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Georgia Farm Bureau Federation

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Field Hearing Testimony to the
U.S. House of Representatives Committee on Agriculture
National Archives Building, Morrow, Georgia
By Georgia Farm Bureau President Zippy Duvall
May 14, 2010

Good afternoon Chairman Peterson, Ranking Member Lucas, and members of the Committee. Thank you for calling this meeting and providing Georgia Farm Bureau the opportunity to speak.

My name is Zippy Duvall, and I am President of the Georgia Farm Bureau. I am a lifelong farmer from the Greshamville Community in Greene County, Georgia. I was a dairyman for more than 30 years. In 1986, our farm diversified into poultry, and in 2005, we stopped milk production to produce beef cattle and hay. Today, we have a 150 cow commercial beef herd and four poultry houses through which we produce about a half million chickens annually.

I want to thank the Georgia Congressmen who serve on this important committee: Congressman Jim Marshall, who lives in Macon, the headquarters of Georgia Farm Bureau; and Congressman David Scott, a true friend to Farm Bureau, agriculture, and within whose district this meeting is being held. We are happy to be in the 13th Congressional District, and Congressman Scott, we appreciate your hospitality and the work done by your staff to coordinate this hearing.

Georgia Farm Bureau is a general farm organization, and Georgia has a very diverse agriculture. Our state ranks first in peanuts, poultry, and forest products, second in cotton, and we produce a wide variety of other products in economically significant amounts. As a testament of this diversity, Georgia Farm Bureau appoints twenty different standing commodity advisory committees to make recommendations on Georgia's different farm enterprises.

Sound farm policy is essential for an economically viable agriculture. We believe effective farm policy should be market oriented, with a goal of promoting quality products that meet market demand. The policy should ensure the availability of competitively priced U.S. produced farm products. Because of the vagaries of the weather and markets, farm policy should provide for an effective financial safety net for farmers without regard to farm size or structure.

We believe the 2008 farm bill meets most of these principles and has worked well for Georgia farmers. We are grateful to the Agriculture Committee for the work done on this legislation.

Georgia's cotton and peanut farmers fundamentally support the current program of direct and counter-cyclical payments (DCP) provided by the 2008 farm bill. This program makes sense and it is well understood by farmers and rural lenders alike. There is also broad support for the marketing loan program for these crops.

The "Supplemental Revenue Assistance Program" (SURE) is being adopted slowly by Georgia farmers. Many Georgia counties experienced declared disasters in 2008 and 2009, so the yields are at low levels. Crop insurance is offered at low rates of reimbursement and many crops are only available through the "Noninsured Assistance Program" (NAP). Finally, payments under the SURE program are not available until a full year after the end of the crop year in which the disaster occurred. This assistance is not timely enough for a farmer in severe financial distress.

Not a single Georgia farm has signed up for the ACRE program, largely because it is not beneficial to cotton and peanut farmers. Many crops grown in Georgia had relatively low prices in 2007 and 2008, the base price years for calculating ACRE revenue guarantees. Also, once in ACRE, farmers are in the program for the duration of the farm bill. Given a choice between DCP or ACRE, most farmers will go for the program with which they are most familiar and satisfied.

Adjustments to dairy policy are needed to allow dairymen in the Southeast to remain in production to supply the market with locally produced fresh milk. We recommend a feasible operation plan be created that allows regional differences while encouraging production in deficient areas so that Southeastern dairy farmers may reduce drastic swings in milk prices.

Good farm policy does not accomplish much if commercial farming operations are ineligible for benefits. As an organization, we oppose payment limits and means testing to determine farm program eligibility. However, we understand the necessity of these reforms in 2008 farm bill.

Two conservation programs are particularly successful in Georgia. The "Conservation Reserve Program" (CRP) is popular with landowners. The "Environmental Quality Incentive Program" (EQIP) is also a popular program, but more funds are needed so that more farmers can participate.

Because of recent droughts, Georgians are particularly concerned with water issues. We support federal funding of producer incentives for water conservation, including construction, repair, and maintenance of impoundments and farm ponds for livestock and irrigation.

Consolidation and concentration within U.S. agriculture is having adverse economic impacts on farmers. Congress should review existing statutes, develop legislation where necessary, and strengthen enforcement activities to ensure proposed agribusiness mergers

and vertical integration arrangements do not hamper farmers' access to inputs and markets.

