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**TRANSCRIPT OF ALABAMA FARM BILL FORUM WITH AGRICULTURE
SECRETARY MIKE JOHANNIS AND MODERATORS KIM DAVIS AND LEE MCCOY
OF SOUTHEAST AGNET AT TUSKEGEE UNIVERSITY IN TUSKEGEE, ALABAMA
ON AUGUST 25, 2005**

MODERATOR: At this moment we want to go ahead and bring on Congressman Artur Davis, Secretary of Agriculture Mike Johannis, and our president of Tuskegee University, Dr. Benjamin Peyton. Please welcome them this afternoon.

(Applause.)

It is indeed a pleasure for me to welcome you to this Farm Tour. And we want to give each and every one of you an opportunity to ask the Secretary some questions. The farm business is big business. Agriculture is big business. And times indeed are changing. So we want you to give your thoughts, your comments, your suggestions, to the Secretary as we prepare to craft a new 2007 Farm Bill.

At this point, before we go further, we want to officially ask our Color Guard from Booker T. Washington to please come forward.

(Pledge of Allegiance is recited.)

And now our National Anthem, sung by Ms. Logan Heim, a 15-year-old student from Enterprise, Alabama. She is in the 10th grade, and also an agri-science student and FFA member. Ms. Heim?

(National Anthem sung.)

Artur Davis, Congressman. (Applause.)

U.S. CONGRESSMAN ARTUR DAVIS (D-AL): Thank you, ladies and gentlemen. No, I'm not related to Kim Davis. But let me thank all of you for taking the time be here.

Mr. Secretary, let me for the third time today welcome you to the wonderful state of Alabama. Booker T. Washington would be thrilled to look in this room right now. He would be thrilled about the fact that no conversation about farmers in America, no conversation about farm policy in America, is complete without the voice of this great university being included. He would also be thrilled about the fact that in this room we see our common interests together. There are no "black" farmers here, there are no "white" farmers here. There are "farmers" who are here. And I think it would gladden his soul to see that.

I am very, very glad that we are at Tuskegee University for this Listening Post; very glad that Tuskegee University is an important stop along this path. And in my brief remarks today, I

simply want to make a couple of observations. The first one is some data that I came across just yesterday.

If you look at the number of people serving in the Guard or the Reserves, or the regular duty of our military, who are from the state of Alabama, that number is greater than in the entire state of New York. Mr. Secretary, we have approximately 4.3 million people in the state of Alabama; New York has around 15 million. So we are more than doing our part. And a lot of those young men and women who are serving our country so valiantly and serving our state so nobly, when they come back home they will come back home to family farms. This process is about providing a future for them. This process is about making sure that when that generation of Americans come back to our state that they can make a living off of God's earth.

This is also about something else. I represent the 7th District of Alabama, which as some of you know includes some of the poorest counties in the United States of America. And, Mr. Secretary, what that means in very literal terms is that in those five counties 36 to 40 percent of the people live below the poverty line. If we care about rescuing those people, if we care about reviving those communities, we will believe in family farms again. We will believe in the importance of letting people come back to the land. And if we truly understand what our purpose must be about in these next several years as we think about farm policy, we'll understand one other thing: "persistent poverty" is a term that belongs in the back of an economics textbook. It doesn't belong on the tables of families in Greene County, in Sumter County, in Perry County, in Macon County and so on.

(Applause.)

We have to understand that this Farm Bill has to have just enough vision, just enough ambition, to reach out and deal with those kinds of problems, because farming in this country should never be a marginal experience for anybody. Work in this country should never be a marginal experience for anybody. If you're working, if you're farming, if you're using the talent that God gave you, this economy ought to be able to reward you for that.

So what we are trying to do, what the Congress is trying to do, is to try to figure out a way to keep faith with a lot of people, with the futures of those soldiers, with these families who have all kinds of desires to keep their lives intact and their farms intact.

And the final observation, Mr. Secretary, if we really want to get this right we have to do one other thing -- and I touched on it at the beginning -- we have to understand the common bonds that we have and the common bonds that you have as people who work the land, who care about the land. Let there never come a time again, in this debate, when we let ourselves be divided over something as fleeting and as meaningless as the color of skin. Let that time never come again. Because I don't care if you're a black farmer or a white farmer, the chances are the struggle is the same in your family right now. I don't care if you're a black farmer or a white farmer, the chances are that your family right now is trying to figure out how to keep your future what it needs to be.

So let us get past these old divisions. And let us find a way standing in this wonderful house in this wonderful campus to be true to the values of the land.

I have the honor of presenting today the president of this institution. Before I do that, I do want to recognize Alabama's highest ranking agricultural official. We are fortunate that we have an outstanding agriculture commissioner in the state of Alabama, one who is committed to every value that I describe, one whose friendship means a great deal to me, Ron Sparks. Ron, thank you for being here.

(Applause.)

And I'm honored to turn now to a friend of mine, the president of this wonderful university, Dr. Payton, to present his opening remarks. Dr. Payton, thank you for your wonderful leadership.

(Applause.)

DR. BENJAMIN PAYTON, PRESIDENT OF TUSKEGEE UNIVERSITY: Thank you, Congressman Davis, and to distinguished guests, Secretary Johanns, our commissioner, to other state officials and heads of agencies in our state, welcome to Tuskegee. You all ought to know how good you look out there. You are just a fine looking audience. And you are here in such great numbers. It is a great testimony to, I think, the quality, Mr. Secretary, of the outreach that you have made and the impact that you are making. And it's also testimony to the depth of the interests and the concern that people have about farming and the issues that confront farmers in our country. It's entirely appropriate that this meeting be held at Tuskegee University, the "pride of the swift growing South." Those words come directly out of our alma mater, written by one of our great poets. But it's important that it's held here because historically this institution has meant so much to the state and to this region, and vice versa. It's important because here we throw out a welcome mat to everybody. We make it clear that you're welcome here, and I think you know, and we are delighted to see you responding.

Let me say that I just spent a couple of wonderful hours with the Secretary, and I'm delighted to have the honor and privilege of presenting to us the Secretary of Agriculture Mike Johanns. He was sworn in as the 28th Secretary of agriculture on January 21, 2005. He comes to us with a strong background in agriculture. He was born in Iowa, a state that also has a very strong connection to this institution. George Washington Carver came to us from Iowa. Carver was the first black member of the faculty at Iowa State University where he did his graduate work, having been recruited by the distinguished founder of this institution, Dr. Booker T. Washington.

But our Secretary comes from a family farm. He's not talking about this from some background of mere academic interest. He has a passion for farming, and this was shown during his career. It showed during his tenure as the governor of the state of Nebraska, its 38th governor. In the course of those six years, he enacted many new programs that were of great value to farmers there. He initiated the value-added agricultural initiatives, signed into law the Agricultural Opportunities and Value-Added Partnership Act. He supported the development of a hydroponic produce facility, signed legislation that focused financial resources on providing transferable, nonrefundable gas tax cuts for the production of ethanol. He's the kind of Secretary who has a vision for really what we need to be focusing on today. As I look at the prices of gas at tanks around here and at the tanks when I drive up -- Mr. Secretary, we needed you a few years ago. We need to get some alternatives going immediately. Gas is just getting out of sight and out of hand.

He brings an interest in and a knowledge about economics -- agriculture economics -- internationally. He's led eight delegations of Nebraska government business and agricultural leaders on trade missions to foreign countries, including Japan, Taiwan, China, Hong Kong, Australia, Korea, Singapore, Malaysia, Brazil and Chile. He has served as chairman of the governor's Biotechnology Partnership and as the state government representative on the advisory committee to the Export-Import Bank of the United States. As a member of both the National Governors Association and the Western Governors Association. Johanns concentrated on issues important to agriculture, including drought relief. We're more concerned right now about getting

rid of some of the water, Mr. Secretary, and if you could help us there, we'd appreciate that too, as well as the important 2002 Farm Bill.

He's a graduate of St. Mary's University of Minnesota, earned a law degree from Clayton University in Omaha, Nebraska, practiced law in Nebraska. He was elected mayor of Lincoln in 1991, reelected in '95, and successfully ran for governor three years later. He is married to Stephanie Johanns, a former Lancaster County commissioner and state senator. They have two children. Let's welcome our Secretary of Agriculture, Mike Johanns. (Applause.)

U.S. SECRETARY OF AGRICULTURE MIKE JOHANNNS: Thank you very much. Thank you. That's really nice of you. I've had such a great welcome since I arrived here, and this is no exception. Your standing though reminds me of a story. I had just been elected the governor of Nebraska -- but I hadn't been sworn in yet -- I was in that period of time there between election and inauguration. And I was asked to give a speech in Kearney, Nebraska, which is kind of out in the center of the state. And so I drove out to Kearney -- Stephanie and I, my wife and I. And we got there, and a beautiful welcome, beautiful introduction, just like here. And everybody stood up as I was going to the podium. So I got to the podium, and I said, "You know, that's really very nice of you, but I haven't done anything yet." And somebody yelled out, "And when you do, we won't be standing." So -- (laughter) --

So let me, if I might, acknowledge the Congressman. I understand this is not his district, but he cares so much about the issues that we're going to talk about, and people in his district are so affected by what we're going to talk about today that he came down. And, Congressman, you set the right tone for this conference and this forum, and we appreciate your comments, we appreciate you being here.

Let me also say to the president, President Payton, we had a great two hours together. We did a tour of the museum. Now, if you haven't been to the museum -- and I suspect most people in this room have -- but if you haven't, you have got to go to that museum. It is first class. It talks about the history of this great university. And one of the things that really struck me, Mr. President, was that dating way back to the beginning this type of event was not unusual here on campus. Farmers would come here for education and forums and discussions. So we're just continuing a very fine tradition by having this Farm Bill forum here today.

Let me if I might also thank Kim Davis, who will be our moderator today. We are going to have a little bit of a tag team here. In the second part of this program we'll invite Lee McCoy up here, and he will be the moderator for the second part. And I think if I have this right Congressman Rogers will be joining us, maybe partway through this. And when I get a signal that he's arrived, I may even invite him up here to say a few words.

I also want to say to Ron Sparks, the Alabama Commissioner of Agriculture and Industries, thank you for being here. We appreciate that. I thought the ROTC Color Guard from Booker T. Washington High School was outstanding. They did a great job. You've got to be proud of those young people. And then Logan Heim, a member of Enterprise High School FFA String Band, singing the National Anthem. And Khiry Thurman and Brandon Boyd, I believe, led us in the Pledge of Allegiance. And then Kimberly Henderson and James Cooper are going to be our first speakers. We always start these because we're focused on the next generation and what do we do to provide for opportunity for young people, we always start with somebody from the FFA and the 4-H. But we'll get to that in a second.

Now, the president indicated that I did grow up on a dairy farm -- and I did. I saw some heads nodding out there -- maybe there's some dairy background here in this room. But I grew up in a dairy farm near a community called Osage, Iowa, north central Iowa. You're sitting there

thinking, But, really, where's Osage at? So I'll clear that up to get started today. Osage is, ladies and gentlemen, it's south of Stacyville and St. Ansgar, and it's straight east to Manly. So now you know where Osage is at.

(Laughter.)

I tell people my father had three sons, and his idea of building character in his sons -- and many in the room will relate to this -- we were given a pitchfork and we were sent out to the barn or the hog house, and we stood about ankle deep in you-know-what and we pitched away. And John thought he was building character in his sons. You know what? Little did John Johannis know that what he was really doing for his youngest son Mike was preparing him for his life in politics, right? (Laughter.) I shouldn't say that. I can say that because I've been a politician. I've run for office. So I'm not picking on our Congressmen.

I bring you greetings from a great friend of yours, a man who really encouraged me to do these Farm Bill forums -- he said, "Mike, I want to see you out with farmers all across the United States." And that friend is not only a friend of mine, but he's a friend of yours, and that's the President of the United States. So I bring greetings from President George Bush. And if I've got my signals right, we may even have an audio greeting from the president:

PRESIDENT GEORGE BUSH (from audiotape): "Thanks for letting me speak to you at this Farm Bill forum. America's farm and ranch families provide a safe and abundant food supply for our people and for much of the world. You represent the best values of America: stewardship of the land, hard work and independence, faith, service and community. Mike Johannis understands the importance of America's farmers to our country, which is why I chose him to lead our Department of Agriculture. I'm proud of his work, and he will lead our efforts on the next Farm Bill.

"Secretary Johannis and I believe the first step in this process is to ask each of you how today's Farm Bill is working and how it can be better. And as we look to improve America's farm policy, we'll continue to focus on the following goals.

" See, America has about 5 percent of the world's population, which means 95 percent of your potential customers are overseas. So one of our goals must be to ensure that America's farmers and ranchers have access to open global markets. A second goal is that we want future generations to have plenty of opportunities to go into agriculture. Thirdly, we need cooperative conservation that encourages good stewardship of our land and natural habitats.

"We also need to act wisely in delivering help to our nation's producers. And we must promote cutting-edge agricultural products and research. And, finally, we must ensure a good quality of life in rural America. The Farm Bill is important legislation that meets real needs. The next Farm Bill should further strengthen the farm economy and preserve this way of life for farmers and ranchers of the future. Hearing your advice is an important step towards meeting these goals. I thank you for all you do for our country, and thank you for listening."

SEC. JOHANNIS: That's your president, ladies and gentlemen.

(Applause.)

