



**United States House of Representatives
Committee on Agriculture
Subcommittee on Biotechnology, Horticulture and Research**

Focus on the Farm Economy: Factors Impacting Cost of Production

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Testimony of:

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Thank you Subcommittee Chair Davis and Ranking Member DelBene for the opportunity to testify before the Biotechnology, Horticulture and Research Subcommittee on the topic of *Focus on the Farm Economy: Factors Impacting Cost of Production*. I appreciate being able to provide my perspective as a fresh produce provider. While the list of factors that can make the difference between a profit and a loss is long, I am happy to elaborate on a few in particular, including federal policies that enhance specialty crop production as well as those that can be a hindrance.

First a little information about Torrey Farms. I am an 11th generation farmer in the United States with our operation

located in Elba, New York. My brothers, longtime farm employees and I have grown the farm from over 200 acres in the 1970's to a 15,000 acre diverse farm operation from fresh market and processing vegetables, grain, and dairy to a trucking company. We also feel very fortunate that the 12th generation have returned to the family farm and we are able to provide much needed employment in our rural community. The vegetable commodities that we grow and pack year-round include cabbage, potatoes and onions. We have a summer season of cucumbers, squash, green beans, carrots, miniature pumpkins and winter squash.

I am also speaking to you as a member of the United Fresh Produce Association. As you may know, United Fresh is the only trade association that represents all segments of the fresh fruit and vegetable production chain across the United States. I was pleased to serve as the Chairman of the Board of Directors of United Fresh in 2006 and I continue to serve as a member of United Fresh's Government Relations Council. I am also a member of key working groups United Fresh has established to address Food Safety Modernization Act (FSMA) regulations.

As a member of the specialty crop industry and as a participant in the federal government's agriculture guestworker program, known

as H-2A, I have to say that any summary of the factors most impacting the cost of production must include an examination of labor issues, as labor is our #1 cost in our specialty crops and #2 in our dairy operation. I know that immigration issues are not under the parliamentary jurisdiction of this committee. However, America's farmers are greatly affected by the fact that our immigration process, including the H-2A program, is badly in need of repair, if not complete reform. However, Congress has refused to act on much-needed immigration reform that could help growers meet their labor needs. So with no real reform in sight, growers are turning increasingly to the H-2A program, which means that an already faulty system will be burdened even further. Recent estimates indicate that nearly 8,000 individual employers hire H-2A workers and there are estimates that number could double within the next five years, possibly sooner. These are not only farms needing many H-2A workers, but as is the case in New York state, the majority of the farms applying only need two to four workers. They also need workers for 12 months on their farms.

But the system barely works for the current level of usage. There have been delays in the processing of required paperwork at key government agencies. For example, the Department of Labor

national processing center in Chicago and staff at USCIS have reported to congressional staff that their visa processing is taking 30 days instead of the previous 10 to 15 days. It should go without saying that because of the highly time-sensitive nature of bringing a fruit or vegetable crop to the marketplace, a delay of even a few days in getting an adequate labor force can make all the difference between a producer getting a decent return on his or her investment in that crop or taking a total loss. Specialty crops have short windows of opportunity to “make” your crop. Currently, we are 28 days late in getting our workers to plant our onions which need to be finished by May 15th to make our crop.

That is why United Fresh and counterpart agriculture organizations in the Agriculture Workforce Coalition (AWC) are working together to identify and advocate for improvements to the H-2A system. I strongly urge the members of this subcommittee to work with your colleagues to achieve sensible regulatory relief for producers who need this program.

For fruit and vegetable providers whose commodities go straight to consumers, food safety is a crucial issue. As the members of the subcommittee are aware, FDA and the fresh produce industry have

been working closely on the implementation of the Food Safety Modernization Act (FSMA).

Thus far in the implementation process, FDA has shown a willingness to work with the industry and to be transparent about the agency's implementation activities. However, there are some remaining implementation issues that could have significant ramifications.

For example, one of the unintended effects of the FSMA legislation itself has created a conundrum for FDA in regulating identical facilities that pack or handle raw agricultural commodities sometimes under the Produce Safety Rule (PS) and sometimes under the Preventive Controls (PC) Rule. As FDA has struggled with trying to write science-based regulations, the Agency has formulated a strained bifurcation of facilities as either on-farm or as secondary activities farms. Although identical facilities as far as food safety risks, "on-farm" facilities fall under the PS Rule while most "off-farm" facilities fall under the PC Rule. United Fresh estimates that nearly 5,000 facilities across the country fall into this latter category, requiring a vastly different regulatory structure under the PC Rule.

Under United Fresh's coordination, 22 leading produce organizations recently wrote to FDA regarding concerns about such regulatory complications and requesting further dialogue with the agency to clarify this issue.

As members of the subcommittee may be aware, United Fresh is the coordinating body of the Specialty Crop Farm Bill Alliance, a coalition of over 120 specialty crop organizations. For each successive Farm Bill, the Alliance has provided a set of recommendations about how those programs could maximize the ability of specialty crop producers to be successful. The Alliance is grateful that in the 2014 Farm Bill this committee acted on our recommendations, which our industry believes are sound policies that will enhance our ability to meet America's nutritional needs.

Briefly, a few highlights of the 2014 Farm Bill that enhance the work of specialty crop providers include:

- \$80 million a year for the Specialty Crop Research Initiative for industry-specific research;**
- \$75 million a year for the Plant Pest and Disease Program to eradicate harmful pests and diseases;**
- \$85 million per year for the Specialty Crop Block Grant program, including a multi-state program.**

In many instances these programs provide services and resources that growers are not always able to get on their own. For example, since 2008, the Clean Plant Network has provided nearly \$30,000,000 in support of 35 initiatives in the critical mission of providing clean planting stock which is essential to preventing highly dangerous pests and pathogens from destroying crops. Another example is the language in the 2014 Farm Bill providing for a multi-state program in the Specialty Crop Block Grant program that allows for the kind of regional response to threats such as plant disease that farmers cannot do individually.

I want to offer support for efforts of my fellow witnesses and colleagues in agriculture to raise awareness about the troubling direction the Environmental Protection Agency seems to be taking with respect to regulating crop protection products. These products are essential to the safe and efficient production of food and fiber crops and to IPM (Integrated Pest Management) programs regularly used in sustainable farming practices for successful implementation of IPM on all farms. I urge the members of this subcommittee to work with your colleagues to keep these resources available to producers.

Lastly, increasing regulations and reporting in all areas of farming has taken us away from what we do best: farming, to hours and days of constant interpretation of new regulations, paperwork and audits.

As I indicated at the beginning of my remarks, these are just a small sampling of the issues that have a significant effect on the ability of producers to stay in business and contribute to their local economies. We appreciate all that the members of this committee have done to promote agriculture and defend farmers' efforts to feed America and the world. Thank you again for this opportunity, I and United Fresh look forward to working with you and I am happy to answer your questions.