Food effort to highlight the critical connection between farmers and consumers and support local and regional food systems that increase economic opportunity in rural America.

<sup>18.</sup> See Farmers Markets and Local Food Marketing, AGRIC. MARKETING SERV., USDA (Aug. 3, 2012), http://www.ams.usda.gov/AMSv1.0/farmersmarkets (select "Farmers Market Growth: 1994–2012" hyperlink).

lines all the ways in which we are trying to help facilitate direct farmer to consumer sale marketing.<sup>20</sup> It is now a multiple billion dollar industry.

Let me tell you a story about Detroit. Not only do they have a pretty good baseball team, but they have some exciting new opportunities related to food. I happen to be good friends with Walter Robb. Walter is a co-CEO of Whole Foods, and at one time I had a conversation with Walter and said, "Walter, it's great that you have this wonderful grocery store, it's an experience to shop there, and the food's great. It's in suburbs, it's in university communities, and surrounding neighborhoods. It's where people with money live. What are you doing about the folks who do not have as much money, who may not be able to afford to go into a Whole Foods? Do you think you have any responsibility to those people?"

He responded, "Let me think about that."

He goes to Detroit, talks to some ministers, talks to some community leaders, and then he says, "Okay we're going to put up a Whole Foods in inner city Detroit." He sends his property management team to investigate. They go into inner city Detroit and they come back and say, "This isn't going to work."

Most CEOs would have said, "Well, we tried. It's not going to work. It just doesn't fit our business model. We'll move on. Somebody else will have to do this."

Walter is a creative fellow. He went back to his team and said, "Change the model, make it work." He told them to consider what would happen if they made the store a little smaller and to do a survey of the folks in the neighborhood to find out what kind of food they actually want to eat. He further instructed them to figure out if any of that food is being grown or raised in the area, and if so, to make a deal with the local farmers to provide it to the store. He thought that maybe they could get the schools engaged and the kids to grow tomatoes in the school garden. They could promote those crops in the spring time, summer, or fall. Kids would bring their parents in to see the display—the eighth grade squash that was raised at Detroit Public School Number 42. Kids would take their parents in and say, "That's my squash. Buy it." It happens. After all of that, Whole Foods is actually going to put a store in inner city Detroit, linked closely to local farmers who will help them produce what is going to be sold in the store—thereby making nutritious, good food available to people in the inner city.<sup>21</sup> Detroit is actually thinking about the possibility of taking much of its

<sup>20.</sup> Id.

<sup>21.</sup> *See Detroit*, WHOLE FOODS, http://www.wholefoodsmarket.com/stores/detroit (last visited Apr. 9, 2012) (providing information for the Detroit Whole Foods store, due to open in 2013).

brownfield area and converting it into urban agriculture. People are now looking at ideas like vertical agriculture. These ideas create new opportunity.

As a result of all of this activity, we see record farm income and unemployment going down in rural areas. We need to market this notion. We need to tell young people that there is real opportunity in small towns. We need to create vehicles and ways in which beginning farmers can develop credit, business plans, tax relief, and a whole variety of other ways in which young farmers can get started. At USDA we are downsizing our operation because of budget cuts, and one of the things we are really focused on is consolidating our lab activities and our research activities. Through this process, we have identified a number of labs that we are closing because they are outdated or their mission doesn't quite fit today's needs. But these labs are surrounded by land. As a result, we are going to the universities that partner with these labs and asking, "Do you want this lab? Do you want the land around the lab? We will work out a pretty good deal for you, but what we would like you to do is to make the land available to beginning farmers, rent it to them, sell it to them, make it easy for them to use the land to get started. Do not be as concerned about getting the highest and best dollar. Instead, help these young people get started. If at the same time you can identify veterans that are coming back from Iraq and Afghanistan, of which there will be roughly a million, research shows us that getting veterans reconnected with the land helps them readjust back into normal life."

I raise this issue because it is not just about the economy, it is not just about opportunity, it is about a value system that I think is important to the country. I do not think it is coincidental that sixteen percent of Americans live in rural areas but forty percent of the military comes from rural areas. I do not think these statistics are explained by suggesting they enter the military because they are "getting out" of a small town. I think that when you are raised in small towns and on farms, you are raised with specific value systems. That value system has its core in something very simple and very fundamental. A farmer understands that his land is important. A farmer understands that the land gives to him and to his family. A farmer also understands that he cannot keep taking from that land, he has to give something back to it on a regular basis or it will stop giving to him. He replenishes it, he renourishes it. Rural kids grow up with that understanding, the understanding that you just cannot keep taking from it. You need to give something back. Consequently, they think this country gives us freedom, liberty, opportunity, and an extraordinary life, therefore, we owe something back. If we can expand the number of young people who have the opportunity to live and experience life in a small town, on a farm, or on a ranch, then we can have their children gain exposure to that value system and we can be assured that for the foreseeable future our country will continue to have those who understand that basic concept.