Now, I have just a couple more things to say. But if I could ask for your help. We have some people standing in back there which -- unbelievable crowd here today -- if you have an empty chair next to you that you're not using, would you please raise your hand, so somebody who needs a place to sit down can see those hands? Just keep them up for a little bit here. If

you've got an empty chair next to you, raise your hand. It'd be great to get some of these people to have a place to sit down. You bet. Boy, I appreciate that help. Thank you very much. Okay, that will get some people seated here. And, again, we do appreciate that. There's still some hands up, so if you're looking for a chair, head to one of those hands.

Now, a couple more thoughts. These Farm Bill Listening Sessions are really exactly that. The whole idea here is that I pretty soon sit down in this chair, and I listen to what you have to say. So what you're going to see me do after I'm done with my comments here is literally sit back, grab my note cards and make some notes on the testimony that we hear, roughly, over the next three hours. So if there's not a lot of interaction, that's why: because every minute I take to offer some thoughts, that's a minute that is being taken away from your time. And I think because of this crowd you're going to see that we'll use up all of that time. So I don't want the next three hours to be about me taking 45 minutes talking to you. So pretty soon here I'm going to sit back.

We've done about 10 of these forums -- I have, at least -- we've had some under secretaries and the deputy out there doing some more. Tomorrow I'll be in Las Cruces, New Mexico for a forum. Next week I'll be in Kentucky and Illinois. I could tell immediately when the plane landed and we were driving over to the campus, you've had rain here, haven't you? You've got water standing in ditches, in low areas. Everything is green and lush. I wish I could pull a little bit of that up to Illinois, because they've had a terrible drought this summer. Now, they've gotten a little bit of rain, little late quite honestly for a lot of crops, but it's nice to see some green grass. It really is.

Now, here's kind of the format, ladies and gentlemen, and maybe the moderator will speak a little more about this. But I just wanted to offer one quick thought about the format. If you have a specific problem with USDA -- "Oh, I've got a loan application, and I haven't heard what's going on" -- that kind of thing -- we've got people from the USDA here, and we want to hear that, we want to help you with that. But this Listening Session probably should be about the broader issues of the Farm Bill. We're asking people to focus on six areas that we have put out there.

First, challenges for new farmers. And that's really those first two people that will testify. They'll get us started into that.

The second question is: How do we stay competitive in a global economy?

The third area deals with the whole area of the Farm Bill benefits: Are they evenly distributed? What do you think about how we pay benefits out?

The fourth area is conservation. I might add you do a lot of conservation in here. What are we doing right with conservation? What would you like to see us do differently?

The fifth area is rural economic growth. What do you think of our rural economic development initiatives and what we might be doing to enhance those, change them, make them more user-friendly, whatever? And then the final area relates to expansion of ag products, markets and research, which incidentally this university is so well known for the expansion of products and research. I mean, literally it was right here that southern agriculture was given a future, because of the great work that was done here. So, again, very appropriate that we are here.

Well, with that, it's great to be here. As I said, I'm going to sit back now. I've got an ink pen that's full of ink, and I've got plenty of note cards. Moderator, we're ready I think -- just about -- to turn it over to these fine folks. And they're going to talk to us for the next three hours or so. All right, it's all yours.

MODERATOR: Okay. Mr. Secretary, before we get started -- and I know we've got some students who are going to come up and ask some questions -- but if you are a farmer, if you farm small, large, medium, whatever you farm -- raise your hands so the Secretary can acknowledge you -- if you do any kind of farming at all. Wow, look at those hands, Mr. Secretary. And they have come to talk with you and come to discuss some of their concerns with you. That is the great testimony to this forum and the importance of crafting a 2007 farm policy bill.

Having said that, we've got two students who will kick off our questions. Now, we've got microphones on this side, and we've got microphones on that side there. We do have a few rules that we've got to share with you. We know that everybody has something to say and wants to share his and her thoughts and concerns, but we don't have a lot of time for everybody. So what we've got to do is limit our time to about two minutes -- two minutes. And so what we'll do is kind of monitor that up here. But say what you have to say, and we want everybody's thoughts and concerns to be heard. The Secretary is going to take notes and take them back to Washington. And he does in fact want to hear from you. He does care about all of what you have to say.

So, in a few minutes, we want you to line up at the microphone and express yourself. Okay? Our two students, come forward now. Introduce yourselves and tell us where you're from.

MISS KIMBERLY HENDERSON: My name is Kimberly Henderson, and I'm representing the Alabama FFA Association at State Sentinel, and I have five other fellow officers with me of the Alabama association, if you all would please stand. Thank you. And I'm from Enterprise FFA Chapter.

I'm addressing the first question, which states: How should farm policy address any unintended consequences and ensure that such consequences do not discourage new farmers and the next generation of farmers from entering production agriculture? Profitability is the key to keeping young people in the field of agriculture. Young people need to know that production agriculture is a viable career choice. Not educating future agriculturalists about changes in the farm industry and related agricultural fields on the global level will contribute to the lack of interest for future agriculturalists.

There are fewer family-owned farms, because the next generation of farmers are not visualizing the opportunities that the agricultural industry still offers today. What an awesome opportunity and responsibility that we still have not only to feed our nation but also the world. Education concerning technology and global opportunity is a solution to keeping potential farmers interested in an agriculture career. We need to utilize technology and research to be able to compete on the global field. Government programs should continue to boost agriculture exports.

International trade is the key to profit. Farmers need to understand what impact they can make on America and on the world. Farm policy should be designed to encourage future agriculturalists to continue in production agriculture. Just as the heart of the FFA is on the local level, the heart of the agricultural industry is in production. To keep this statement true, we must ensure that young farmers can compete on a level playing field with other countries. For these

reasons, education should be a major part of the farm policy. Young farmers should have knowledge required to efficiently utilize technology and compete on the global level. Future farmers must believe that the agricultural industry is a feasible choice for a profitable career. Farm policy should help them do so. Thank you.

MODERATOR: Thank you, Kimberly. (Applause.)

Our next student is James Cooper. James.

MR. JAMES COOPER: My name is James Cooper, and I'm a senior at Booker T. Washington High School, and I'm also a 4-Her here in Macon County. I would like to address the first question, How should farm policy address unintended consequences that discourage the next generation of farmers from entering production agriculture.

By definition, "unintended consequences" are unpredictable, so you cannot forecast them. You should react to minimize the unforeseen impact of policy. First, we need to make sure that we try to minimize unintended consequences in the future. We could try to use focus groups of young farmers who currently make their living in production agriculture. We should ask them to look into the future of farm policy and provide suggestions on how to minimize negative impacts on young farm families. It is their future that is at stake.

Secondly, we need to ensure that we are not making a policy that catches up in a cycle that is doing the same thing the same way all the time. Young people are innovators by nature and are more willing to try new things or take risks because their comfort zones are not as established as older people. We should try to make a policy that has room for innovation and does not support tried and true production methods. This possibly includes extending policy beyond the pure production of value added and allowing more risk taking on the part of the farmers.

We must remember that farmers are often more tied to the lifestyle and value of production agriculture, national economy or heritage than they are to the wealth they accumulate over time from the increased value of their land and other assets.

And, finally, creative measures are needed in dealing with the passing down of farm land and assets from one generation to the next, whether it is a family member or a friend, without suffering extensive loss.

On behalf of the Alabama 4-H Youth Development and the Alabama Cooperative Extension System, thank you for the opportunity to share. (Applause.)

MODERATOR: Thank you, James.

SEC. JOHANNIS: I think Congressman Mike Rogers just walked in. Congressman, I warned the crowd that when you walked in I would give you an opportunity to come on up and offer a few thoughts. So, if you're willing to do that, we would give you a warm welcome. Please welcome the Congressman. (Applause.)

U.S. CONGRESSMAN MIKE ROGERS (R-AL): Thank you very much. I'm happy to be able to make it. I had a town hall meeting near Phenix City this morning, and I was wondering whether or not we would get here in time, but my staff drives fast, so we made it, and I'm glad we made it.

As you know, I'm a member of the House Agriculture Committee, so I am particularly proud to see the Secretary here and talking about something that's so important to all of us, and especially those here at Tuskegee, and that is the Farm Bill and its impact on Alabama.

Yesterday I had the privilege of touring -- doing an ag tour with many of the farmers of the southern part of the district around this region. And I see one of my hometown farmers right out here. There are just enormous issues facing us in this next Farm Bill that we are going to have to have some real dialogue with the Secretary about and make sure that our interests are protected. So thank you for being here. I don't want to take up any time other than saying we're proud to have you in Alabama. We look forward to working with you on this Farm Bill. (Applause.)

MODERATOR: Thank you, Congressman. We know that you may not be able to stay with us very long, but have a seat and join us.

Okay, now it's time to hear from you. Again, we've got microphones on both sides. Please come up and tell our Secretary of Agriculture what's on your minds. Express your concerns relative to our six questions here. And we do have a brochure, so if you're not quite sure what those questions are, we do have a brochure. Please keep your remarks to about two minutes. Identify yourself, sir. We'll start with you.

MR. CHARLES HOLMES: My name is Charles Holmes. I am from west Alabama, Marion, Alabama, home of Marion Institute and Jefferson College. I'm also a fifth generation farmer, same farm my family homesteaded in 1819. I was addressing question number one. I want to address other questions later, if I have the opportunity. But on question number one, I'd speak as a father. I have three sons. Two have graduated from college; one is still in school. And my wife and I really had a hard time as to whether or not to get them to come into farming. As much as they wanted to, as much as they were brought up doing, two of them are back on the farm now. It's hard for us to watch our children's friends and the quality of life that they have and the quality of life that they've chosen as a farmer. And there's got to be some kind of way -- we're pretty much land-locked as far as buying properties now. The doctors and the lawyers and the stock brokers can come to Perry County, Alabama and offer a whole lot more for land to hunt and fish and play on than my children or myself can purchase that property to grow food and fiber on. And that's something that I hope that we will address in the Farm Bill. Thank you.

Oh, and I also would like to thank my Congressman, Artur Davis, for being here and my state representative, Ralph Howard, from west Alabama, to come up here.

MODERATOR: Thank you, sir.

Let's alternate sides now. Sir, identify yourself, tell us where you're from.

MR. ROBERT R. BANYON (sp): First I've got to identify with my Father, Most Holy Father of Abraham, Jacob and Isaiah. Father, I come to You this morning with a bowed head and Lord we thank You for letting the Agriculture Secretary to come down. But most of all, Lord, when they're drawing up the bill, Lord, I want You to be in the midst of them. These blessings we ask in your name, and bless this university in Your name, Amen, thank God.

My name is Robert R. Banyon (sp) from Chilton County, and I've been into politics, Mr. Secretary, and never won a race. Doesn't bother me. (Laughter.) Doesn't bother me. I want you to know that, don't bother me. But I have always been one to be a watchdog. And it's an issue here I've got to bring before you everybody don't like to touch on. It's discrimination, Mr. Secretary. We have drawn up bills from 1994 -- Mr. Clinton drew up some good bills -- but you

understand when it leave the Potomac, when it leaves Washington, D.C., we are not able to receive those loans and grants that you got for us. Mr. Secretary, if you will, go back and tell Mr. Bush, say we've got trouble in the South and we would like you to address some of their issues.

Mr. Secretary, I want to say to you with all due respect, all the men sitting on the podium, with all due respect -- disrespecting Ron's -- (inaudible) -- met with him, and Ron did some things for some black farmers out in the district and I was proud of it -- proud of you, Ron.

But I want to say to you we are -- there's some things that we are covering up. It's just like when my daddy was coming up he had two homes -- you know how -- you know what I'm talking about. One over here -- he goes sees Sister Sadie. Then he'd come over here and raise his children. We're covering up issues.

And I want to tell you, Mr. Secretary, I hate to talk about discrimination, but I've got to talk about it. Somebody has got to raise some awareness of what's happening. We cannot continue to cover for the next 100 years. Even George Washington talked about freeing the slaves -- but it took 16 presidents later to free the slaves.

I just want to tell you, Mr. Secretary, I want you to go back and read your Bible. Go back -- because I read mine this morning. And we ought to toil the land. But if everybody is keeping up out of toiling the land, we cannot survive, and this country won't go anywhere if we don't fix some of these problems. I want to tell you, Mr. Secretary, tell Mr. Bush, Robert Banyon (sp) said -- you can call my name -- it's okay. (Laughter.)

MODERATOR: And, sir, we thank you very much for your comments.

MR. BANYON (sp): We want justice to rain down like water, and I'm leaving you -- say -- but we want justice -- talking about King now -- he said he wants justice to roll down like water. Mr. Secretary, you can do that, you're a young man. Thank you very much. (Applause.)

MODERATOR: Thank you. Thank you. We appreciate your comments very much. Mr. Sparks, our commissioner, Ron Sparks, Agriculture Department.

RON SPARKS, ALABAMA COMMISSIONER OF AGRICULTURE: Thank you very much. Thank you so much. Mr. Secretary, as commissioner of agriculture, I personally want to thank you for coming to the great state of Alabama. I think you'll find that we have some of the best farmers in the country in the state of Alabama, and I want to thank you so much. I had an opportunity to visit with you in Nashville. You are taking the South serious, and we thank you for that so much.

