

Prepared Statement
by
John Lackey
with Texas Citrus Mutual
before
Committee on Agriculture
U.S House of Representatives
Public hearing on 2012 Farm Bill
Lubbock, Texas
May 17, 2010

I am John Lackey, a citrus grower and member of the board of directors of Texas Citrus Mutual. My family and I have been involved in the Texas produce industry for over 77 years.

As members of this committee know, specialty crops were historically not a big part of the Farm Bill until the 2008 legislation. Our industry welcomed the changes in the latest Farm Bill. For many years the Farm Bill was able to garner enough support for passage through the collective efforts of commodity interests along with environmental interests and the food stamp program. For the 2008 Farm Bill new allies in the specialty crops, including a broad base of nutrition interests, became an important part of the Farm Bill legislative process. Nutrition, obesity and other specialty crop interests touch the everyday lives of all Americans. My comments today will focus on the importance of specialty crops in relation to the 2012 Farm Bill and some citrus specific issues. I will also comment on a couple of issues that are not Farm Bill issues in a strict sense but they are important to the Texas produce industry.

The 2008 Farm Bill was a major milestone for the produce industry. Fruit, vegetable and tree nut production accounts for \$34 billion in farmgate value, or 30% of farm cash receipts for crops. If nursery and greenhouse production are added, the percentage of crop farmgate value represented by specialty crops increases to 44%. One hundred and twenty specialty crop groups were part of the Specialty Crop Farm Bill Alliance. We want to thank Congress for including a number of our priorities in the 2008 Farm Bill including important provisions for nutrition, trade assistance, research, conservation and pest and disease prevention.

The focus today is on gathering input for the 2012 Farm Bill but I would also like to share my concerns about length of time it took to implement the Tree Assistance Program in the 2008 Farm Bill. Texas Citrus Mutual was finally notified on May 7 that applications for TAP will begin. I did not personally

sustain any serious damage in my citrus grove from Hurricane Dolly in 2008 but some of my fellow growers have been waiting a very long time for the Tree Assistance Program to be implemented. We are glad this program in the 2008 Farm Bill is finally going to be available.

Our Specialty Crop Farm Bill Alliance will once again be active in providing input to the 2012 Farm Bill. The Alliance has not formulated our specific recommendations so my comments will reflect the priorities of Texas Citrus Mutual and not necessarily the overall Alliance.

The Plant Pest and disease title is very important to the citrus industry. The U.S. citrus industry is fighting the biggest disease battle we have ever faced in Huanglongbing or citrus greening. Florida has already lost over 100,000 acres to this disease and unless research develops new tools to fight this disease there is real concern as to whether the industry in that state will survive. Texas has the vector for the disease, the Asian Citrus Psyllid, but so far Texas does not have the disease. Section 10201 was made part of the Farm Bill to develop a more proactive pest and disease prevention effort by taking steps to prevent such diseases entering the U.S. and then to quickly respond once the disease was found in the U.S. Diseases like citrus greening are a biosecurity threat as well as a huge threat to citrus growers. I would be stating the obvious to say that Congress, USDA and all of us have a long way to go to achieve the objectives of pest and disease prevention. The U.S. citrus industry has already invested some \$30 million of its own money in a desperate effort to find a solution to this menace. The clock is ticking and if we do not find a solution soon the very existence of the U.S. citrus industry is at stake. It is hard to image a world without Florida orange juice, California oranges or Texas grapefruit but it could happen.

Our industry is a big advocate and fan of the nutrition programs in the Farm Bill. Nutrition is an area where the interests of the produce industry and the public interest are closely aligned. It is certainly in the public interest to fight obesity and we still have a long way to go in this area. There is a lot of disagreement about how to solve some of our health care issues but there is no argument that eating more fruits and vegetables is good for you. The Fruit and Vegetable Snack Program is increasingly popular in Texas and we certainly want to see that program continued. Congress is in the process, considering reauthorization, of the Child Nutrition Act and while that is not part of the Farm Bill this is an important piece of legislation for the health of our children.

We all know that with the budget deficit situation that all government programs are going to be scrutinized more than ever. In the last Farm Bill, the Specialty Crop Block Grant Program was shifted from being subject to annual appropriations to mandatory funding. It is important to our industry to keep funding for this program as one of the components funded as a mandatory program. This program is currently funded at \$55 million. The money is allocated to state departments of agriculture. For the Texas fruit and vegetable industry this is one of the most important programs in the Farm Bill. I would like to share the impact about one of the projects funded under this program here in Texas.

We all know how absolutely critical food safety is to the produce industry and American consumers. We will never be as successful in increasing the consumption of fruits and vegetables as we need to be if

consumers do not have confidence in the safety of fruits and vegetables. The project I am speaking of was awarded to Texas AgriLife Extension for hands on help for producers to be trained in relation to food safety audits. Through 2009, 87 food safety standard operating procedure manuals were developed. Participants included vegetable packing houses, a food bank farm, fruit producers, vegetable producers and several greenhouse operations. A new curriculum is also about ready to be launched with these funds. This is an ongoing program because the Texas Commissioner of Agriculture has placed a high priority on food safety. However, without these funds, the state would not have had the funds to conduct this program. We urge you to continue mandatory funding for the Specialty Crop Block Grant Program.

Crop insurance seems to be in the cross hairs as a program that this administration wants to cut. I will not make specific comments about the current negotiations on the Stand Reinsurance Agreement. The Obama Administration has indicated one of the reasons for proposed cuts is that companies and agents are making too much money on the program. I cannot speak for other parts of the country but in the Rio Grande Valley I simply do not see any evidence of the kind of excesses that we have heard about in other parts of the country. For one thing Texas is a relatively high risk state for crop insurance companies so there is not as much money to be made on the underwriting gains as in other parts of the country. We urge you not to destroy the effectiveness of the crop insurance program. For citrus, it is really the only safety net we have since we do not receive any direct payments.

The new immigration law in Arizona has sparked heated debate about national immigration reform. We understand the need for comprehensive immigration reform and support but we do not see any way that Congress is going to pass a comprehensive bill this year. We urge you and other members concerned about the future of American agriculture to support Ag JOBS as an important step in addressing an important part of this issue. Why does Texas Citrus Mutual support AgJOBS? Very simply the reason is this. An immigration bill is not going to pass Congress, particularly the Senate, unless it has bipartisan support. AgJOBS has that bipartisan support and it is the only sector of the economy that can say that. AgJOBS is not a perfect bill but it is a major improvement over the current situation. Texas is not a big user of the H2-A program but we need a guest worker program in place to meet our future needs or we will continue to see Texas based operations move to Mexico and we will see our domestic produce industry continue to shrink partly because we cannot get domestic workers to take jobs in packing houses and in the fields. Our members are saying that the labor situation in the Texas produce industry is not as bad as it was a few years ago but this current situation will not last and we need a workable path to meet our needs in the future, or the produce businesses will look elsewhere for their opportunities. With the push for locally grown and less food miles, Texas has an opportunity to slow the decline in the production of fruits and vegetables but we need a dependable supply of labor in order to take advantage of this opportunity.

Thank you for the opportunity to submit this testimony. I will be happy to answer your questions at the appropriate time.