

**Testimony
of
Hilton R. Segler
Past President
Georgia Pecan Growers Association
Tifton, GA**

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

**May 14, 2010
Morrow, Georgia**

Mr. Chairman and members of the committee: Thank you for the opportunity to testify today. My name is Hilton Segler. I retired after 40 years of growing pecans. For the last 4 years I have been President of the Georgia Pecan Growers Association. I am here today representing all of our pecan growers not only in Georgia but the entire nation.

Most edible tree nuts are essentially one state crops; Almonds, Pistachios, and Walnuts are produced in California; Filberts in Oregon and Macadamia nuts in Hawaii. The pecan on the other hand, is a multi-state crop, stretching across this country from the Southeast to the Southwest throughout some 15 states.

Pecans are a very healthy nut, containing over 19 vitamins and minerals and high in fiber. Pecans are also ranked # 1 in total Antioxidant capacity. Antioxidants serve as armor for our bodies and pecans are loaded with them.

My written testimony will cover comments on several subjects;

1. Federal Crop Insurance
2. Specialty Crop Block Grants
3. Market Access Program (MAP)
4. Conservation Stewardship Program
5. School Lunch/Afterschool Snack Program & Breakfast Program

I briefly want to touch on 2 subjects today, the U.S. Department of Agriculture's domestic feeding programs and the Market Access Program.

Pecans are a very old commodity in this country but only recently has the industry seen just a glimpse of our future both domestically and in the world marketplace. Pecans are accepted in the school lunch, afterschool snack and breakfast programs. By USDA's own analysis we are high in antioxidants.

Our industry does not have the organizational infrastructure as many of our agricultural friends here today. We have one full-time staff person in the state of Georgia. No other states, to my knowledge, have a full-time staff. In our meetings since the 2008 Farm Bill with Capitol Hill and USDA, it was evident that decisions about what USDA commodities to be purchased were made at the state and local levels. Despite pecans rank as a healthy food product, as an industry, we do not have the resources to educate our school nutrition officials about our product at the level necessary to participate in most of the school systems.

A great service USDA could perform would be to work with commodities to help educate school officials about new research on healthy, nutritious products for these feeding programs, availability of the product, storage life and other important variables used by school nutrition programs to determine what food products they purchase.

I don't see this as an expensive, new federal program. You have access to land grant university extension services across the country. I ask that you consider as part of your nutrition initiatives in the next farm bill, which is the largest component of what you do, that you include funds for commodity groups to work with land grants or other personnel to educate school nutrition officials about our products. This will assure our kids receive the most nutritious products in the marketplace and commodities that don't have the infrastructure to market their products to these institutions and opportunity to do so. In November of 2009 our Pecan Grower Association did a school snack project in all 3 Tift County Elementary Schools. Each school had 500-550 children. This project was funded with grower money. I have attached a DVD of the project for your Committee.

In the 2008 Farm Bill, the Congress included report language that excluded tree nuts from the Fresh Fruit and Vegetable Snack Program. We are a specialty crop. We don't have a farm program. We produce a healthy, nutritious nut. There is no reason we should not be included in this program. It is my understanding that trail mix would be excluded because it has dried fruit and tree nuts. Please reconsider this policy as you draft the next farm bill and include pecans in the School Snack Program.

One of the major reasons the pecan market has been so strong in recent years is exports. We have seen tremendous growth in China, over 300% increase and much interest from other countries. As mentioned earlier, we don't have money or staff to open offices or send sales teams to many of these places. This year is the first year we are participating in the Market Access Program (MAP). It is not a large grant but it's a start. We are very excited.

I can't tell you how important this is for our industry. It is also important for the economy. As our producers grow more pecans, we hire more employees for the industry. Our growers shop locally. They buy equipment, agricultural products, bank and other business transactions, all locally. Our pecans are shipped out of the port in Savannah, Georgia. The MAP program is a big part of our future and we need you to protect and help it grow.

FEDERAL CROP INSURANCE

I chaired the committee that began in 1980, to get Congress to pass a bill that would enable the RMA to provide federal crop insurance to our pecan growers. Not until 1998 did RMA allow us to have three pilot counties (Dougherty, Lee and Mitchell) in Georgia. In 2003, we were able to add seventy-nine additional counties in Georgia and in 2004 added two additional counties in Alabama (Baldwin & Mobile). Only in 2005 was a national program approved, twenty-five years after we started.

We must protect this product. The proposed cuts in the delivery reimbursement, by the Secretary are excessive and unrealistic. The success of the crop insurance program is many years of work and investment by both the public and private sectors. What was once a small regional program to insure a few crops against weather risks has grown into an insurance system that allows farmers to manage both weather and price risks. We must maintain a delivery reimbursement that creates new products to give farmers flexibility in addressing their risk management's needs.