I want to start out my comments -- this young lady here must have gotten my remarks before I got up here, but I want to start out my remarks with a survey that Business Week magazine did of desirable 100 professions, of security, earnings and prestige. Agriculture came out 98th, two from the bottom of 100. With that, how do we encourage young people to go into agriculture? And what do we do when we lose this generation of farmers? Those are some concerns that I have. And I think we've got to do everything we can to encourage young people to stay in agriculture. But how do we do that? We do that with profitability. We hear that word a lot. But if we can't show young people that you can make a living and that you can provide for your family in agriculture, they will not go in it.

We've got to have more vocational agriculture programs in our schools so that our children can learn about agriculture. We have got to have a level playing field. And we have got

to make sure that folks who sent products into this country live by the same standards that we ask our farmers to live by and produce by.

We've also got to do everything that we can to help our farmers meet government regulations so that they can meet the public's expectations. And we've got to protect the environment.

Also, let me say this -- you touched on this a minute ago, and I know you talked about it in Nashville -- I personally think it's absolutely ridiculous that this country is paying \$2.75 for a gallon of gasoline. And I've heard you before, Mr. Secretary, your commitment of alternative fuels. Agriculture can pave the way for independence of foreign oil, and we must tap that, and we must do it now. It's a serious issue and it's bringing us to our knees.

The bottom line is very simple: Profitability, protecting our family farms and protect and preserve the high quality farmland that we have in this country.

I'm going to close by saying this: Doctor George Washington Carver once said, "A man with no vision is a man with no hope." Alabama has vision, Alabama has hope. Thank you, Mr. Secretary. (Applause.)

MODERATOR: Thank you, commissioner.

Sir, on this side, tell us who you are and where you're from.

MR. OBIE DEALE (sp): I'm Obie Deale (sp). I'm from Macon County, Georgia.

Mr. Secretary, question number five: How can federal rural and farm program provide effective assistance in rural areas? Number one, Mr. Secretary, you can provide that assistance by not necessarily reinventing the wheel. You have a problem in the Agriculture Department with the people that work with you. They will not carry out policies and procedure. A lot of policies on the book don't need to be rewritten. They just need to be implemented. And all over the nation we have the same identical problem.

Mr. Secretary, you can issue an order from your office, and when it gets down here in Alabama or Georgia, the guy who is the director of that office, he ain't paying you no attention. He ain't paying you no attention whatsoever. Now, sometimes I wonder how is it that -- (short audio break for tape change) -- and they don't respect no color. They've got a network going on where they will foreclose on a farmer, unbeknowing to the farmer, Mr. Secretary, that they themselves have borrowed money against that farmer's land, because the system was so loosely regulated. So they don't respect nothing that come from Washington, D.C., because they know you're going to be gone in four years. (Laughter.) They know. The system is so well netted, they know you're going to be gone in four years, and they know there is no disciplinary action against their action. They'll be moved to another county or another state, and that's it. But the farm programs on the books are good. The problem is you've got these cancerous individuals that are destroying everything, and they prevent family farmers from obtaining -- I mean, a \$50,000 loan ain't no money. We sent \$300 billion to Iraq and Afghanistan. All because we're now being destroyed from within, not without, because of people, Mr. Secretary, that work for you. (Applause.)

MODERATOR: Thank you, sir. We appreciate your comments.

For those who are standing up, I understand in our auditorium there are seats and a live remote, so if you don't want to stand in here, you may feel more comfortable in the auditorium,

and you will have the benefit of seeing the actual presentation this afternoon. I just want everybody to be comfortable who's joining us today.

On my left side, sir, please identify yourself.

MAX BOZEMAN: My name is Max Bozeman, and I'm a cow/calf producer from Elba, Alabama, in the wiregrass region. I currently serve as vice president of the Alabama Cattlemen's Association, which is one of the largest cattle organizations in this country. It is an honor to be here today at historic Tuskegee University, and to get to give you my comments.

I want to thank you on your diligent efforts and commitments to the cattle producers on the international trade front, and in reopening foreign borders to U.S. beef production, our products. We appreciate the help that you also give us on BSE and keeping consumer confidence in line. Cattlemen are one of Alabama's largest farm commodities, with over 25,000 cattle farms, having more than \$400 million in sales annually, Mr. Secretary. I know firsthand the impact of the Farm Bill, as having once been a peanut producer and now have shifted to the cattle industry. Those of us in production agriculture understand we must protect and preserve our natural resources. From my standpoint as a landowner and as a cattleman, I can see the benefits of monetary incentive programs to attain this. Cattlemen and other farmers are the original land stewards. I hope the coming Farm Bill will include such incentives to help landowners achieve conservation and environmental practices. My livelihood is dependent on being able to produce beef at a competitive price for a global market. We need money for education and research for our land-grant colleges and universities to help producers keep abreast of this rapidly changing industry. And we must produce a quality product comparably with today's rising input costs if we are to stay in business.

As a cattleman and landowner, we also need programs for non-native invasive plants. In the last few years tropical soda apple and previt hedge has moved into our area, and it is really expensive to try to control. Some existing programs and my concerns in our opinion that need some changes are the CRP. I think we need to look at that real close and see if we can't make changes. Thank you, Mr. Secretary, for coming to Alabama, and for listening to my comments. (Applause.)

MODERATOR: Thank you, sir.

Just a reminder, we would ask you to keep your comments to about two minutes. And we'll continue on my right side. Sir, identify yourself, tell us where you're from and the industry you represent.

MR. JAMES L. SMITH: Thank you. My name is James L. Smith, and I live here in Tuskegee, in Macon County, and I am the chairman of the board of the directors -- (inaudible) -- Water Authority, which is a rural water system. We want to thank USDA for providing funds to establish rural water systems in Alabama. Right here in Macon County, if we did not have a rural water system, I would say about 30, 40 percent of the rural residents would not have access to running water. So rural water plays a significant part not only in increasing the quality of life for our citizens; but it also provides an opportunity for our economic growth and development. So in developing the Farm Bill for 2007, we want to respectfully urge the Secretary to make sure that funds are still available in the budget for rural water systems. And there are three areas that I would like to suggest maybe we want to look at in terms of providing additional funds. One, we need to identify additional sources of quality water. Number two, we need to provide funds to expand some of the existing water distribution systems to reach more people in the rural areas. For example, I know throughout the rural areas, especially the Black Belt areas, there are still pockets of rural area people that do not have running water. And of course the third, and the last,

we need funds to protect our water resources from the act of terrorism. So we're just happy to have the Secretary here in Alabama, especially at Tuskegee University, where I graduated from, and we're just glad to have you and hopefully you will take this advice. Thank you so much.

(Applause.)

MODERATOR: Thank you so much.

Sir, we welcome you. Please identify yourself. We like your hat. Tell us where you're from. (Laughter.)

MR. ERIC SMITH: Good afternoon, Mr. Secretary, Congressmen. My name is Eric Smith, and I'm from Pickens County in west-central Alabama. That's in the northern part of the Black Belt region. It's bisected. It's a native grassland area bisected by the Tennessee-Tombigbee Waterway. It's one of those areas in the state that historically has had impoverishment. Our biggest asset that we have other than our people is our land base. Much of our land base is tied up in government programs. I'd like to address that momentarily.

I appreciate you coming today. The regulations that your department administers directly affects our operations and will keep me in business or perhaps push me out. We appreciate the support that you've given us on the national Beef Checkoff Referendum, which is a self-help program that we believe has done a world of good not only in this country but with our products throughout the world. We're pleased that USDA worked hard to get a favorable ruling through the courts, and we appreciate everything you've done in the past.

There are currently two programs that USDA administers that are beneficial to cattle producers, and we encourage continued funding in these areas. They are the WIP and EQIP programs. These economic incentives enable us to implement programs to improve the quality of our environment and enhance wildlife habitat. The government can accomplish much by providing the technology and cost-sharing funding that allows private landowners to make these improvements to their operations that will increase productivity and protect our natural resources.

Along with my cows, I, like many of my fellow cattlemen, have a poultry operation. Disposing of poultry litter properly, especially in areas of concentrated poultry production, is an increasing problem. Cattle producers can benefit from spreading litter on pastures. We encourage USDA to increase the funding for the poultry litter disposal program that's administered under the EQIP program.

High fuel costs continue to make it difficult to transport this product to areas need. One popular program in the past farm bills, and one I'm sure will be addressed again, is the Conservation Reserve Program. Many of the landowners in my area have land in this program, and they appreciate it. However, for one who makes a living off the land, the CRP program makes it extremely difficult for me to compete for the land is in that program. Basically I am competing on a rental basis with the government. This land is out of production and sits idle. Land ownership gets a check, but there is no other tax increases in benefits from that.

Our area needs that land back in production. The cattle industry is going to grow again in the South, and we would like to see that land become available. We suggest that you take a deeper look at this program in the future.

Mr. Secretary, I'm a father of three boys. Apparently I'm training them much like your father did. I'm not sure it's for politics. (Laughter.) I happen to have one of those boys who was

elected governor of the state of Alabama this year went to Boys State, attended Boys Nation, and had the opportunity to come and meet with Congressman Artur Davis -- really had a great experience there and I appreciate the Congressman giving him his time.

Our young people are the future of this country and the future of our economy. We need these people to have an opportunity to come back onto our farms if they so choose. We need to keep our best leaders at home. To be able to do that, we need leadership -- leadership at our state and local levels, but more importantly leadership at the national level. We need you as the Secretary, the president, and our congressmen, to give us that leadership that we so desire. Thank you, sir. (Applause.)

MODERATOR: Thank you, sir.

To my right, sir, identify yourself.

MR. GEORGE W. HALL: Good afternoon. My name is George W. Hall, and I'm from the County of Greene, Eutaw, Alabama. Congressman Davis is my Congressman. We're glad to see him here, and we appreciate the Secretary coming also.

I won't repeat some of the things that's said, but basically I would like to take note to what Reverend Banyon said, and also the gentleman from Georgia.

And also, number three, How should farm policy be designed to effectively fairly distribute assistance to producers? This is a problem, a major problem I think, that needs to be addressed. Small farmers, particularly black farmers, are at a disadvantage when we have to go in and deal with trying to acquire monies, program benefits to continue farming. So therefore we would ask that you would look at number three for small farmers.

I also serve on the Greene and Sumter County Farmer Committee. As being a minority there, a black, it is a challenge. I think the assistance needs more diversification, as they have alluded to prior. And that's one thing that has to be put in place. And once those people are put in those positions, they have to be given the authority to carry out a fair share of doing their job fairly. If they have white supervisors who can make a final decision, then we're still no better off than we were, than having a white supervisor in the position. So that's basically my concern. And if I could leave a prepared statement, I would like to do that also. Thank you.

MODERATOR: Thank you, Mr. Hall. (Applause.)

We do want you to know that you can go on the USDA.gov website and also express your comments that way as well, if you do not get a chance to come to the microphone this afternoon -- and you could perhaps have a more elongated comment that way as well. So do know that you can also make those comments be known via the Internet.

Sir, we welcome you. Good afternoon, tell us who you are and where you're from.

MR. RICHARD EDGAR: My name is Richard Edgar. I'm from Deatsville, Alabama. First of all, I'm a row crop farmer. We grow primarily cotton, but we are also rotating with grains. And I represent our county Farmers Federation in Elmore County, as well as I serve on the state Alabama Farmers Federation Cotton Committee. Mr. Secretary, we appreciate your presence here. We appreciate our fine congressmen here, and the work that they've done in representing our state, and we've been very blessed by their key appointments our congressmen have sought and gotten, and the privilege that it gives our area. And we just need to further emphasize the fact that the crops we grow here in this state are highly expensive crops to grow.

Cotton for instance costs us over \$400 an acre. Now, it's going to cost me about \$450 a time to fill up my cotton picker with fuel at current fuel prices. So you see we are kind of in a cost price squeeze when cotton is selling in the mid 40 cent range per pound. So we need a strong safety net to stay in place for the cotton program, but its Step II provisions, its export provisions. Although many of these provisions have been under attack by the WTO, and we in the cotton industry see this as as much of a threat from other nations as any other terror threat we've seen, because we are seeing in essence Third World countries telling us how to run our agriculture, how to preserve and protect our agriculture in this nation. We don't need to be in a position of being under the same strain to receive our food and fiber as we are currently under our energy needs in the nation. So, Mr. Secretary, it is vitally important that we, at the very least, continue the cotton program as it is, as with many other of our commodities, to continue a safety net there for our farmers with the countercyclical programs and the marketing assistance that we can receive, so that we can go to the world market and be safe in our ability to work with that market and guarantee credit to other nations who buy our products, and being able to support the infrastructure of our industry to be able to move cotton across the world.

Just a few years ago we milled two thirds of our cotton here in this country. But our textile industry has left the country. And now it's a one third domestic use, two thirds export. And we have to desperately have help with programs such as the Step II program and others to stay in place so that we can effectively compete on a world market and move cotton into that arena.

MODERATOR: Sir, I don't mean to cut you off, but we really do have to abide by our two-minute rule this afternoon.

MR. RICHARD EDGAR: Thank you. Thank you very much.

MODERATOR: So we do thank you for your comments. And what I probably will start doing is a little something like that to let you know you've got about 30 seconds left. Okay.

Let's move over to our right side. Sir, please identify yourself.

MR. CARL SANDERS: Yes. Thank you, Mr. Secretary, for holding these sessions and seeking input from those of us who are making our living in agriculture. I am Carl Sanders, a peanut farmer from here in Alabama, and I'm representing not only the peanut producers of Alabama, but also from Georgia and Florida through the Southern Peanut Farmers Federation.

