



Testimony of Kent Moore, Iuka, KS
On behalf of the Kansas Corn Growers Association
Before the U.S. Senate Committee on Agriculture, Nutrition & Forestry
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Manhattan, KS

Thank you for the opportunity to speak at this hearing. My name is Kent Moore. I farm in Pratt County. I serve on the board of the Kansas Corn Growers Association and I am also Chairman of the Kansas Corn Commission, the state's corn checkoff. While the checkoff works to increase the profitability of corn through market development, research, promotion and education, the association is involved in policy and regulatory issues. Today, I am honored to appear on behalf of the Kansas Corn Growers Association.

I am the fifth generation of my family to farm in northwest Pratt County. We typically grow over 3,000 acres of irrigated corn and 750 acres of dryland corn. We also normally grow 500 acres of irrigated soybeans and 850 acres of dryland wheat. Our farm is located in the area covered by Big Bend Groundwater Management District #5. GMD 5 was an early adopter of safe yield criteria to manage the long-term sustainability of the region's water resources. And I believe that strategy of water resource management has been successful in my farm's capacity to produce crops to feed and fuel our state and nation in a responsible manner.

Kansas is a unique state because most of our farms are diversified. There are few Kansas farmers who grow only one or two crops. Kansas farmers grow corn, wheat, soybeans, sorghum and other crops. Many of our grain farms also have livestock. Because of this, our association continually advocates for cooperation among our commodity groups, especially in the formulation of the farm bill. Our national organizations have indicated an unprecedented level of cooperation among farm groups in initial discussions, and we hope that cooperation continues. In a time when a large part of the agricultural sector is in an economic decline, it will be necessary and beneficial to have a united effort.

The last farm bill was written in a time of high prices. This one will be written in a time of low prices. We've been blessed with bumper crops. More than ever, our farmers need a strong safety net to protect

production and revenue, and we need robust federal support for programs that expand and develop export markets for our grains, meats, fibers and fuels.

As the 2018 farm bill begins to take shape, you'll hear from a lot of farmers. But you'll also hear from many well-funded groups including budget hawks, environmental groups and anti-agriculture groups that will villainize the needed safety net the farm bill provides. Members of the Senate Ag Committee know this, but it bears repeating that the farm bill represents a miniscule part of our nation's budget, and commodity programs represent a miniscule part of the Farm Bill. The bulk of the funding in the Farm Bill is found in the nutrition title, and we strongly support keeping nutrition in the farm bill. It is key to the bill's passage. But we all know, our nation's budget woes can't be fixed with agriculture's small part of the overall farm bill.

The crop insurance program will be attacked by special interest groups during the farm bill process. I wonder if anyone understands the need for a solid crop insurance program more than the Kansas farmer. Drought, hail, wind and floods can ravage farms and sometimes Kansas farmers can experience all of these disasters in the same year. Unlike car insurance, crop insurance protects us against systemic risk. Every year, we hope we don't collect a crop insurance payment, but when we do have a loss, crop insurance provides critical support to farmers and the rural communities that serve agriculture.

Kansas farmers benefit from the revenue protection programs, ARC and PLC, in the current farm bill. In times of high crop prices, we saved the government billions of dollars in farm program payments. We won't get credit for that. When prices are low, critics are quick to point out the cost of these safety nets. While our groups work to build domestic and export markets to increase the value of our crops, commodity pricing remains virtually out of our control. The ARC program in particular has been an excellent tool for Kansas farmers, and we'd like to see it continued and improved. Some Kansas farmers who chose the ARC program have been hurt financially due to data gaps. We believe these inequities could be fixed in the current farm bill, without reopening it, by allowing the state FSA more flexibility in yield data. As we look to the 2018 farm bill, we support continuation of revenue-based programs and improved implementation of those programs.

When I speak of the need to provide a safety net for agriculture, I'm not only speaking for the corn growers, I am speaking for our state's economy. Agriculture is our state's top economic driver. Our

industry is volatile, and without a strong safety net, it's impossible to predict what would happen to our state's economy.

Farms aren't just rows of crops. Our farms are what makes the Kansas economy tick. Our corn fuels livestock feeders, dairies, ethanol plants, grain elevators, trucking and rail companies, implement dealers and many other ag-related industries that directly employ many thousands of people in our state. Our corn, and other ag products also create an economy and tax base that funds our local schools, hospitals and highways. Farmers and others with careers in agriculture eat at our local restaurants, shop at the local grocery store, buy cars, pickups and farm machinery. We serve on the school board, the church committee and volunteer in our communities.

The growth potential for ag exports is greater than any other demand sector today. We believe it is time to increase our efforts to provide access to these growing markets around the world. We've produced bumper crops, and we need the ability to aggressively pursue trade to sell American grains and American meat to other countries. Programs like MAP and FMD are critical in building export markets for our ag products, but these two programs have had stagnant funding levels for a number of years. We support the efforts of the agriculture trade community to increase funding for MAP and FMD. Over the years, the effective spending power of these programs has decreased by over 40% due to factors like sequestration, administrative costs and inflation. Our farmers, through their checkoff, support the US Grains Council to develop exports of corn, ethanol and DDGS. Our checkoff dollars also support efforts to build export markets for red meat through the US Meat Export Federation. The MAP and FMD programs make our farmers' investment of checkoff funds for foreign market development efficient and effective.

Many of our state's ethanol plants that provide a needed market for corn today were started and funded by Kansas farmers who sought new markets for their corn and sorghum. Today, our grain surpluses are proof that we can provide more than enough corn for feed and fuel. Our ethanol plants provide a key market for our grains, clean domestic fuel for vehicles, and a desirable feed for livestock. Ethanol plants in Kansas have been a key factor in improving the lives of many rural Kansans. Located mainly in rural communities, our twelve Kansas ethanol plants produce nearly half a billion gallons of fuel per year. How can the farm bill help ethanol? One way is through increased funding of MAP and FMD programs. Exports are becoming increasingly important to the ethanol industry. Ethanol and ethanol products are relative newcomers to the export world, and these programs are vital as we seek to expand international sales of both ethanol and DDGS.

If you spend any time in our state, you will see a great deal of positive economic activity, and much of it is due to agriculture. Like any business, many farmers go to banks for operating loans and other financial tools. The programs in the farm bill give our farmers a degree of financial stability. Without strong farm bill programs, availability of agricultural credit will be endangered as banks won't be able to justify working with many family farmers. There may be simply too much risk for the lenders to assume in their increasingly highly regulated banking industry.

Our farms are businesses like no other. We put our investments into dirt and leave them exposed to storms, scorching heat and hopefully some rain. Then we leave the product of our investments to the will of a commodity market. This may sound careless, but it is the way we produce needed crops. In this time of crop surpluses, people may question the need for our productivity, yet less than five years ago, many were decrying a corn shortage that would lead to a food crisis. This is the nature of our business. Unpredictable, uncontrollable weather and markets are part of our job. Strong farm programs allow us to ride through these ups and downs.

While farmers work to continually improve and adopt new technologies in seed, inputs and equipment that allow us to sustainably manage our fields down to the square inch, much risk remains. This is why it is imperative that Kansas farmers have a federal farm program that provides themselves and our nation with the security needed to navigate an increasingly complex and challenging world. Thank you for the opportunity to speak here today.