



THE NEBRASKA WHEAT GROWERS ASSOCIATION

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Governor's 2007 Farm Bill Listening Session Testimony
Nebraska Wheat Growers Association
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I would like to begin by thanking Governor Heineman and the Nebraska Department of Agriculture for the opportunity to appear before you today. My name is Mike Sullivan and it is an honor for me to present comments on behalf of the state's wheat producers. I currently serve as the President of the Nebraska Wheat Growers Association. I have been involved in the agriculture industry for over 25 years and am a fourth generation producer in Wallace, NE. We raise dryland wheat, dryland and irrigated corn, and irrigated soybeans. I participated in the development of four farm bill programs and feel that the 2002 Farm Bill is the most economical, fair and workable agricultural legislation developed in many years.

This evening, I will present the Nebraska Wheat Growers views on several of your questions, but hope to reaffirm that programs within the 2002 Farm Bill are indeed working for our state's producers. We firmly believe that the 2007 Farm bill should reflect those successes. The fundamental principles found in the 2002 Farm Bill strengthen our industry, but we will be the first to admit there is room for improvement. Loopholes exist that must be closed to discourage abuse of the program. Enforcement of current payment limitations is necessary to prevent farmers from circumventing these regulations.

Nebraska wheat producers know first hand that the success of rural America depends on the successes of those that live and work there – and that farm payments play a large role in helping finance and support those communities. Our producers' success depends on their ability to grow and expand their businesses, without fear of losing the safety net needed during times of economic uncertainty and natural disaster. The food and fiber industry produces 3.5 trillion dollars in monetary output, creates 25 million jobs and accounts for 15% of the United States Gross Domestic Product. In Nebraska, 21% of all employed individuals work in farm or farm related industries. Production agriculture contributes more than \$9 billion to our economy each year.

Nebraska wheat producers need access to new markets if we are to continue to be successful within this industry. Wheat is the United States' third largest crop, behind only corn and soybeans. Approximately half of the U. S. wheat crop is exported annually and programs, including the Market Assistance Program and the Hard White Wheat

Initiative, play an important role in the industry's ability to enter new markets. The Nebraska Wheat Growers Association supports the continuation and expansion of these programs to ensure competitiveness and growth in the global marketplace.

Finally, this is a terrible time to reduce farm programs. Producers across the state are facing rising costs associated with their industry. Diesel fuel is up 36 percent from last year and natural gas prices have risen drastically over the last few years. Fertilizer costs have increased an average of almost twenty percent from this time last year. This equates to more expenditures for a similar, or in some cases, a decreased income.

U. S. farm policy is important to national security, ensuring a safe, abundant, and affordable domestic food supply. When fully funded at originally agreed upon levels, the farm bill costs pennies, accounting for one half of one percent of the U. S. budget. These programs are working. Please continue to support our agricultural community. Thank you again for this opportunity to speak on behalf of the Nebraska wheat producer.



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TO:

Honorable Mike Johanns, Secretary
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