In the last Farm Bill we went from a quota system to a marketing loan program. Some went to other crops. I'm pleased to say to you today that this has worked well for the Southeast Peanut Producers as well as the entire industry. We've seen record increases in the demand for peanuts, as manufacturers have increased advertising and introduced many new products. As we begin discussions for the new Farm Bill, I believe our entire industry would like to maintain a steady course.

In addition, the government cost for peanuts is expected to be well below the original projections. That being said, there is always room for adjustments. American agriculture has been forced to compete in a world market. USDA programs with loan repayment provisions must be accurate and based on world prices that will allow us to be competitive. Also, when the new Farm Bill is considered, we hope that every effort will be made to ensure that producers who are assuming the risk in agriculture will be the recipients of these programs and incentives. Again, our program is basically working well for the benefit of everyone from the producer to the consumer, and we look forward to working with you and your administration in the coming Farm Bill. Thank you, sir. (Applause.)

MODERATOR: Thank you, Mr. Sanders. To my left here, please identify yourself.

MR. ARTHUR JACKSON: I'm Arthur Jackson. I am from metropolitan White Hall, Alabama -- you know where it is, located along Highway 80. It's a pleasure to be here this afternoon. And I said "metropolitan" because of the fact growing up in White Hall as a young man, I grew up on a farm. We talked about our young people needing something to get into when it comes to farming, and we looked throughout West Alabama, looked throughout that Black Belt -- there's no longer that cash crop in West Alabama that young people can tap into. Me growing up, cucumbers were the cash crop. That's how I earned my money as a young man, and I had spending money. Kids in my community today do not have anything from an agricultural standpoint to tap into to generate any funds. As a result, they take no interest in farming. Having had an opportunity to work with Tuskegee University ag and industry, in RCS and some other agencies since 1999, Mr. Secretary, we feel that we have identified and come up with a cash crop that can help those small producers generate some immediate income. We'd like to see something in your Farm Bill that can help us find adequate resources that could help a manufacturer or a processor get the products processed -- help that small farmer get a crop ready for market. And whenever you're ready for Ron and I to come to Washington and help you write that in that Farm Bill, we'll be more than happy to come and help you do it. Thank you very much. (Applause.)

MODERATOR: Thank you, sir.

Welcome, sir. Please tell us who are you and where you're from.

MR. STINSON CARPENTER: My name is Stinson Carpenter. I'm from east of -- (inaudible) -- northern Talladega County, and I'd like to say I'm glad to be speaking to the group that we have on the platform.

Mr. Secretary, I'm here to advocate for some very special people. I never thought I would be among farmers talking about what I want to speak about, but I think that Rainbow Omega, an organization in Talladega County, coupled with USDA, is a classic example of where federal or public funds is coupled with private funds to make the quality of life for some mentally retarded people.

I have two sons. One is married, I have two granddaughters. He finished college and is making a living today in Alabama. I have another son who is 39 years old and he's mentally retarded. And one of the biggest concerns myself is what's going to happen to him when he dies. And because of the USDA rural development, we have nine homes now that were built with that kind of money, and it's a matter of quality of life for these people. We also have created jobs there. We have greenhouses, we have a workshop where we do contract work with local companies. And it's a great thrill to see these people who you might say are children in grown-up bodies, go to the bank, put their mark on their check, and to see the self-esteem that's been built in them. You know, Helen Keller, one of our citizens of Alabama long ago, said that it's not enough just to live, but it's to have a quality of life. And I'd like to say thank you to Steve Pelham and his staff at USDA Rural Development for helping us in the last 10 and a half years. We've been able -- there's 67 residents that live at Rainbow Omega, and they come from all over the state, and we have a long waiting list. And families care about these people. And so my words to take back to President Bush is put more money into Rural Development, providing housing for these individuals. Thank you, Mr. Secretary. (Applause.)

MODERATOR: Thank you, sir.

We welcome you. Please tell us who you are.

MR. JAMES CARRIACK (sp): Yes, my name is James Carriack (sp). I'm in two roles, as a farmer and a county commissioner. One of the reasons that we are here, we want to know some of the barriers that are preventing some of the black farmers from using federal programs, and how we can get around them. But it also has been addressed, but one of the biggest problems I see after the black farmers lawsuit are the same employees that caused the lawsuit are still in place. And a lot of the black farmers haven't gotten any relief from the black farmer lawsuit. The lawsuit started in 1997, and here it's eight years later and some of the farmers are still waiting. There's no way you can hold a farmer off that long without getting this assistance. How can some of these barriers be overcome?

One of the main things I see is you set up a committee, that we hear the grievances of the farmers in the Black Belt area, create an agency that will assist Black Belt farmers in financial assistance that would include the following: vouchers for purchasing farm equipment and supplies; special cost-sharing programs; allow everyone who has not received relief from the black farmers settlement; and anyone who can prove that he or she was a farmer on January the 1st, 1981, to December the 1st, 1997, receive the \$50,000 payment that they were entitled to from the settlement.

MODERATOR: You have 30 seconds.

MR. CARRIACK (sp): I believe that most of the money that is being spent in the black farmer lawsuit is used to implement the program and not given to the farmers. Some of the things for rural development are new homes, refurbishing old FHA homes, summer jobs and recreation facilities and grants for community gardening. Thank you. (Applause.)

MODERATOR: Thank you. And, just a reminder, everyone is welcome to talk to the USDA staff in the back. Why don't you raise your hands and we can acknowledge you? And if you want to get with them after the program, but all means go to them, talk to them, and let them know your thoughts as well, particularly if they're going to be longer comments. But we welcome everybody's comments this afternoon.

Sir, we welcome you. What is your concern?

MR. BEN BURKETT: Thank you. My name is Ben Burkett. I'm a farmer from Mississippi. I'm here today to address how can farm policy best achieve conservation and environmental goals.

In March of this year, the Secretary's office announced a program of small limited loans for small farm initiatives -- set aside for \$6 million for 12 states. We think that was a great program. We also would like for the Secretary to possibly see that that program could be reauthorized for this year.

I'm also here to represent a community-based organization. I'm a member and a staff person of the Federation of Southern Cooperatives Land Assistance Fund. We also are requesting that the Secretary and the office of agriculture, that you support community-based organizations, and stress the land-grant system of assisting land-grant universities, such as this great institution of Tuskegee, carry out their mission of research and agricultural assistance to us as small farmers. I also am a vegetable farmer in Mississippi, and we need more research in crops that can be profitable to us as small farmers.

As before stated, for young people to remain on the farm we must make production agriculture profitable. Other than that, they're always going to leave and go to the cities and make less money. (Applause.)

MODERATOR: Thank you, sir. And thank you for coming from Mississippi as well. We appreciate your attendance with us today.

We welcome you, sir. Please identify yourself.

MR. LEO HOLLINGER: Thank you. I'm Leo Hollinger. I'm from Wilcox County. I'm a cattleman in the Black Belt area of Alabama. Alabama's Black Belt has long been known as cow country. We can do a really good job in the Black Belt with forage production and cattle that eat these forages really thrive on it. There are 13 counties that are considered Black Belt counties. In the last 10 years there's been a 28 percent decrease in the number of cattle in these 13 counties. If the cattle numbers had remained at the level they were in 1995, that would be an additional \$35 million circulating in the Black Belt today. We feel there is a great potential for the cattle industry to turn Alabama's Black Belt into Alabama's Green Belt. CRP was a major factor in this decrease. In these 13 counties, there's 194,000 acres in the CRP. Some of this is coming out in the next few years -- 125,000 acres by '07. It is estimated that 20,000 additional cows could be added to these 13 counties. With government incentives, fencing and water in particular, we feel this could be a reality.

MODERATOR: Thirty seconds.

MR. HOLLINGER: This could add approximately \$7 million to the economy from the sale of cattle alone. I hope the USDA will see this potential for the cattle industry to improve this area. We encourage you to study it and come back with a positive response. Thank you. (Applause.)

MODERATOR: Thank you, Mr. Hollinger.

Sir, we welcome you. Give us your name and tell us where you're from.

MR. BILLY HOUSTON: Thank you. My name is Billy Houston. I'm the director of economic development for Eufaula-Barbour County Chamber of Commerce. Our community has 14,000 people in Eufaula, and Barbour County has 29,000-plus. Thus we're definitely classified as a rural area in America. I was a banker in Eufaula for 33 years, and the last 14 years served as city president of Eufaula Commerce Bank. The last four and a half years I have served in the position as director of economic development. Thus I have an awareness of needs and concerns in our rural area which could translate into other rural areas of America as well.

First and foremost, one of the biggest needs and concerns is the ability of its citizens to be able to make a good living and support their families. Jobs and creation of jobs through growing existing businesses or recruiting new businesses in rural America is a prime concern of our regional leaders. And this is where USDA's Rural Development programs are so important.

In my four-plus years as director of EDC and years of experience in banking in Barbour County, I have witnessed firsthand the importance of USDA to rural America. Your B&I loan program to businesses and industries which assists companies in obtaining needed assistance and getting capital for growth and expansion is so valuable and important. Providing help in our county's local communities through the Rural Enterprise Grants to awarding sewer assistance and other infrastructure needs is crucial to the quality of life in our area.

MODERATOR: Thirty seconds.

MR. HOUSTON: Also, through our intermediate rural lending program, businesses, especially small businesses, again are assisted with needed working capital and other expenses through revolving loan programs and financing this fund.

I also appreciated, as all our elected officials and other leaders of the county, who came to the USDA road show in 2004, when Director Pelham and his staff took the programs of USDA and presented it to all 67 counties in Alabama. It was a needed tour of what USDA offered in this vast area of work. I know in Barbour County, where we had over 75 leaders attending, it was well received and appreciated. I commend Director Pelham for his leadership. Thank you, Mr. Secretary, and I hope you'll visit Alabama, in Barbour County, soon.

MODERATOR: Sir, we appreciate your comments. Thank you very much. (Applause.)

On my left side. Gentleman, you are welcome. Tell us your name.

MR. LUKATA MJUMBE: Good afternoon, Mr. Secretary. My name is Lukata Mjumbe. I'm from Tuscaloosa, Alabama. My first job was as a corn detassler in Indiana. And I'm also the former director of the Rural Training and Research Center of the Federation of Southern Cooperatives Land Assistance Fund. We've just been working for small family farms since 1967 here in this state and across the Southeast, and there's a couple who have already spoken from that organization. But everybody who is a staff member or a member of the Federation, or former staff member of the Federation, if you could just stand and be recognized, so the Secretary can see how strong the Federation is here this afternoon.

I'm also the former rural development specialist and policy director for Congressman Davis, and I want to give some comments specifically on question number two that was raised, as it relates to global competition. I have to say that I think that the president has framed it wrong. He may be engaging in some of what he would call "fuzzy math," when he talks about the 5 percent and our market being 95 percent outside of this country. When we talk about global competition, we frequently think about how our farmers can access the global market. But I think that Commissioner Sparks would agree with me that in the state of Alabama there's not a lot of fruits and vegetables or meats that are being consumed by the people in Alabama that are grown by farmers here in Alabama. So when we look at global competition, our global competition is in Vietnam. Our global competition is in Argentina and is in Chile and other parts of the world -- just to be able to serve and to provide food and resources for our people right here in this country.

MODERATOR: Thirty seconds.

MR. MJUMBE: We should be able to meet the demands of this market here, and right now. The reason why gas prices are so high right now is because decades ago there were some smart people who believed that we should develop a relationship with certain countries in the Middle East, and it has led to us being dependent on foreign oil. We can't do the same thing here. We have to create secure local food systems for our farmers. Thank you. (Applause.)

MODERATOR: Thank you. We appreciate your comments.

We welcome you to the microphone, sir. Tell us who you are and where you're from.

MR. RICKY WIGGINS: Mr. Secretary, my name is Ricky Wiggins, and I am the managing partner of a family farming operation with my father and son in Covington County,

Alabama. We produce cotton, peanuts, cattle and timber. I'm involved in several farm organizations, including Cotton Incorporated, Southern Cotton Growers, Alabama Peanut Producers, and the Boll Weevil Eradication Foundation, and serve as the Southeast vice president of the Alabama Farmers Federation. It is my pleasure to speak to you today on behalf of my family and fellow farmers across the Southeast.

I had the recent opportunity to visit with farmers on their farms in Switzerland. These talked to their \$400 per acre direct payments on crop land, \$690 per cow unit direct payment on beef cattle, and spending 8 percent of their national budget on farm subsidies. We expressed our amazement at their government's generosity, and the reply was, "But you have crop insurance." Somehow they have the impression that crop insurance is more than it really is in this country. While most producers realize that no one should be guaranteed a profit, we do see the need for real crop insurance reform that will give good businessmen the tools they need to manage the unique risk involved in agricultural production.

MODERATOR: Thirty seconds.

MR. WIGGINS: Oh, boy. (Laughter.) In January of 1999, Jerry Newby, president of the Alabama Farmers Federation, appointed a committee of producers from across the state of Alabama to look at risk management. I chaired that committee. After looking at the current crop insurance system and making suggestions for much needed change, we were still not satisfied. It was still too expensive for adequate coverage, too many producers were left out, and there was still too much room for fraud.

