

June 12, 2018

Senator Pat Roberts Chairman Senate Committee on Agriculture, Nutrition, and Forestry 328A Russell Senate Office Building Washington, D.C. 20510

Senator Debbie Stabenow Ranking Member Senate Committee on Agriculture, Nutrition, and Forestry 328A Russell Senate Office Building Washington, D.C. 20510

Dear Chairman Roberts and Ranking Member Stabenow:

The National Association of Wheat Growers (NAWG) applauds your leadership in the 2018 Farm Bill reauthorization process and for introducing a bipartisan draft bill. NAWG is committed to working with Members of the Committee and their staff to ensure the priorities of wheat farmers are addressed in the bill and that the bill can move forward in a bipartisan fashion to allow for its ultimate passage in both chambers.

NAWG continues to advocate for a strong crop safety net program. Integral to this will be ensuring that there are no cuts that could undermine the crop insurance program. We're pleased that the bill will allow for a new opportunity for producers to choose between revenue-based (Agriculture Risk Coverage) and price-based (Price Loss Coverage) program, and that producers participating in ARC can once again choose between county-level and individual-level coverage. We also applaud the inclusion of several improvements made to the ARC program, including the data source to be used, the use of the physical location of a farm for determining payments, and changes to the yield component of the ARC formula. Additionally, we support provisions in the bill requiring USDA to publish payment rates within 30 days of the end of each commodities' marketing year. However, we oppose adjusted gross income reductions that would be placed on eligibility for commodity and conservation programs.

In the crop insurance title, we applaud you for maintaining the strong structure of the federal crop insurance program. Of particular note, we are pleased to see the inclusion of a provision requiring the Risk Management Agency (RMA) to undertake research and development of quality loss and how quality adjustments are incorporated into producers' policies. We do have concern about a provision allowing for performance-based discounts and the impact such a provision could have on the premiums of producers who are unable to undertake the practices noted.

Further, NAWG has stated the importance of prioritizing working lands conservation programs in the Farm Bill. These programs assist wheat farmers in implementing environmentally beneficial practices. The Conservation Stewardship Program (CSP) and Environmental Quality Incentives Program (EQIP) help growers with adopting conservation practices on their farming operations and funding for these programs that actively work with farmers to adopt conservation practices on acres in production should be the priority in conservation spending. NAWG also supports the Conservation Reserve Program but is concerned about the narrow targeting of continuous sign-up acres.

NAWG also strongly supports the Market Access Program (MAP) and Foreign Market Development Program (FMD) which have been reauthorized and given the ability to slightly increase funding levels. These programs are critical to building and expanding United States wheat into new markets and increasing wheat demand around the world. We also strongly support the Food for Peace and Food for Progress programs. We oppose the increase in cash-based programs in Food for Progress that's included in the bill, as monetization is a vital tool to help food insecure countries while also stimulating local milling industries and developing long-term relationships with future trading partners.

Lastly NAWG encourages a robust research title. We appreciate the reauthorization of the U.S. Wheat and Barley Scab Initiative, and specifically that the bill would provide a significant increase in discretionary spending of \$15 million per year for this critical program which helps find solutions to this troublesome plant disease. We also support the reauthorization of the Hatch Act, Smith-Lever Act, Agriculture and Food Research Initiative (AFRI), and the Foundation for Food and Agriculture Research (FFAR).

As the Farm Bill process moves to mark up the draft, we urge members of the Senate Committee on Agriculture, Nutrition and Forestry to advance legislation that will provide a strong safety net for our farmers, prioritize working lands conservation programs, and helps to build new markets for United States wheat. We are pleased to see the Senate moving forward in a bipartisan fashion and look forward to continued work to pass a Farm Bill that provides the long-term certainty wheat farmers need.

Sincerely,

Jimmie Musick

Jimmie Musick President National Association of Wheat Growers

cc: U.S. Senate Committee on Agriculture, Nutrition and Forestry