

**Testimony of
Zachary Hunnicutt, Nebraska Farmer**

Before the U.S. House of Representatives Committee on Agriculture

2012 Farm Bill Hearing

Dodge City, KS

April 20, 2012

I would like to thank Chairman Lucas and the House Agricultural Committee for the opportunity to discuss the upcoming Farm Bill and its impact on my operation and the general farm economy.

My name is Zach Hunnicutt, and I am a fifth-generation farmer in Hamilton County Nebraska, raising irrigated corn, soybeans, and popcorn with my father and brother. I have been farming full time for five years.

While the country has been mired in a protracted recession, constantly looking for evidence of green shoots, the agriculture sector of the economy has flourished. Given the recent prosperity, and the historic federal budget deficit, the Farm Bill will be a target for cuts, and I understand that the burden of reduced budgets will be shared across the board. However, I would encourage the committee to ensure that farmers and ranchers are not penalized for this success by bearing a greater share of the cuts, to provide an environment that allows flexibility for farmers to respond to market signals, to maintain healthy programs that have proven successful, and to take care in crafting the bill to make it as easily explained to the public as it can be.

Federal Crop Insurance has been a valuable tool for our operation, and I would strongly oppose making any cuts to this program. The ability to purchase insurance that protects against catastrophic losses provides an effective risk management tool, especially for beginning farmers. When I began farming, the availability of crop insurance was important in securing operating capital, and this is definitely a factor for many other beginning farmers. It does not – and should not – guarantee a profit, but establishing a known flow of revenue and mitigating severe risk factors are invaluable for acquiring operating loans.

I would also urge the Committee to maintain the public-private partnership with crop insurance companies, rather than moving the servicing of insurance to the Farm Service Agency. The time and resources required to effectively manage insurance policies would be too great to add on to the responsibilities already taken on by the FSA. In recent years we have seen multiple hail events during the growing season, and even with a staff dedicated solely to adjusting and processing claims it can take several months to sort out all of the details. Piling these responsibilities on the FSA office would harm both the insurance program and the management of FSA's current functions. Our insurance agents and adjustors

do an outstanding job of managing this complex and time-sensitive process, and it would severely weaken the entire program to take it out of their hands.

Any safety net provisions, conservation programs, insurance programs, or any other agricultural aspects of the Farm Bill should have the following aims: to allow farmers flexibility to respond to market signals, to be as streamlined as possible, and to be easily explained to the public.

Creating incentives for farmers to make decisions based on government payout rather than what the market is dictating is the last thing we want to see, as it will undermine the whole program and distort the market. Innovation would be discouraged in this type of setup as well. Safety nets should protect from catastrophic loss, but not guarantee profit for participants.

Streamlining programs will reduce the costs of maintaining them and provide simple, more easily understood options to producers. This is obviously a challenging goal with the myriad agricultural products represented in the Farm Bill, but one that is worth the payoff. It is likely that budget cuts will force this to happen in some manner, and my hope is that it will be done in a way to maximize efficiency rather than just to cut costs.

And finally, it is imperative that this policy be easily explained to the public. Agriculture is on display and under the microscope like never before, and there will be much public scrutiny of any government spending in this arena. In a time where the 24-hour news cycle has been shortened even further to the 140-character cycle, misinformation and misunderstandings can have tremendous impacts in a very short amount of time. It is critical that the aims and motivations of this legislation be presented in a way that makes sense to an ever-more interested public.

This legislation is being crafted at a unique time of record farm prosperity and record deficits, with critical elections looming. It is my hope that a bill that meets the needs of producers and fits in the current environment of budgetary cutbacks can be passed yet in 2012. Thank you for your time and the opportunity to provide input in the development of the Farm Bill.

Committee on Agriculture
U.S. House of Representatives
Information Required From Nongovernmental Witnesses

House rules require nongovernmental witnesses to provide their resume or biographical sketch prior to testifying. If you do not have a resume or biographical sketch available, please complete this form.

1. Name: Zachary Hunnicutt
2. Organization you represent:
 - **none**
3. Please list any occupational, employment, or work-related experience you have which add to your qualification to provide testimony before the Committee:
 - **Farming for five years, and growing up on the farm.**
 - **Currently farm 2600 acres of irrigated corn, soybeans, and popcorn with my father and brother.**
4. Please list any special training, education, or professional experience you have which add to your qualifications to provide testimony before the Committee:
 - **Bachelor's degree in Agricultural Economics from the University of Nebraska-Lincoln.**
 - **Currently serve on the Young Farmers and Ranchers Committee of both Nebraska Farm Bureau and American Farm Bureau.**
5. If you are appearing on behalf of an organization, please list the capacity in which you are representing that organization, including any offices or elected positions you hold:
 - **none**

PLEASE ATTACH THIS FORM OR YOUR BIOGRAPHY TO EACH COPY OF
TESTIMONY.

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: Zachary Hunnicutt

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: Zachary Hunnicutt

* 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.