Today I'd like to propose to you a concept that came out of the committee. It will allow all farmers, regardless of size or commodity produced, to manage their risk and save USDA money. We call it IRMA, the individual risk management account. The basic concept of this is that the producer takes money that he's been paying into crop insurance premiums and puts it into a tax-deferred interest-bearing account. The USDA takes money -- they have been subsidizing that premium with a match of the producer's money in the fund. I'll submit this to you --

MODERATOR: Yes, you are more than welcome to submit your comments. And, again, for any extra comments, you are welcome to submit them via the Internet, usda.gov. So we do want everybody to make those comments known. Okay?

Our congressmen are having to leave us at this moment. We appreciate very much your coming and listening to our discussion. (Applause.) Thank you so very much.

We will continue. Sir, please identify yourself. Remember, two minutes, now.

REV. C. BROOKINGS TAYLOR (sp): Good afternoon. My name is Reverend C. Brookings Taylor (sp) from Choctaw County in Alabama, from a family that is a landowner and also a small-scale farmer.

First, let me commend you, Mr. Secretary, for the very fine job that you've done thus far. And by you having come here is an example that you intend to do a good job. So thank you for that.

I personally thank the hosting group here, Tuskegee University, and President Payton, the staff of the school, and also the students for being so commendable and anxious to host this grand occasion.

Farming is one of the most noble industries in America, for it is irreplaceable in providing us with one of our basic needs -- food -- without which other needs cannot be met. Farmers have earned and deserve the very best support that the state and federal government can provide.

I believe if the late Dr. George Washington Carver could speak to us today he would let us know that Alabama has some of the most fertile soil in the United States, and that needs to be utilized more readily.

But I just want to touch on one thing: I hope that you will renew the -- will reopen I should say -- the window of opportunity for the black farmers of America pertaining to the civil lawsuit. All right? I truly believe that if it's at all possible, if you would include a provision in this new bill that will present a new window of opportunity for black farmers to participate in the claimant process. Thank you for hearing me.

MODERATOR: Thank you, sir.

We're going to take two more comments for the next few minutes, and then we'll take a quick break and we will resume. Okay?

We will hear from you, sir. Please identify yourself and tell us where you're from.

MR. HAROLD GAINES: Thank you. I'm Harold Gaines. I'm a family farmer, with my brother, a partner. We raise cotton, peanuts and cattle in central Alabama, Etowah County. Thank you, Mr. Secretary, for coming today. And I would like to make a few comments.

I do stand on your side of the fence on the issue of the Canadian cattle crossing the border. I think that was a well -- well decision.

The Farm Bill that is coming up, new Farm Bill, I do consider it needing some critiquing. I do realize any drastic change would really upset the ag economy in this country. A couple things I would like to recommend to have a hard look at is I would like to see the elimination of renewed CRP contracts for the reasons that have been stated before me. I absolutely see no cost benefit in renewing contracts. I believe they serve a purpose and accomplish their goals.

MODERATOR: Thirty seconds, sir.

MR. GAINES: I would also like to see a hard look at coupling government payments with active at-risk producers. We find ourselves on our farm in competition with the U.S. government to rent land to derive our income from. The next Farm Bill, I would hope, would entertain these CRP contracts and the payments that they would improve the infrastructure of the rural agricultural economy in our state and our nation. Thank you very much. (Applause.)

MODERATOR: Sir, we appreciate your comments as well. Thank you.

And we'll hear from you, and then for a little bit we'll take a break for about 5 or 10 minutes or so. And then we will resume. But everybody who wants to speak will be heard.

Sir, identify yourself for us, please.

MR. ALVIN MILTON: Good evening. Mr. Secretary, name is Alvin Milton from Houston County, Alabama. I'm also a fourth generation farmer. We raise peanuts, cotton and

also vegetables, melon. And I'm going to -- I'd like to briefly speak about this item number five, which is the transition.

One gentleman spoke earlier about the cotton and the cost per acre to produce cotton. And I also represent a small -- a group of small farmers, less than 350 acres, in Southeast Alabama. And by the high rising cost in the production of cotton and the small amount of return, we'd like to see in this next Farm Bill be -- transition -- if a farmer chooses to make the transition from row crop to vegetables or other small grain.

MODERATOR: Thank you, sir. We appreciate it. Okay, let's just put a pin in it for just a few minutes. The Secretary needs to take a quick break. But everybody, again, will have an opportunity to speak to the Secretary and let your comments be heard. Give us about 5-10 minutes, and we'll be back. Okay? Thank you very much.

(Break.)

MODERATOR: Okay, sir, if you will, identify yourself, where you're from and what group you represent.

MR. HAL PEPPER: Thank you. The name is Hal Pepper, and I'm with the Alabama Cooperative Extension System. Mr. Secretary, we appreciate you coming to Alabama.

A couple of months ago I was in Washington, D.C. for our National Association of Farm Business Analysis Specialists, and you addressed the group there, and we appreciate that.

I work with several farmers who have been here today submitting testimony, and I work with them -- they pay a few for the Farm Analysis Association service that we provide. The emphasis is on profit. And you have a copy of your latest summary report. I have several others of those here today. If anybody would like to get one later, just see me afterwards.

But I want to turn to page 33, the last page in this book. And it shows that cotton farmers in particular, if they've not had government payments over the last five years their net farm income would have been negative in every year except one. So you can see how important government payments are to cotton farmers, and also cow/calf farmers. You can see that in every year of the past five their income has been negative. And here in central Alabama a lot of our producers raise cotton and cattle, and that's an important enterprise to them, and I just want to address that fact, that without government payments they wouldn't be able to survive. So thank you very much.

MODERATOR: Thank you. I might have neglected -- if you weren't here at the very beginning of the program today, I am Lee McCoy. I am the regional farm director for Southeast Ag Net. We provide agricultural news to rural areas in Alabama, Georgia and Florida, and it's a pleasure and an honor for me to be here to participate in this forum with you.

Sir, go right ahead, introduce yourself, tell us where you're from and who you're with.

MR. JEFF THOMPSON: Thank you. My name is Jeff Thompson. I'm the executive vice president of the Autauga Quality Cotton Association. I also serve on the board of Directors of the National Cotton Council.

Mr. Secretary, I appreciate your time and willingness to have these sessions and come to Alabama. As manager of the Autauga Quality Cotton Association, which we are a cotton marketing co-op, I represent 3,000 cotton producers from West Texas to North Carolina. In

today's economic environment, these producers face many uncertainties. The one constant that we must have is a continuation of the current Farm Bill unchanged through its completion with the 2007 crop. In today's agricultural environment, producers are required to make long-term investments and decisions. This can only be done while working under the regulations of a stable and consistent farm program. Everyone here understands the importance of reducing the federal budget deficit. What we don't understand is why some commodity programs such as cotton always seem to bear an unfair share of the burden. Any required cuts in the budget should be done in an equitable manner, across all parts of the Farm Bill and across all commodities.

Most importantly, the structure of the Farm Bill should be maintained. This would include current loan eligibility rules as well as payment limit provisions.

The 2002 Farm Bill was a contract with the producer through 2007. We ask that you not let the budget process be used as a vehicle to rewrite farm policy.

Another challenge faced by cotton producers involved the recent appealed decision by the WTO. They've ruled the Step II portion of our three step marketing program an unfair trade practice, calling for its elimination. We're currently in the middle of a marketing year. We've made sales based on this program being intact. I urge the continuation of the Step II program for as long as possible. Carefully consider the negative impacts if this integral part of the marketing loan program is eliminated.

As for the '07 Farm Bill, I believe the continuation of the current program will serve us well. The current program has been successful while remaining under budget. Most importantly, it provides an effective safety net in times of low prices. Such policy supports rural America and, most importantly, it permits the U.S. consumer to continue to have access to the safest, most affordable and most secure supply of food and fiber in the world. And I ask that you continue your support in this legislation in its current form. Thank you, Mr. Secretary. (Applause.)

MODERATOR: Thank you. One other housekeeping chore. If you have prepared comments, there are a couple of boxes in the back here that you can leave your complete text of your comments in. They will be taken and recorded in their entirety.

Okay, sir, introduce yourself, who you're with and where you're from.

DR. ROBERT ZABAWA: Mr. Secretary, welcome to Tuskegee. My name is Robert Zabawa, and I've been a professor here for 20 years, and I'm a director of the 2501 program here. Today I would like to address questions three and five.

In my professional experience in providing technical assistance and outreach to farmers in the rural South, I have found the 2501 program to be the most effective in reversing the decline of socially-disadvantaged farmers and ranchers. The intended outcome of this program is to encourage and assist these farmers to participate in agricultural programs, own and operate their own farms and ranches, and thus allow them to become an integral part of the agricultural community and strengthen the rural economy.

Since its implementation at Tuskegee in 1994, we've helped allocate over \$7 million in farm ownership, farm operating, youth loans and housing loans. Despite its clear record of success, the 2501 program continues to face significant challenges in the future. To meet these challenges, I would like to request the following changes be made in the program:

One, full funding to the authorized level. The 2501 program has never been fully funded to its authorized \$25 million. With increased clientele and with continuing problems pertinent to small and socially-disadvantaged farmers, full support is critical. Full funding would also allow for an expansion of services to include Native American, Hispanic American and new immigrant groups. Small and socially-disadvantaged farmers still participate to a lesser degree in USDA programs for which they are eligible. Full funding is necessary.

Two, mission-based funding. Funding should go to those universities and community-based organizations with a true mission and history of working with socially-disadvantaged farmers. Limited funding and an increase in eligible institutions dilutes our effectiveness.

Three, permanent funding to a line item in the USDA budget. Funds for 2501 have been allocated from various sources, including agency funds, discretionary funds and project funds. Stability of funding is critical, and a line item would do that.

Four, multi-year commitments with projects. Currently our projects are contingent on annual appropriations. Consistent and effective outreach requires continuity of service and rapport-building over more than a 12-month period. Therefore multi-year project commitments -- for example, the five-year Farm Bill horizon -- would be critical.

MODERATOR: If you could wrap up, please?

DR. ZABAWA: Yes. Fifth, stability and consistency of federal leadership. Assigning a 2501 program to the Office of Civil Rights would give the program the stability and consistency of leadership that guarantees universities and organizations it needs. It will also stabilize the mission of the program and give the proper context to the work that is needed in order to save the land base for rural minority communities. Thank you. (Applause.)

MODERATOR: Thank you. Again, lights -- when the yellow light goes on you have 30 seconds, so try to wrap up when you see the yellow light go on.

Yes, sir, tell us your name, where you're from and who you represent.

MR. JOHN ZIPPERT: I'm John Zippert. I'm the director of program operations for the Federation of Southern Cooperatives in Epes, Alabama, and I'm the co-publisher, with my wife, of the weekly newspaper in Greene County, which is why I was in the press conference, Mr. Secretary.

The Federation adopted a resolution at its annual meeting just this past weekend in support of black and other disadvantaged farmers, and I just want to hit a few of the highlights of that resolution, one of which is to ask you to maintain a moratorium on the foreclosure of black and other disadvantaged farmers, particularly those who have been engaged in the Pigford legislation, and in doing that moratorium to find some people independent of FSA to review every individual case of foreclosure, if you decide go to that way, to be sure people have been given all their rights, and to prevent the kind of conflict of interests you head about here earlier where agents of the government are buying these properties.

We also supported numerous changes in the Farm Bill, including the full funding of Section 2501. If you look back at the 10-year history of this program -- really the 15-year history now of this program -- there is somewhere upwards of \$70 million that we didn't get if it would have been full funded. So there's been a deficit in the effort, as far as the Federation feels, and we feel this program must be fully funded and many of the things that Dr. Zabawa said to be carried out.

We also want you to work toward more direct loan authority for family farmers and farmers in this room, because we have difficulties getting guaranteed loans because of discrimination in economic as well as racial discrimination against small producers. And so expanding guaranteed loans does not help the smallest and poorest farmers. And we have many others we will put in a full statement to you.

MODERATOR: Thank you. And, as mentioned, you can put -- don't forget -- if you've got your comments, there's boxes back here -- they will be picked up and recorded. Thank you.

Yes, ma'am?

MS. BERNICE CARRA ATCHISON (sp): Mr. Secretary, my name is Bernice Carra Atchison (sp) of Jemison, Alabama. I am from the Black Farmers of Chilton County, Alabama. I am from Chilton County, Alabama, where we have proven to Congress there was no notice for the whole county for the Pigford black farmers lawsuit.

Well, we did not receive timely distribution of aid and assistance of federal financing and notice of federal programs in our county. I ask the question: Will there be a market if you shut out the small farmer and have lawyers like Mr. Sitkoff representing you without a license.

Where we as black farmers go to our USDA for financing, where we are told there is no funds available, how can we have the next generation of farmers with no funding? Farmers does feed the people. (Applause.)

MODERATOR: Thank you.

Yes, ma'am?

MS. CAROLYN PICKETT: My name is Carolyn Pickett. I'm a resident of Selma, Dallas County, Alabama. I'm representing my organization, Women in Land Ownership, which encompasses a group of women across a 32-state area. This is our concern: There is a need for a plan for responsible development to include education and training for women who are current local farmers as well as potential farmers on the different forms of farm management practices, the need for growing and consuming fresh foods, the ability to maintain a good standard of living through efficient farming, and the importance of food safety management. There must be a concentrated effort for gender mainstreaming of women into the culture of land ownership now. In any community where one segment, entity or gender is excluded from becoming empowered, the entire community suffers a loss. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. WILLIAM EARL TAUBER (sp): Yes, my name is William Earl Tauber and I'm speaking on behalf of the Alabama Coalition Against Hunger, the Alabama Council on Human Relations. The core mission of the Coalition Against Hunger is to end hunger and malnutrition in Alabama. As such, ACAH, on behalf of those suffering from hunger, malnutrition and other food and nutrition related circumstances, we are a clearinghouse of information about food, nutrition, related issues of the day. We provide programs for addressing and eliminating negative food nutrition related circumstances and a vehicle for ensuring that those eligible for government and other food nutrition related assistance have an opportunity to receive them.