That is why it is really important at the end of the day for Congress to do its work. Congress has not done its work. The House of Representatives has not passed what I refer to as the food, farm, and jobs bill. The Senate passed a bill with reforms and reduced the expenditures by \$23 billion because we were in that mindset.<sup>22</sup> The House Agriculture Committee did its job, put together a bill, and reduced expenditures by \$34 billion. Those two numbers are within the range of each other. Sit down, work it out, get a deal done. The bill goes to the House leadership and it stops. Why? The House leadership said we didn't have time. Really? They had eight days scheduled for legislative work in September and they left early. The last time I checked, September had thirty days, and if you have work to do you do not leave early, you leave late. They said they did not have the votes. How did they know they didn't have the votes? They didn't count the votes. The reason they didn't count the votes is because they knew that if they did count the votes they would have discovered they had the votes. Why did they do this? They didn't bring forth the farm bill because they did not want folks to have a conversation and discussion before elections about the depth of the cuts that some of these House leaders are considering. The Ryan budget is calling for \$184 billion in reductions—\$134 billion in nutrition assistance and \$50 billion in conservation, crop insurance help, and commodity programs.<sup>23</sup> They didn't want to have that last conversation with folks in rural areas. They didn't want to have a conversation about the erosion of the safety net in the context of \$50 billion in cuts. They didn't want a reason to educate the public about who actually gets all of this food assistance. It is not people on welfare as only eight percent of folks who are receiving SNAP are on cash welfare.<sup>24</sup> Ninety-two percent of people who are receiving those benefits are senior citizens, people with disabilities, children, or folks who are already in the workforce working a part time or a full time job and are just not making enough to make ends meet.<sup>25</sup> They didn't want to have the discussion of the fact that fourteen percent of every food dollar goes into the farmer's pockets,<sup>26</sup> so if you are going to cut nutrition

25. See id.

<sup>22.</sup> S. Res. 3240, 112th Cong., 158 CONG. REC. S4397 (daily ed. June 21, 2012) (passing Senate with sixty-four votes).

<sup>23.</sup> H.R. Con. Res. 112, 112th Cong. (2012); *see also* Jerry Hagstrom, *Ryan Budget Cuts* \$180 *Billion from Farm Bill Programs*, AGWEEK, Mar. 22, 2012, http://www.agweek.com/event/article/id/19669/.

<sup>24.</sup> Mark Strayer et al., *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2011—Summary*, FOOD & NUTRITION SERV., USDA 1 (Nov. 2012), http://www.fns.usda.gov/ora/MENU/Published/snap/FILES/Participation/2011CharacteristicsSum mary.pdf.

<sup>26.</sup> Patrick Canning, *Food Dollar Series: Documentation*, ECON. RESEARCH SERV., USDA (July 5, 2012), http://www.ers.usda.gov/data-products/food-dollar-series/documentation .aspx.

assistance by \$134 billion, that means you cut farm income by \$18 million. They didn't want to have this conversation before the election. They would prefer to have it after.

This is a problem. When October arrived, disaster assistance for those who struggled through the drought, particularly livestock producers, disappeared. The MILC program for dairy producers disappeared, too. There is not any help for these farmers at a time when they are really struggling. The CRP can undertake no further sign ups. The USDA can no longer provide export assistance. Programs expire. If we wait a couple months, more programs will expire. If we wait a few more months, we go back to 1949 agriculture policy. No matter how you feel about that, it will be a radical change. It will create disruption in the market, and I suspect consumers will pay.

You might contend they will get it done after the election. Really? This is the Congress that took two years to do nothing. Do we really think that somehow in two to three weeks they are going to get the farm bill done at the same time they are also talking about sequester, the fiscal cliff, and tax policy? What do you think the chances are? Now is not the time to turn our back on rural America. We have great momentum with exports, production agriculture, local and regional food systems, the bio-based economy, conservation, and outdoor recreation. Why in heaven's name would we not want to continue that momentum? Move it forward and give young farmers opportunities so they do not need a thousand acres to get started, and instead can start with ten acres and still make a living—by selling to a farmer's market, selling to a school, or maybe by putting 100 acres into conservation reserve and thereby attracting hundreds of recreationalists from all over the country.

The challenge here is for Congress to get its work done and to provide the certainty that the farm legislation provides, so we can continue the progress witnessed over the last several years. It is important and each of you have a voice. You will be looked to in your communities to spread that word and to be the creative people that help expand the opportunities that already exist. That is why I am here today—to challenge every single one of you to do your part and save an important part of America. They are good people, and they need our help.