

Testimony of
KENDALL HODGSON
Central Kansas Farmer and Rancher
U.S. House of Representatives
Committee on Agriculture Field Hearing
Dodge City, Kansas April 20, 2012

Chairman Lucas, Ranking Member Peterson, and Members of the Committee I appreciate your willingness to come to Kansas today to hear what I and others would desire for a new Farm Bill.

My name is Kendall Hodgson and I live in central Kansas near the town of Little River. I am a fourth generation farmer and rancher . My Great Grandfather homesteaded on the banks of the Little Arkansas River across from an Indian camp in 1871. I have farmed for 33 years, first as a partner with my Father and then as a sole proprietor with my wife when he was no longer able to get around. We have two boys in High School and a daughter in grade school and I think every day what I need to do to make it possible for any of them to continue to farm if they so chose.

I operate a diversified farm, producing wheat, soybeans, grain sorghum, corn and alfalfa. I also operate a cow herd that gives me something to do in the winter.

We are here today to visit about what would make an adequate safety net for farmers in this area. It is my belief that farms are less able to withstand a total crop loss without some income today than they were in the past. In today's business environment we cannot afford to stumble.

Our first priority should be to maintain a viable Crop Insurance program that covers not only single year losses such as last year's disastrous drought but also multiple years of low production which will cause declining APH's (average production history's). Crop Insurance in one of the best tools we have to keep us whole in the bad years as well as helping us market our crops prior to harvest with more confidence when it makes sense to do so. Crop insurance may be our

best tool but it is not a perfect product. Any crop insurance product needs to have plugs to fill the multiple years of low yields that can and will occur in this part of the country. One suggestion I have heard is to have better methodology to the formation of APH's. County T-yields are helpful but sometimes don't reflect what a producer and his lender would expect to produce in any given year. The closer to the individual farm those expectations can be formulated the better.

Direct Payments have been very beneficial to the Great Plains area but seem to have fallen out of favor with many groups and are an easy target for budget cutters. A possible alternative to Direct Payments could be some type of revenue product that is triggered when price times yield are below some threshold. It might make sense to use some area such as a crop reporting district to set these triggers. Farm level revenue is what we are most concerned about but in reality if we have that with multi peril crop insurance. Some form of area wide revenue program would be more budget friendly and would give another layer of protection to production agriculture. The ACRE program seems to have the right idea but by having a statewide trigger makes it unusable for the Great Plains area. I like to point out that there is more variability in environment from the western border of Kansas to the eastern border of Kansas than there is from the eastern border of Kansas to the east coast.

In any of these programs I would ask the Committee to be mindful of WTO compliance. We like to think of ourselves as a nation that follows the law. We stand to lose more by noncompliance than to gain. I understand the realities of the Brazilian threat of a WTO suit concerning our cotton program and our subsequent payments to Brazil to keep that suit from happening but this is something of a black eye for our farm programs that only invite criticism from our detractors.

Conservation is something that is near and dear to my operation. I realize that I am on this earth only a short time and I feel a great responsibility to conserve the natural resources I that am privileged to manage. This is a very appropriate role for government to maintain the wealth of the nation in cooperation with the private operators on the land.

I know that CRP has and will have a role in protecting fragile lands but I also can see that with better farming techniques we can make better use of some of that land. 21 years ago I spent a month in India and to see how they scrambled for every bit of land to grow something on was quite a contrast to our government

paying us to not produce. I fully realize that we are not India nor would I want us to be but I can see the need in the future to put lands where appropriate back into production.

Conservation on working lands in cooperation with the steward of the land would have the most impact of any conservation program. Preserving our natural resources by not only keeping the soil on the land where it ought to be, but by preventing excess nutrients and crop production chemicals from going down the river is our ultimate goal. A system of production that leaks either soil or nutrients out of it is not sustainable.

Basic research may not be part of the Title 1 portion of the farm bill that we are discussing here today but I would be remiss if I did not remind the committee that modern agriculture is a great success story. We produce far more with fewer resources that at any time in history. We didn't get here by accident. Let us not forget to keep funding the kind of research that private or corporate entities can't justify that will enable producers to be even more efficient in the future.

Another topic that may not be in Title 1 is trade promotion. These public/private shared funds have been proven to be dollars well spent. Agricultural exports continue to be one of the shining stars in our balance of trade with other countries. Exports also help relieve the burdens of abundant productions that we have endured in the past.

In summation I would ask the committee to please maintain the flexibility of any program that would be proposed to allow individuals who have different needs to see some benefit.

I thank the committee for their time and would happy to answer any questions they may have.

Kendall Hodgson

Kendall Hodgson

Age: 56

Hometown: Little River, Kansas

Wife: Melinda

Children: Tanner 17, Logan 15, Bailey 9

State and National Boards

Growers National Coop:

Board Member 2007-present

Kansas Association of Wheat Growers:

Lifetime Member

Board member 1995-2009

Executive Board 2000-2009

President-2007

Local Organization

Rice County Extension Council:

Board Chairman 2008-2009

V. Chair 2010

Lions Club

President 2009-2010

Church

Board Chairman 2010-11

Professional Development

Wheat Organizations Leaders of the Future “WOLF”

Wheat Industry Leaders Of Tomorrow “WILOT”

Kansas Agriculture and Rural Leadership Class “KARL”

Farm Products

Wheat, Soybeans, Corn, Grain Sorghum, Alfalfa, Cow Herd

Personal

I enjoy travel, history and working with others to make my community and country a better place.

**Committee on Agriculture
U.S. House of Representatives
Required Witness Disclosure Form**

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2009.

Name: Kendall Hodgson

Organization you represent (if any): None

1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2009, as well as the source and the amount of each grant or contract. House Rules do NOT require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:

Source: _____ **Amount:** _____

Source: _____ **Amount:** _____

2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2009, as well as the source and the amount of each grant or contract:

Source: _____ **Amount:** _____

Source: _____ **Amount:** _____

Please check here if this form is NOT applicable to you:

Signature: Kendall Hodgson

** Rule XI, clause 2(g)(5) of the U.S. House of Representatives provides: Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.*

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.