Food insecurity, food stamps and school breakfast are among the key issues that we address on a daily basis. While we assist many thousands of Alabama residents in these areas, there's still an awful long way to go. More precisely food insecurity affects 10 percent of Alabama households from 1997 to 1999, 11.9 percent from 1999 to 2001, and currently 12.5 percent. In addition, 3.2 percent of that 12.5 percent are food insecure with hunger. Food stamps is the nation's leading defense against hunger, but many people who are eligible to receive them do not receive them. The latest estimates are that only 60 percent of the people eligible to receive food stamps are actually receiving them. Breakfast, which is part of the National School Lunch Act, is essential for children to be alert and ready to learn when they go to school. Yet fewer than half of the low-income children who receive school lunch also get a school breakfast. There is the old adage that conveys the message that it is better to teach a man to fish because then he can feed himself for a lifetime, then to give a man a fish so that he can eat for a day. We do not agree. We say teach a man to fish so that he can feed himself for a lifetime, but while you're teaching him give him a fish so that he can eat for the day and have the mental and physical capacity to learn. That is, don't pull funding from food stamps and other food and nutrition programs until you come up with another way to guarantee Alabama's impoverished consistent -- have access to sufficient quantities and qualities of nutritious food. ACAH, Alabama Coalition Against Hunger's alternative means of addressing that is a community garden.

MODERATOR: Can you wrap up, please?

MR. TAUBER: Yes, I will, and I will leave my comments in the box. We set up individual gardens and what we do want to do is to support our farmers, rather than pay farmers not to farm, put money into rural Alabama where many of these 670,000 residents that are impoverished can receive the benefits of what the farmers produce. Let's be creative. Join us in community garden projects and other projects that can help the unemployed and in the meantime don't forget the food stamps and other food and nutrition programs that are a quality lifeline for low-income Alabamians. Please, no cuts. (Applause.)

MODERATOR: Thank you.

Yes, ma'am?

MS. KATHY HORNE: Mr. Secretary, I appreciate the opportunity to comment this afternoon on question number five. My name is Kathy Horne. I'm the executive director of the Alabama Rural Water Association. My background includes working one on one with public water and waste-water systems in rural and small-town Alabama for over 25 years.

There are over 600 public water utilities, and another 150 waste-water systems in our state. From the total 600 water utilities, 452 are located in the rural areas of Alabama's urban populated areas of 10,000 or less; 155 water systems serve less than 500 customers. Many of these water systems were initially constructed with USDA funds. Their service to rural residents of our state is crucial in that it provides a clean, safe, dependable supply of potable drinking water to the people in these rural areas daily. However, the strength and the viability of the water and waste-water systems as well as the rural community lies heavily in their ability to receive financial support through the USDA Rural Development Loan and Grant Program. Low-interest loans or grant funds have provided in the past the support necessary to upgrade, expand and improve upon aging infrastructure and system components that have now in many cases been in operation for over 30 years.

We've seen the quality of life in rural Alabama dramatically improve because of the USDA loan and grant assistance. Without the help of USDA Rural Development programs to

assist financially in our rural areas, our rural communities will suffer. Upgrades within public water and waste-water systems must continue, but the revenue generated by the limited customer base doesn't always provide revenue sufficient to properly maintain the distribution system.

A potable supply of drinking water is the greatest resource available to man. But our drinking water systems must be maintained for continuing growth, enhanced economic development in rural areas, and it cannot be maintained without loan and grant assistance. We ask that you not only continue USDA loan and grant programs, but that that funding be increased for the future of our rural areas. (Applause.)

MODERATOR: Thank you.

Yes, ma'am?

MS. ROSEMARY ARMSTEAD: Yes, my name is Rosemary Armstead, and I am from Selma, Alabama. And I work for the Selma Housing Authority. And I'm also -- it's over a group of people that is the senior, the disabled and the handicapped. And I just have a couple of questions just to say to Mr. Secretary that I'm constantly -- you know, I am constantly confronted with from these people.

And my first question would be: How can \$10 worth of food stamps help an individual from month to month? And so you know the questions I'm asking you, Mr. Secretary, is to take it into consideration. I would like for you to take it back to Washington and see if some door could be opened.

Also, I would like to ask with the WIC vouchers, is there a door that can be opened that they would add vegetables to that WIC voucher?

And my last question would be -- and that seniors 55 and older to receive WIC vouchers. (Applause.)

MODERATOR: Thank you.

Yes, sir.

MR. LEON DRAPER: My name is Leon Draper, Marshall County, on the ECO sign up issue. If everybody has to go to the ECO sign up issue and the complexity of it, how are we going to do it? Are you going to give us all computers? Or it's too complex. But that's my concern. (Applause.)

MODERATOR: Yes, sir?

MR. JOSEPH BROWN: Yes, I would like to say good evening to everybody, Mr. Secretary, and thanks for coming. My name is Joseph B. Brown from Abel, Alabama, and I would like to make a comment that as young black beginning farmers we're being served the small miniature version of the fine vineyard wine of a miracle. And I'm also a recipient of the black farmer settlement. And I also have injunction relief. And I put in three applications since 2001 to buy 550 acres of land, and I was denied the application. And when the application went in, the loan officer said it will sit and they're lying about I didn't sign the application and I didn't call to check up on it.

Since then I have reapplied to buy the whole 500 acres of land, and Tuskegee has been helping me to buy the land. And when I went to the banker, the banker told me -- the designated

banker for USDA -- to go across the street where I bank and get a denial letter. Since then, Tuskegee University has been working with me on this thing. We found a banker that said my credit was better here, and he would lend me any amount of money that I wanted to. They told him he wasn't qualified to lend me that type of money. I have injunction relief -- a federal judge that I'm qualified for the loan, yet still it's going on five years I haven't received. If you can do something -- somebody needs to do something. It's wrong. And anybody can see that, just like it was in the '60s when black people weren't given the right to vote. Now it's the same thing. We're being denied for economic efficiency and as an economic for people that can produce for America. America is the greatest country in the world. Besides the problem that we have, we're still the greatest in the world. Something needs to be done! Thank you very much.

(Applause.)

MODERATOR: Thank you.

Yes, sir.

MR. JOHN CLYDE RIGGS: I'm John Clyde Riggs, executive director of the Alabama Tombigbee Regional Commission. It's a 10-county economic development district located in southwest Alabama. Mr. Secretary, we're honored to have you in Alabama today.

I work for 10 of the most economically challenged counties in Alabama, and I'm here to address question number five, as well as some commodity and USDA credit issues as they pertain to the elderly.

Our office is the recipient of an intermediate relending program loan from USDA. It's done tremendous good in our area, loaning money to small businesses, helping create jobs, keep businesses open. That's a valuable program. Our office also packages USDA grant applications for the community facilities program as well as the Rural Business Enterprise Grant program, and is the recent recipient of a Rural Business Enterprise grant, which will establish a business in Camden, Alabama, that will promote goods, crafts and things made in the Black Belt. These are valuable programs, worthy of an increase in funding.

And, finally, let me say, concerning the USDA credits that go to the Older Americans Act's programs -- Meals on Wheels, congregate meal sites -- this amount needs to be increased, as does the commodity farmers market program that provides food for the elderly. This is a great program that allows the farmers to produce food and receive income for it, and the elderly also receives this food through vouchers. This is a program that's funded ridiculously low and needs to be increased. Again, thank you for hearing our comments and being here today. (Applause.)

MODERATOR: Thank you.

Yes, ma'am?

MS. SHERRY CAMPBELL: I'm Sherry Campbell. I'm from Tuscumbia, Alabama, the northwest corner of the state. I'm the director for Shoals Culinary Center, which is the satellite of the Shoals Entrepreneurial Center. And I'm here to thank Mr. Secretary, the USDA, and Director Steve Pelham for supporting the idea of our executive director Jerry Davis.

Shoals Culinary Center is one of about 20 kitchen incubators nationwide, and the only one in Alabama. The USDA initial investment enabled the start-up of this specialty food incubator in 2001, and allowed us to find other partners for equipment, training, and provided time for us to become operational. Once we became operational, we have been able to grow and

to assist our clients in growing new businesses. We now have 15 food businesses that employ over 80 people with annual sales of over half a million dollars. We are also a resource for other existing food businesses throughout the state. We're serving clients in seven counties, with product distribution in 16 states. We have clients that have been featured on CBS, the Early Show, Turner Broadcasting, National Public Radio, Alabama Public Radio and Television, and several state newspapers and magazines. We have numerous client success stories, and our most recent is Mook's Cheese Straws, who has had over 100 percent increase in sales this year, and in the past three months has added two major distributors, Sysco Foods and Alabama Home Products, which is a major regional distributor to over 130 large retailers. With two cheese straw companies operating in our incubator, the extruder manufacturer refers to us as the "cheese straw capital of the world." This was achieved because of Commissioner Ron Sparks and his staff at the Alabama Department of Agriculture.

Lastly, we were able to start an upscale farmers market and to become part of the Alabama farmers market trail. We have music, cooking demos and white tents that provide another venue for the sales of our clients' products in recognition of our center. Through this market, we have been able to assist three of the farmers in opening value-added businesses, one of which is a hydroponic facility. Thank you.

(Applause.)

MODERATOR: Thank you. Yes, sir.

MR. DOUG TRATHAM (sp): Mr. Secretary, I'm Doug Tratham (sp). I'm a farmer from Calhoun County. Concerning the new Farm Bill, I would like to ask that as far as farm payments, that we try to get those payments tied more to production. In the past Farm Bills we've always tried to identify large farmers versus small farmers, or family farms versus corporate farmers. We need to identify producers versus non-producers, and get the money in the producers' hands.

My next issue is as far as every year when the Farm Bill comes up, the farmers get a black eye, because when the local newspaper, such as mine, prints what my farm subsidy was, it looks like I got a half a million dollars over five years. We need you and the other people in USDA to promote the Farm Bill as a subsidy to the consumer for a safe and cheap food supply, not just money in the farmer's pocket.

My next issue is -- and this may get over into the energy bill a little bit -- but early '70s, when we had our first energy crisis, they said that using farm-related commodities would make gasoline and diesel fuel too expensive. Well, gasoline and diesel fuel is too expensive, so that is no longer an argument. We need this country's pipelines full of renewable fuel sources that we as farmers can produce.

And my last issue is concerning my kids. In my area, there is a lot of development potential. If we are not able as farmers to buy some of our farmland, they will not have a future to farm on, and when we are leasing land that lease payment is a tax deduction. But if we are forced to buy that land to save it from development, that land payment is no longer a tax deduction, and that hurts us. And I would like to see something put in there where when an actual producer has to buy land or is buying land, he gets some form of credit back, so he gives up his lease payment and it goes to a land payment. Thank you, sir. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. DENNIS BRAGG: My name is Dennis Bragg, and I'm from north Alabama. And, Mr. Johanns, in north Alabama we need two things -- you may know it. One of them is we build rockets and we grow cotton. And the reason the things I'm going to share with you is from a group that I put together, and the reason I put the group together -- it's kind of referring to the "black eye" that Doug gets, and sometimes the rest of us get. But when I sit in church, and I can feel somebody beaming that look in the back of my head, to say, well, when I read in the Sunday paper, Mr. Bragg got X amount of dollars. Well, I put a group together that consists of 98 percent of the people that don't farm. You visited with the 2 percent. I'm out visiting with the 98. And when I've shared with them what this money does, whether it's through nutrition, all the way down to a Step II program, they think it's money well spent.

When I shared with the group on payment limitations and they say, well, if I work 30 hours and he works 30 and I work 50, but your payment limitation says you need to be paid just like the guy who worked 30 -- they understand, because they get paid by the hour. We'd like to get paid by the acre or that support be paid by the acre, because when I went to Indiana and heard about the family farms -- I sat in on a forum there -- it's family-oriented. Well, my farm has 12 families on it. They've worked about 20 years with my granddad, my dad, and now myself.

And it's not -- let me change subjects before I run out of time -- but when I came to here, there's a grocery store down the road, and the name of it was Global Market. And we hear a lot about opening up global opportunities. Well, when that Chinaman gets that job from Macon County or Madison County, the first thing he buys is not at the Global Market there in Tuskegee. It's there in China. And I just want to express the policies that are set in D.C., need to address it on a very minute level down to Macon County and Madison County. Okay, thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. JERRY ADAMS: Thank you. I appreciate the opportunity to address this forum. Mr. Secretary, we appreciate you being here to listen to our concerns. My name is Jerry Adams. I am a area field representative for Dairy Farmers of America. We are a milk marketing cooperative, and I obviously represent the dairy farmers of Alabama and our dairy farmer members. They regret very much their inability to be here today, but they're at home milking their cows, and they have asked me as their spokesman to come and express their concern over a few items.

Mr. Secretary, we're asking Congress and the USDA to consider and take action on the following six items.

Number one, to floor the Class I price at \$13 nationally. This would help all dairymen in the federal order system when Class III and Class IV prices decline below reasonable levels.

