

Jerry D. Kelm Jr.  
539 CR DD  
Plainview, TX 79072  
November 21, 2005

Secretary of Agriculture Mike Johanns  
Farm Bill  
1400 Independence Ave., SW  
Washington, DC 20250

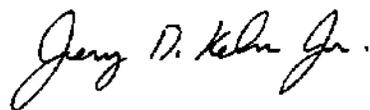
Secretary Johanns,

As 2005's crops are in the last stages of harvest many producers are struggling with how to make farming cash flow for another year. This year has been an exceptionally expensive year as we have seen all production cost rise and some nearly double. This is becoming more and more of a concern as these prices are not going back down and our commodity prices will not go up. To make matters worse we are fixing to come off of a close to record crop which will reflect in next years commodities prices. As of right now we are still under the 2002 farm bill which offers some security that allows us to continue to support the economy and trade, however the Bill is soon to run out. Regarding the new Farm Bill I have heard many opinions from leaving it alone all the way to completely doing away with it. I am sure during your recent tour you heard many of the concerns from the taxpayers as well as Americas producers. I feel strongly that doing away with having a Farm Bill would severely wreck this whole nation's economy and put an egg on the Bush Administrations face. There is no doubt that the current Bill will have to be revised to meet WTO approval and comfort of the taxpayers but simply doing away with it will not work. Farm Subsidies have risen since 1992 however the real question is who these subsidies are supporting. Currently the richest 10 percent of farm subsidies recipients gobble up two-thirds of government payments, while the bottom eighty percent only receive one-third. Amazingly these 10 percent are companies that are already making money off the producer, and at the same time investing American dollars into developing countries which in return creates more products and most importantly less market price support. The WTO calls our subsidies illegal however by definition many practices in other countries are illegal in the states. American producers are forced to stay within strict environmental restraints while other countries have less regulations and cheaper labor. Many people want to argue the point that our technology makes up the difference when in fact many of these countries are supported by American technology. In order for there to be a fair playing field as everyone wants we must have equal resources. Until these equalities are met there is no possible way that the American producer will be able to compete. Some argue that the problems lie in our Exports and tariffs. How can this be true when there is such a great world carryover of products that can be shipped from practically anywhere? We are

a victim of our own creation. In order to have everything at little cost we have shipped many jobs overseas. Take the Denim Mills for example. There are not very many of them left in the U.S. Therefore China for example controls the mills and controls where she purchases cotton from. The same could be said for our nation's oil. We have not built a new refinery in years due to EPA regulations and now we are at the mercy of high price foreign oil.

Growing up on a farm, and being Governor of Nebraska I am sure you understand the importance of Agriculture in our economy as well as our communities therefore I urge you to support taking a stand for the 80% receiving 1/3.

Sincerely

A handwritten signature in cursive script that reads "Jerry D. Kelm Jr.".

Jerry D. Kelm Jr

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