SPECIALTY CROP BLOCK GRANTS:

It is our hope that the Congress will continue to support the State Block Grants that were expanded in the 2008 Farm Bill. Georgia pecan producers believe this is one of the most important components to be considered in the 2012 Farm Bill. Our producers have operated successfully without farm programs, but marketing and agriculture research are critical to our success. Declining industry dollars due to labor and energy cost and other issues inhibit meeting our research and marketing needs for the future. State Block Grants provide additional resource opportunities to compete in the domestic and world market place.

MARKET ACCESS PROGRAM (MAP)

As you know this program was created in the 1985 Farm Bill. The level of funding in the 2008 Farm Bill is \$ 200 million annually and I want to encourage the Congress to maintain the funding at that level. The Market Access Program (MAP) is designed to create, maintain and expand existing markets to generate the greatest benefits for all producers.

Exports are projected to be \$ 100 billion in TY 10, up \$ 2 billion from last year. Agriculture's trade surplus was \$ 23 billion in FY 09 and is projected to be about \$ 23 billion in FY 10 (Source USDA). Agriculture is one of the few sectors of the American economy to enjoy a trade surplus, and without it the overall U.S. trade deficit would be even worse.

Every billion dollars of U.S. Agricultural exports supports 8,000 American jobs (Source USDA) without the incentive of the MAP funding through this important cost-share program, it is highly unlikely that private funds could support the Agriculture export promotion effort.

CONSERVATION STEWARDSHIP PROGRAM:

The planting of clover and other cool season legumes in our pecan groves is a tremendous energy saving. The CSP program that was written into the 2008 Farm Bill gives the growers that opportunity. It increases the farmer's level of conservation practices, while maintaining existing conservation activities. It has come to my attention that in the past CSP efforts, landowners would sign-up on multiple farms under different FSA designations (i.e. operators, owners, producer, etc.).

To address this matter, the new program indicated that only the "operator" can be the applicant. This is a new rule that applies only to the CSP program and does not apply to the EQIP, or other conservation program. If we can't work through this eligibility question it will affect over half of our farmers.

Look at the energy saving. We have about 150,000 acres of pecans in Georgia and about 125,000 acres are on a good management program. The clover would save the pecan grower about 100 pounds of "N" nitrogen each year. Ammonia Nitrate 33.5% has 670 pounds of "N" per ton. Each ton will treat 6.7 acres of pecans. On 125,000 acres of pecans that is 18,656 tons of Ammonia Nitrate or 37,312,000 million pounds of Nitrogen that is not dump on the ground. Think of the "Gas & Oil" it takes to make 37 million pounds of Ammonia Nitrate and this is just in Georgia. What a great energy saving to our nation with just a rule change.

SCHOOL LUNCH/AFTERSCHOOL SNACK PROGRAM & BREAKFAST PROGRAM:

Our nation has come a long way since 1946 Richard Russell School Lunch Program was enacted by Congress. The success of the school program persuaded Congress to improve children's diets by adopting The Fresh Fruit & Vegetable Program.

We urge the Congress to include our Pecans, tree nuts, trail mix, dried fruits in the school lunch program. In the Dietary Guidelines for Americans, we are made aware that "nuts" are included.

KEY RECOMMENDATIONS FOR SPECIFIC POPULATION GROUPS:

Children and Adolescents: Keep total fat intake between 30 to 35 percent of calories for children 2 to 3 years of age and between 24 to 35 percent of calories for children and adolescents 4 to 18 years of age, with most fat coming from sources of polyunsaturated and monounsaturated fatty acids, such as fish, nuts and vegetable oils.

This Dietary Guidelines for Americans is not a mandatory program for our schools, but they are guidelines to help the schools understand what is best for children.

**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, 2007.

Name: Hilton R Segler
Address: 2316 Bristol Road, Albany, GA 31721
Telephone: 229-881-4082

Organization you represent (if any): Georgia Pecan Growers Association, Inc

1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2007, 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: None 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, 2007, as well as the source and the amount of each grant or contract:

Source: Specialty State Block Grants – 2007 Amount: \$ 15,000

Source: Specialty State Block Grants – 2008 Amount: \$ 15,000

Source: Specialty State Block Grants – 2009 Amount: \$ 85,000

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

Signature: Hilton R Segler

* Rule XI, clause 2(g)(4) 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.

**Committee on Agriculture
U.S. House of Representatives
Information Required From Non-governmental Witnesses**

House rules require non-governmental 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: _____ Hilton R Segler _____

2. BusinessAddress: _____ 2316 Bristol Road _____
_____ Albany, GA 31721 _____

3. Business Phone Number: _____ 229-881-4082 _____

4. Organization you represent: _____ Georgia Pecan Growers Association, Inc _____

5. Please list any occupational, employment, or work-related experience you have which add to your qualification to provide testimony before the Committee:

_____ Pecan Grower - 45 years _____

_____ Pecan Consultant – United Phosphorus Inc. _____

_____ Pecan Consultant on 2000 acres for growers _____

6. Please list any special training, education, or professional experience you have which add to your qualifications to provide testimony before the Committee:

_____ 53 years working in agriculture, fertilizer, chemicals and farming _____

7. 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:

_____ Georgia Pecan Growers Association – Past President _____

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