Number two, to implement a direct delivery differential to cover the cost of moving milk produced in the Southeast to plants beyond the local market.

Number three, to increase the transportation credit paid by processors used to offset the cost of supplemental milk deliveries.

Number four, to regulate large producer\handlers on a national basis.

Number five, we ask that Congress direct the Secretary of Agriculture to not allow the Class III and Class IV prices to fall below the support price.

And, number six, we ask that Congress limit the Department of Agriculture to no more than one price adjustment per year in the price support program.

Our dairy farmer members feel that these issues are vital to their ability to successfully produce milk and maintain a viable dairy industry in the Southeast. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir.

MR. BILL BRIDGEFORD (sp): My name is Bill Bridgeford (sp). I'm from Tanner, Alabama. My brothers, my niece, nephew, we farm cotton, corn, soybeans and wheat in north Alabama. As an African American farmer, black farmer, I'd like to, if you've already formed or going to form a commission or advisory council to discuss the policies and programs that will address the specific needs of the black farmer, if you already have a group like that or going to form one, I would like to work with you and help serve in that capacity.

Secondly, when it comes to the forum, sir, my comments are addressed toward item number three of the questions. In your Farm Service Agency, on the county committee, you have a minority advisor. And I think you should allow -- you should give that minority advisor voting rights if you want to continue to serve the black community in the best possible way. And there are a lot of issues that affect the black farmer, and financing is not necessarily the most crucial one. And if you were to have that council, I would like to present some ideas that would not cost you any money, that would encourage new young black men and women to get into agriculture.

As a family farm, we receive government payments. And I'd like to say that if it wasn't for the farm program just like it is now, we probably wouldn't be able to continue farming. When you consider the prices, how much prices have risen in the past few years -- the price of diesel, the price of fertilizer, technology, seed -- they're all up dramatically. And so I would just like to say that when it comes to price supports, if anything they should be increased instead of decreased. Thank you very much. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. JIMMY MILLER: I'm Jimmy Miller from Blount County, Alabama, cotton and grain farmer. Thank you, Mr. Secretary, for coming and allowing us to give you our opinions on the next Farm Bill.

I'm been farming for 41 years, and I'll have to say that I think this current 2002 Farm Bill, even though it may have some places we would like to see it adjusted, is probably the most -- given us the most security on the years with the low farm prices of any Farm Bill I've ever farmed under. And I say that from having a long price on cotton and grains, and the event of the countercyclical payment which only comes into play on years that the prices are below production costs.

And I also would like to mention that we talk about getting young farmers involved or how you're going to get new farmers to come on. One way is when we have a Farm Bill drafted and our Congress passes it and it's signed into law is to leave it alone for the period of the bill. You can't make plans for capital investments on a one-year basis, not knowing what's going to be changed next year. I would think that's one of the main things that would encourage lenders and young people to consider farming.

I think most of the other notes I had have been covered by others, and I appreciate you listening. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. BART MCCORMICK (sp): Mr. Secretary, my name is Bart McCormick (sp). I'm a grain farmer from Giles County, Tennessee. And my comments are going to be concerning question number six, and specifically renewable fuels. I'm spearheading and represent a group from the middle Tennessee and northern Alabama area that are -- have collected some contributions to start a feasibility study about putting an ethanol plant in the Decatur area. Watched the ethanol industry bloom and die from the prices in the '70s.

I feel that if we can use the farm program to promote renewable fuels that we can stabilize the farm economy, we can create profitability. And if we do that, then we're going to reduce the need for payments, we're going to attract these young people back to it, and we're going to make ourselves competitive. The only down side is that we're probably going to upset some Arabs. (Laughter.) I can live with that.

The second thing is that the United States Department of Agriculture needs to follow a trend started by TVA. They were getting some bad press, negative comments. I feel that this program should have some type of an ad campaign, something to educate people that we're not taking this money and going to the Bahamas, or buying yachts, or going to the French Riviera -- that we are doing this to support this country to employ the people of this country.

Your department with that money could promote that and get that before the people to where we wouldn't be looked at so negative about these payments. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. WALT COCKER (sp): Good afternoon, Mr. Secretary, and thank you for coming and giving us a chance to air our feelings about this farm policy. I'm Walt Cocker (sp), and I'm from Eufaula, Alabama, where I farm with my brother, and until his death this February, my father. We raise cotton, peanuts, cattle and grain. And as bad as I hate to say it, I'm dependent on this farm policy for profit in my operation. And it's because of that fact that I'm here today to speak to you.

The current farm program, while not perfect, is working to maintain profitability in our operation. It is my hope that the current program will be allowed to go to its completion in the '07 crop year without any changes. I understand that there are budget concerns and world trade issues that are bringing pressure to change this program. And to that I say let's stay the course. We have a program that's working. Let's keep it there until the end of its completion.

Many producers have made plans and commitments based on this program going to its end in '07, and it would be devastating for some of them if this program was changed now.

Looking ahead to the next Farm Bill, I hope that as much of the current program can be taken forward as possible. This includes such basic concepts as the direct payment and now the countercyclical payment, the marketing loan program. And I would hope there are no changes in the current payment eligibility rules or in the payment limits.

There are a couple of changes that I might suggest though to the next program, and one of these you heard several times today so far, is tying the payments more to the producer than to the land. Another problem is just probably to reduce or eliminate the payments on land that is not actually producing program crops. There's a lot of that that goes on. I think that would be a place for savings.

Today farming is a big business, and we must have a stable and sound policy on which to base our business decisions. And we have that in the 2002 Farm Bill. I hope that we'll be allowed to continue until the 2007 crop is over, and then at that time we have another program that will give us the stability and support to continue to produce the food and fiber for this nation and most of the rest of the world. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, ma'am?

MS. DONI INGRAM: Mr. Secretary, my name is Doni Ingram, and I'm director of the Crenshaw County Economic Authority. I'm here for twofold -- to address question number five on your list. Number one is to thank you. Because of Crenshaw County, a county of 15,000 total population, partnering with USDA, with your community facilities loan grant, your rural business enterprise grant, your rural business opportunity grant and your intermediary relending program, we have in the last eight years created 1,800 new jobs in that small county, we've recruited 10 new industries, and all because you made us competitive. We can compete with the metro areas of this state by using the incentives in these programs. I urge you in your new bill, number two, is to continue these programs, because they do make rural Alabama competitive for the job. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. KWANGMORE BLEND HILL (sp): Hi, my name is Kwangmore Blend Hill (sp). I'm the Secretary of state of the Student Government Association here at Tuskegee, and on behalf of the student body and the president and chief of staff, I'd like to thank the Secretary for choosing this institution as the host of this forum.

And I'd just like to quickly echo some of the sentiments I've already heard earlier today, that as we move into an information and technological age, in order for the Department of Agriculture and for the entire agricultural sector in the economy to remain relevant, it's going to be important for the Department of Agriculture and all the organizations represented here today that represent farmers, to present to young people the viability of a career in agriculture, or else the United States will very soon see the day when all this produce and all this food comes from foreign soil. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. BUTCH WILSON: Mr. Secretary, my name is Butch Wilson. I'm a catfish producer. I represent 234 catfish producers in the central Alabama Black Belt region. And today we're finding ourselves competing in a global market more every day. And one of the things I don't want you to overlook is our land-grant universities. We received about \$2 million this year for the study of genomes -- (audio break for tape change) --

MR. HARLEY THOMPSON (sp): Harley Thompson (sp). I'm from Lauderdale County. I have the privilege to represent the sheep and meat goat producers in this state. As such, I would ask you to please strongly support the mandatory price reporting for the land and sheep industry.

Also, from the looks of this room, my mama and probably your mama and everybody else's mother knew where they got their food from. That is not the case today, and I would strongly urge you to support a country-of-origin labeling. I'm a proud Alabama farmer, and I'm proud to be an American farmer. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. DEXTER GILBERT (sp): Mr. Secretary, my name is Dexter Gilbert (sp), from Jackson County, Florida, the owner and operator of Gilbert & Sons Farm. I farm around 1,500 acres of cotton and peanuts, and my concern is about it is too much -- the Farm Bill is great. I love the new Farm Bill. But there's too much in the Farm Bill that represents the nonfarmers. The producer has too many problems. Take for instance me. I have around 35 farms over 1,500 acres, and if I don't get all the owners to agree, I don't get what I deserve and what's there for me. So in the new Farm Bill, I would like to see more for the producers not having to go through the owners for the signatures and all that.

And back to the guarantees of prices, it is impossible to raise peanuts for \$355 a ton. My grandfather raised them 30 years ago for that, cotton at 50 cents per pound. We just need more help in today's farming. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. CHARLES HOLMES (sp): Mr. Secretary, my name is Charles Holmes. I'm back again. I spoke to you earlier as a father. I speak to you this time as a conservationist. I am speaking on behalf of the Alabama Soil and Water Conservation Districts, and also I am the national director for the National Association of Conservation Districts Forestry Committee. There are two items that I want to address.

In the 2002 Farm Bill, conservation districts helped a whole lot in giving guidance in forming that Farm Bill. We take credit for it, and we appreciate it. But we want to take an active role in the formation of the 2007 Farm Bill. We're out there, we're grass-roots. There are five of us in every county in the United States. What a wonderful forum to bring things up from the bottom to the top.

I do want to address some of the concerns that we have seen in the 2002 Farm Bill. One is we have mandated or asked NRCS to go out and provide technical assistance on all of these different programs. They don't have enough staff to do what needs to be done. We're lacking the abilities to -- how I'd like to say it -- we aren't balanced. We're having to use so much of our technical help in these counties doing work for the programs that people are coming in wanting conservation practices on their land that are not participating in programs. We're not able to provide the assistance to them. And that includes the conservation districts. You know, we work together -- we've been a partnership since 1937.

The other item that I wanted to talk about -- and I'm also chairman of the National Association of Conservation Districts Forestry Committee, so I've got to talk about trees a little bit. In Alabama we can grow trees. In the Southeast we can grow trees, and we're going to have to find more ways to use farm programs to encourage people to grow trees in different ways and out-of-the-box type things. And we're going to have to look at agri-forestry practices and things like that. And we're going to have to plant trees in -- Leo is not here, but I've got a friend of mine that's doing both -- they're growing trees and they're doing grass at the same time. Okay, thank you. I appreciate you coming. Thank you for coming to Alabama. (Applause.)

MODERATOR: Thank you.

I think we've got three people on this side, three people on this side. Is there anybody else that's not in line that has a comment in reference to the Farm Bill? Okay, after these six people, we're going to throw it open for anything.

Yes, sir?

MR. JERRY WISE: Thank you. Welcome. Good afternoon, Mr. Secretary. My name is Jerry Wise. I'm from Geneva County, which is in the southeast corner of the state of Alabama. I farm roughly 350 acres of peanuts and used to farm a little cotton, and it got where I couldn't make a profit at it, so I quit it. I do a little corn farming now, so rotation is important to us.

One of the biggest concerns we have as farmers is that we got caught this year in high fuel prices. In the next Farm Bill, as we develop it, could there be a possibility, a way of coming together where we have some sort of control of how our cost of production, as it increases, also the value of our crop increases from the support level that's given to us by the government. You know, this present Farm Bill we're under, I'm pretty sure there's no way we could really go back and reaccess it to where we can come up with the cost of the increased cost in fuel costs.

I also run an aero-application business -- I'm a crop duster, and have been doing it for 26 years, and I deal with about 400 to 450 different farmers in my area, and that's a great concern to them, is that you know they don't have any real control over their cost of production, because as my fuel costs increase to me when I was flying, I passed it on to the farmers. And the farmer has nowhere to pass it on to -- he winds up kind of like the slide theory -- the kid sliding down the slide, and at the end he hits the ground, he knocks out a hole -- that farmer is a hole in the slide. So it's got to come up somewhere or another with some sort of mathematical decision or whatever it takes to figure in and factor that when the cost of production, it's whatever a land-grant university considers a cost of production of what a commodity is, whether it be cotton, corn, peanuts, soybeans or what have you. Then as those cost of productions increase, we should be able to increase the bottom line of the government support programs to us based on the cost of production. Everybody else gets a cost-of-living raise. I don't see why the farmer can't. (Applause.)

MODERATOR: Thank you.

Yes, ma'am?

MS. ALICE PARRIS (sp): Yes, Mr. Secretary, my name is Alice Parris (sp), and I'm bringing remarks today on behalf of Ms. Patricia Clay, chairman of the Macon County Health Care Authority, who had to leave.

Ms. Clay would like everyone here today to know that if you have a medical emergency while you're here, you will have to seek medical care elsewhere. However, on your way of out of town, less than one mile from here, you will have passed our brand-new ambulatory health care center. You will not get treatment in that beautiful new facility because of a \$300,000 need in order to have it ready to open and provide the care that you might need in order to be stabilized to go to a hospital. Our search for a physician to man that facility has spanned more than one and a half years. The situation here in Tuskegee is not different than that faced by other rural communities. In order to foster rural economic growth, we must attend to the infrastructure of our communities. Families, and especially seniors, need to feel secure about medical care. The Rural Communities Facilities Loan and Grant program needs to be expanded to provide for the following:

Expand eligible activities to include those that help rural communities recruit and retain physicians. Health care is an economic development activity that most rural communities need. It has been found that each physician generates \$1.5 million per year to the local economy. The addition of a doctor to a community, the infusion of new capital, better access to health care and peace of mind for rural Americans will go a long way toward stabilizing rural communities. Telemedicine can also bridge some gaps in access when a physician is available.