We believe USDA should be empowered to investigate mergers, consolidation of farm input suppliers, processors, and retailers for anticompetitive activities. USDA should be given authority to review and provide recommendations to the Department of Justice on agribusiness mergers and acquisitions. Producers impacted by unfair marketing practices should be compensated when harmed by monopolistic practices.

We are not opposed to the continued use of production contracts so long as producers have meaningful input in the process of negotiating contracts. Also, it is important that companies owning critical genetics do not obtain too much market power. Either of these scenarios creates situations where farmers have few viable options and can be subject to economic abuse.

The 2008 farm bill authorized a "Biomass Crop Assistance Program" (BCAP) to assist agricultural and forest land owners in the utilization of unused biomass byproducts. Our state has received substantial payments regarding this program, but most farmers and forest land owners are unaware of it. We are concerned the program is not working as Congress intended.

Additionally, the BCAP is supposed to promote utilization of products without a current use. Bark and other wood residues have value and are important inputs in the horticulture industry as potting soil. Diversion of these products for energy production should not take place under BCAP.

Computer technology offers the promise of government programs being delivered in a more efficient and timely manner. However, many FSA staff work with slow, obsolete machines. During the busiest times at FSA offices, the office computers are unable to input data due to heavy use. We support upgrading computer technology and appropriate software to allow FSA to achieve savings by improving administrative efficiency at the federal, state, and local level.

In summary, Georgia Farm Bureau believes the 2008 farm bill is working well. We suggest the basic funding structure of the 2008 farm bill should not be altered significantly. Our organization stands ready to work with the Agriculture Committee and Congress to help clarify issues as the 2012 farm bill debate begins.

Thank you for the opportunity to offer these comments.

Sincerely,

A handwritten signature in black ink that reads "Zippy Duvall". The signature is written in a cursive, slightly slanted style.

Zippy Duvall, President

**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: Zippy Duvall

Address: P.O. Box 7068, Macon, GA 31209

Telephone: 478-405-3402

Organization you represent (if any): Georgia Farm Bureau Federation

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: Not applicable Amount: None

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, 2007, as well as the source and the amount of each grant or contract:

Source: Not applicable Amount: None

Source: _____ Amount: _____

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

Signature: Zippy Duvall

* 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.

Zippy Duvall, President Georgia Farm Bureau



Zippy Duvall was elected president of Georgia Farm Bureau in December 2006 and, in 2008, was re-elected without opposition.

A third generation Greene County dairyman, Zippy retired from the dairy business in 2005. He and his wife, Bonnie, now operate a 200 brood cow beef operation, produce and sell quality hay, and are poultry producers, producing about 480,000 broiler chickens each year.

A Farm Bureau member since 1977, Duvall currently serves on the Greene County Farm Bureau board of directors and has held numerous leadership positions in the county Farm Bureau including president and vice president.

In 1982, he was named Georgia Farm Bureau and the American Farm Bureau Young Farmer of the Year.

In 1985, Zippy and Bonnie served as chairmen of the Georgia Farm Bureau Young Farmer Committee, and in 1987, Zippy was named chairman of the American Farm Bureau Young Farmer Committee. These appointments gave him valuable experience in working with Farm Bureau boards at different levels.

Zippy was elected to the Georgia Farm Bureau Board of Directors in 2002, representing the fourth district.

In addition to serving as President of Georgia Farm Bureau Federation and its affiliate companies, he is a member of the board of directors of the American Farm Bureau and Southern Farm Bureau Life Insurance Company based in Jackson, Mississippi.

Duvall is past chairman of the Greene County Board of Commissioners and is a member of the Association of County Commissioners of Georgia.

His thirty years of community and public service also include Georgia Agri-Leaders, Georgia Dairy Family of the Year, Georgia distinguished Cooperator Award, Greene County Agribusiness Man of the Year, and Piedmont Soil and Water Board. He also currently serves on Governor Perdue's Agricultural Advisory Committee.

Zippy and Bonnie have four children: Vince, Corrie, Zeb, and Zellie.

Vince recently completed a tour in Iraq serving in the U.S. Army as a Blackhawk Helicopter pilot. He is now stationed at Fort Rucker, Alabama where he, his wife Erin, their daughter, Ava Madison Duvall reside.

Corrie is pursuing her doctorate Degree in Public Administration at the University of Georgia. She and her husband, Jared, live in Washington, DC.

Zeb is at the University of Georgia participating in the Food Animal Veterinary Medicine program at the College of Agriculture.

Zellie attends Auburn University.

The Duvall's are members of New Hope Baptist Church.

Feb. 2010