Written Testimony of Carl Wittenburg on behalf of the National Turkey Federation March 21, 2017

Good afternoon, Chairman Rouzer, Ranking Member Costa and members of the subcommittee. My name is Carl Wittenburg, and I am the current Chairman of the National Turkey Federation, as well as President of Protein Alliance in Alexandria, Minnesota. My wife Sharlene and I raise 100,000 turkeys annually for Northern Pride on our family farm in Wyndmere, North Dakota. Protein Alliance is the exclusive sales representative for Northern Pride, a 27 farmer-owned cooperative that processes 3 million turkeys annually in Thief River Falls, MN, located in Congressman Peterson's district. I appreciate the opportunity to testify before you today on the turkey industry's priorities for the upcoming Farm Bill. The turkey industry raises approximately 238 million turkeys annually, and provides employment to over 63,000 people nationwide, directly associated with breeding, hatching, raising and processing turkeys. 2017 turkey production is forecast at 6.4 billion pounds, up 7.3% from 2016. Those of us in the turkey business continue to be challenged with a multitude of issues, and we look forward to working with this Committee to address some of our concerns through the 2018 Farm Bill.

Animal Disease and Disaster Prevention Program

Since 2015, the turkey industry has made significant strides in recovering from highly pathogenic avian influenza (HPAI), after suffering through the worst animal disease outbreak in U.S. history. The losses from HPAI were personal and weighed heavily upon farmers, rural communities, and companies from the West coast to the Midwest. As an industry, we learned many lessons from the outbreak, and the way we quickly contained a similar case of HPAI in Indiana last year indicates the industry is applying those lessons to reduce the chances of a future outbreak. However, the road ahead remains long and as an industry we will need continued support from Congress to assist USDA/Animal Plant Health Inspection Service (APHIS) to reduce the long-term impacts. HPAI is not going away overnight; it is a global problem and the time is now to start an international discussion on limiting trade impacts when using vaccination as an eradication strategy for HPAI. While we fully understand and respect the implications of the U.S. using this tool without first getting agreement from our trading partners, we cannot shy away from this timely discussion. In the past year alone, we

have seen large poultry producing countries in Europe, Asia, Africa, North and South America all have to deal with devastating bouts of the disease. The global spread of HPAI illustrates that no country is immune and the U.S. must be a leader to begin this difficult discussion – there is technology that can ensure that we safeguard our exports to trade partners. Additionally, we are reminded by the recent HPAI outbreak in Tennessee that this disease is still very much a danger and can strike at any time. This is why; NTF is still concerned with the ill-advised Organic Rule's outdoor access requirements as it simply mandates more un-necessary risk of contact with other animals carrying the disease that could have far reaching impacts. We just do not need to take this risk.

As the Committee embarks on the reauthorization of the Farm Bill, NTF is asking for the addition of a forward-looking, mandatory Animal Pest and Disease Prevention Program and Foot and Mouth Vaccine Bank designed to limit the impacts of foreign diseases on American livestock and poultry producers. As partners in the Animal Ag Coalition, which represents all facets of animal ag production, we hope to build upon the concept that "an ounce of prevention is worth a pound of cure" mantra and focus federal dollars on targeted efforts that reduces foreign diseases ability to gain a foothold here in the first place.

Animal agriculture is a major economic driver for our nation and this program will have a huge impact on protecting the industry from foreign diseases. According to the Farm Income Atlas administered by USDA's Economic Research Service, total cash receipts for animals and animal products was over \$212.2 billion in 2014. This represents over fifty percent of all farm cash receipts. In addition, a recent study commissioned by the United Soybean Board found that the total economic impact of the livestock and poultry industry in the United States was \$440.7 billion in 2014. In order to protect our investment in the vital sector of the economy, we will be asking Congress to support our request for this new program.

In recent years, disease outbreaks have cost billions in production losses and response costs. According to APHIS, the 2015 avian influenza outbreak cost taxpayers \$1 billion in response, clean up, and indemnity costs. That doesn't include lost export markets, temporary shortages, or price increases for certain poultry products.

There are four key areas of focus of our proposal: First, the Animal Pest and Disease Disaster Prevention Program, administered by APHIS, would build upon the 2014 Farm Bill's authorization of the National Animal Health Laboratory Network (NAHLN) that provide crucial resources to prepare, prevent, and respond before and during times of crisis. This support will bring together the federal government, states, industry, universities, as well as other interested groups to reduce the impact of high-consequence animal diseases, provide rapid detection and response capabilities, develop disease prevention and mitigation technologies including vaccines, prevent the entrance and spread of foreign animal diseases into the United States, and identify and support critical research needs.

Second, it would establish a long-needed Foot and Mouth Vaccine Bank strategy. Third, it would provide for the development of a block grant system that allows states and other key players to strategically target areas of concern. Finally, it is envisioned that this program would be structured to take full advantage, through support and collaboration, of the science generated by the National Institute of Food and Agriculture (NIFA) program. Federal investments using mandatory funding mechanisms available through the Farm Bill would play a critical role in building capacity to meet evolving needs in animal disease prevention.

Trade

International trade is critically important to the economic vitality of the U.S. agriculture and food industry, and is a major engine of U.S. economic growth. I should start by restating our support for the North American Free Trade Agreement (NAFTA). Mexico accounts for more than half of all turkey exports, and almost 10 percent of all turkey produced in the United States is shipped to Mexico. Ironically, the agreement as originally written was not overly favorable to the industry, but it created a framework by which we were able to negotiate additional shipments to Mexico prior to the agreement's ultimate removal of all tariff and quota barriers. As an industry that relies on healthy and productive trade relationships, we in the turkey business would be severely impacted if access to this market were in any way damaged. The turkey industry is the fourth-largest protein supplier in the United States which plays a critical role in the rural communities and states that rely on a thriving and growing industry and this agreement supports those people directly. . NTF recognizes the need to keep American industry competitive, add jobs, and grow the U.S. economy, but we should do this while keeping in mind areas where we have excelled. Meat and poultry processing is an example of this agreement's success. We look forward to working with Congress and the new administration in preserving and expanding upon the gains our sector has achieved within the North American market while strengthening our competitiveness around the globe.

To that end, the turkey industry continues to support the establishment of an Under Secretary for Trade and Foreign Agriculture Affairs at USDA, a provision contained in the 2014 Farm Bill. Such a position will bring unified high level representation to key trade negotiations by senior officials within the Executive Branch. It will also allow the Administration to recruit an Under Secretary who has extensive experience in international trade negotiation and policy issues. We believe it is vitally important for U.S. agriculture to fully capitalize on the long-term, increased global demand of U.S. farm and food products in an increasingly competitive world marketplace.

USDA's Grain Inspection Packers and Stockyards Administration (GIPSA)

Finally, over Six years ago, USDA proposed sweeping rules changes on farmer contracting. With the expiration of a Congressional prohibition on implementing those changes, USDA, under the Obama administration, pressed forward in the final months of office to once again threaten a fundamental change to the rules by which our members operate and will create a greater legal and regulatory risk. We continue to believe that the changes would increase costs, reduce productivity, and possibly lead to increased live production ownership by integrated poultry companies, to the detriment of independent farmers. Congress should reaffirm its opposition to this rulemaking and USDA should withdraw the rule.

Thank you for the opportunity to testify today on the turkey industry's key Farm Bill priorities and the issues impacting our business. I will be happy to answer any questions.