And, number two, partnership arrangements between local communities and USDA should be considered wherein USDA investments are bought out when the related services become profitable.

And, number three, most rural communities are financially strapped for cash. USDA should consider in-kind services or space costs as matching share in lieu of cash contributions. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir.

SPEAKER: Good afternoon. I want to welcome you, Mr. Johanns. I also want to give you greetings from a fellow transplanted Cornhusker. So we do -- we can survive down here. But I do want to say that you made an observation when you came in that it was very green -- we've obviously been getting a lot of rain. Having grown up in Nebraska, I know what droughts are like. And having been here in Alabama a couple of years now, I also know there's a saying down here that at first I didn't believe, but now I know it's true: "You're only a week away from drought." The soils down here are such that without adequate rainfall a drought can happen very, very quickly. But what's also true is we're also only about an hour away from a flood. So we have a very interesting balance to make in here. To go along with that balance, one of the things that has been happening in the last 30 years or so is that there's been a policy of western water development and western agricultural development, by taking water to where the agriculture is. And what I'm suggesting to you is maybe we need to look at reversing that and bring agriculture to where the water is. We have adequate water supply down here, it's just that it's not necessarily always timing is correct.

One of the things we're looking at at Auburn University is the feasibility of irrigation development within this state. And looking at having irrigation infrastructure in such a way so that we can have water when we need that to alleviate that, maybe possibly as small as a one-week drought, can greatly stabilize the income and increase the profitability of agriculture within this state. So I want to thank you for your time and hope you enjoy your stay. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. EUGENE HALL: Mr. Secretary, my name is Eugene Hall. I live in west Alabama. I'm with the West Alabama Farmers Association. We're one of those co-ops under the umbrella of the Federation of Southern Cooperative Land Assistance Fund. I would like to address a problem that I'm seeing in my neighborhood. There is no youngsters between the age of 18 and 35. They've all gone elsewhere looking for work -- as soon as high school, they take off. We are trying to work with the West Alabama Farmers Association to try to develop jobs for them, teach them how to live off the land, and how to grow crops that are profitable.

Working with the state of Alabama -- I saw Mr. Wombie (sp) here -- he came to our area and worked with us in setting up a farmers market, a place where local farmers can sell their goods. One of the main problems we have is that we are competing with people from Mexico, Argentina, wherever, because the peddlers go to the Birmingham market, buy product, stop along the route coming to our market and they sell them there. If you ask them if they're homegrown -- "Yes." Whose home?

As we grow product, we're having to compete there and the prices that they are asking just knock us right out of the ballpark. We need your help in helping us be able to take advantage of the federal programs that would help us to grow our farms.

You would think I'm asking for a hand-out -- no, I'm not. I'm asking for a guarantee. I'd like to see where small farmers, limited-income farmers, may come to the government with their plans to go on the EQIP or whatever the other program is, and get some guarantees so they can get the money to get this done -- not give it to us, just guarantee the loan. And as these practices are being carried out, then the lenders will be paid.

So as you go back to Washington, take back with you the small farmer who would love to stay on the land, and one who is my father-in-law, 97 years old, who said, "When I die, I guess the land will be sold," because if you leave it to the youth, they have nothing to come back to. There's so much money being offered for it by the professors or people who want to set up hunting refuges that they just can't acquire any more, and that small part is just not enough. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, sir?

MR. LEE LACKHELT (sp): My name is Lee Lackhelt (sp). I'm a forest landowner in mostly north Alabama. My mother-in-law is a wheat and cattle rancher out in Montana. My father was a commercial beekeeper. I'm a graduate forester.

My biggest concern here is I don't think that the things you've been hearing today reflect what I would like to think America is. And I would like you to consider that when you create any of these programs, that you consider the fact that if you create something you don't want to

harm a private enterprise. So always keep in your mind that the free market system is the way to go -- whenever possible, create a program that encourages but doesn't give disincentives to other people who may be trying to same thing on their own. Thank you. (Applause.)

MODERATOR: Thank you.

Yes, ma'am?

MS. KATHY HORNE: Mr. Secretary, I had one additional comment regarding question number six that I'd like to discuss for a moment. Again, my name is Kathy Horne, and I'm representing public water and waste-water utilities throughout the state. My comment -- it applies to question six regarding small towns and rural communities. This concerns the unique nature of their location. "Rural" in most cases refers to a remote area. As resident or a business located in a remote area of the state, I've identified just a few concerns that I'd like to discuss, the first being security.

We need more remote sensing, early-warning technology that can give prompt warning of security breaches in isolated areas. Vulnerability assessments should be continued, as well as emergency response plans. However, the implementation of these plans is even more important, and they can't be implemented without eligible funding. My question is in the 2007 Farm Bill can security needs of water utilities be addressed as an eligible project for funding through the USDA Rural Development loan and grant program?

Secondly, disaster relief -- and we do appreciate all of the federal emergency grants that are made available during these times. But power outages are one of the most serious problems we encounter in the rural areas. USDA could assist greatly by including financial resources for the loan and grant program to fund the much needed generators in particular to water systems so that a potable supply of water could be maintained during these times of disaster.

And last, I would like to address a research issue. An emerging problem that I see is that many rural drinking water systems are becoming bedroom communities for metropolitan agencies. There's an increasing need to provide waste-water treatment in these areas. There's a desperate need for research into innovative approaches for incorporating waste-water collection and treatment in these remote operations. The cost currently for the distance involved between house to house for waste-water treatment is excessive, and more than any small town or rural community can afford. There must be a better way to improve upon this much-needed service for our rural areas.

I'd also like to say quickly that I do thank the state USDA Rural Development office, Steve Pelham and his staff members, for the great job that they do here in the state of Alabama. And, Mr. Secretary, thank you so much for being in the state today. (Applause.)

MODERATOR: Is this a Farm Bill, or just or are we shooting from the hip now?

TUSKEGEE MAYOR JOHNNY FORD: I shoot from the hip, head, wherever I need to shoot from. Seriously, no, I'm the humble mayor of this great city, Johnny Ford, and I wanted to rise and say to you, governor, Mr. Secretary, I join our commissioner of agriculture and governor and all of the other officials in welcoming you to Alabama. It's good to have a governor in that seat -- someone who knows about local issues facing small farms, particularly minority farmers who have really been struggling down through the years. You're at the right place, Tuskegee University a place where Dr. George Washington Carver started all of this, the extension service with Mr. Campbell, Dr. Campbell and others. So welcome, Mr. Secretary. If you need us to come and testify in Congress when the bill is being heard in the House and Senate, we're ready.

And so I want to commend you and the president for having a Secretary who's willing to come and sit and listen to the American people and the people of Alabama and the farmers. We've not had this in the past. That's a step in the right direction. Thank you. I've been to Nebraska -- Alabama is better -- but thank you for coming. (Laughter.) (Applause.)

MODERATOR: Thank you very much, mayor, excellent comments, excellent comments.

I'm going to just wrap up here with an observation of my own before I turn it back over to the Secretary for his closing comments.

I haven't been to many of these around the country, or any of these others around the country, Mr. Secretary. But I have been to some other Listening Sessions in our area, and I'm telling you folks, I've never seen a crowd like this at any Listening Session. You are to be commended to take the time to either come and express your views or to just listen to concerns of other people in our state.

The one thing, if I take away anything from this, is I think that maybe we all should realize that there's more to the Farm Bill than just farm subsidies or crop and livestock payments. There's lots of benefits that this Farm Bill has to take under consideration, and that the Secretary and his staff have to take into consideration. It's not just about farming. But, again, give yourself a round of applause for taking the time to come and participate. (Applause.)

Mr. Secretary, we said we were going to quit at 3:00. It's about 6' till, but as far as I'm concerned, you just take as much time as you want. (Laughter.)

SEC. JOHANNIS: Well, I'm not going to take long. How about a round of applause for our moderator? He did a great job. (Applause.)

You know, and I agree with your assessment. I thought this was absolutely a first-class Farm Bill Forum. And I think this is the tenth one I've done. And they've been good everywhere -- don't get me wrong -- but this one was first-class in every way.

I do want to say thank you to the university also. The president has departed to go on to being the president of this great institution, but in every way -- in every way -- they have just done a tremendous job of hosting this forum. So we thank them for that.

Mayor, I've got to warn you: in another life I was the mayor. I was a county commissioner, a city council person, a mayor before I became governor.

MAYOR FORD: I thought you were. (Laughter.)

SEC. JOHANNIS: Yeah. So you better look out. A guy that articulate may be headed places.

Ladies and gentlemen, it's good to be here. I thought maybe I could offer a couple of comments to maybe summarize and maybe offer some perspective here.

First, in the area of process and timing, when we announced now some months ago that we would start Listening Sessions on the 2007 Farm Bill, we got a comment -- or two or three -- from people saying, gosh, it seems awful early to be working on a Farm Bill that doesn't expire until 2007. Why are you starting so soon? Not really, when you think about it. We really wanted to get across the country. We felt very, very strongly that if we were going to do this, it

wasn't sufficient to do one or two or three of these; we wanted to cover the country. And we are doing that.

In order to accomplish that, however, we needed some time. So we figured we needed all of the remainder of this year to wrap that up. And we probably will be doing Farm Bill Forums through the end of this year, maybe even a few in the first part of next year.

We then need some time to absorb and organize what we are hearing on the website, what we've heard in the Farm Bill Forums, and we need some time to start working with the House and the Senate on the Farm Bill process. Now, that's probably an assignment then for 2006. Well if it takes through 2006, then you begin to understand that we weren't early at all, because we really need to get a Farm Bill in place some time during 2007 -- and I believe that has to be in the very early part of 2007 -- so that we can alert the industry, the producers, what this Farm Bill is going to look like. We can't wait 'till they've got all the crops in, they're getting ready to harvest, to tell them what the Farm Bill is going to be like. So you can kind of see our timing I think is going to be about right.

Now, what are some of the factors affecting this Farm Bill? Well, one of the factors is just the reality of budgets. We talked publicly about that. I noticed the chairman of the House Ag Committee, Chairman Goodlatte, mentioned that point just a few weeks ago. The budget situation is different, so that will be one of the factors that we have to think about.

The next factor is this issue that many of you have addressed, and that's the issue of trade. Let me just offer a thought or two about that trade issue. One gentleman got up and said, You know, I think the president has got his priorities all mixed up here, or something mixed up. There's some numbers that really I think bear taking a look at when you think about trade and where the future is for agriculture. As the president mentioned, 95 percent of the world's population lives outside of the United States. It's only 5 percent of us that live here in the United States. The second statistic I would share with you is that American agriculture is the most remarkable success story maybe in the history of agriculture from the beginning of time. Year after year, American agriculture gets about 2 percent more productive, while at the same time our population is growing at about 0.6 percent, and our demand for food is growing at less than a percent annually. You can see the disconnect. Already we are more productive than we can consume.

So what happens when that occurs? What happens is you need to find a market for those products, for those melons, for that cotton, for that rice, for the corn and soybeans and beef and pork that we heard about today. About 27 percent of the receipts for agriculture come from that foreign marketplace -- about 27 percent. Now, if I were to walk in today at the start of this forum and say to you, ladies and gentlemen, I've got a great idea for you, I'm going to adopt policies that jeopardize 27 percent of your income. You would throw me out of the room. You'd call the president and say we want this guy out of our state, and you'd probably say we want him out of our country, because that's literally what we're talking about here, is that we have to adopt policies that recognize that production is exceeding our consumption by about twice as much every year, and already 27 percent of our receipts are dependent upon that foreign market.

You hear about the challenges we face in many marketplaces overseas, but I can point to marketplace after marketplace where we are succeeding when it comes to agriculture. China is a good example. It's unbelievable the amount of ag products that we're shipping to China. It is just a remarkable story since they entered the WTO a few years ago.

I share these numbers with you because they've become very, very important as we work on the WTO process that is going on now. We need a good agreement. We need a good

agreement for America's farmers and ranchers. And in many cases, what that means is that we need markets to open for our products that quite honestly today, because of high tariffs or other reasons are closed.

And so we can't forget that one of the factors that we've got to pay attention to is that foreign markets -- that whole competitive issue, and the whole issue of the WTO process, because that's probably going to come to fruition here -- we hope, if we get an agreement -- sometime near the end of this year, first of next year. So you're going to hear discussion about the WTO process. You have already. That's what's going on. It's a very important process for American farmers and ranchers.

One last comment, if I might. This, I hope you appreciate, is not the end of your opportunity to offer input on this Farm Bill. The House probably will be out there after the first of the year doing some hearings of their own. They haven't announced it yet; but I would anticipate that. In addition, even if we are rapped up at the USDA with our nationwide tour, we have a website that really, really is a very good website. We will keep you posted of what we're doing relative to the Farm Bill, but there is a specific piece of that site devoted to input on the Farm Bill. So for those of you who had some written statement -- and I noticed many of you were reading from that -- either send that out to us or scan it in so that you can get it on our website and out to us so we can factor that in as we start thinking about what this next Farm Bill should look like. Then two, three, four, five months from now, or whatever, if something occurs to you, we want to hear from you. Write us or get on that website.

There is real truth, ladies and gentlemen, to Southern hospitality, and you've given it to me today. God bless you. Thank you. (Applause.)

MODERATOR: Thank you. Have a great day. Drive safely.

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