



Statement of Lucas Heinen  
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before the

Committee on Agriculture, Nutrition, and Forestry  
United States Senate

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Good morning, Chairman Roberts, Ranking Member Stabenow, and Members of the Committee. I am Lucas Heinen, a soybean farmer from Everest, Kansas, and President of the Kansas Soybean Association. We appreciate the opportunity to appear at this first Congressional hearing on the 2018 farm bill.

I understand that the conventional view in Washington is that the cost of farm programs and other parts of the farm bill will need to be reduced again, just as they were in the 2014 farm bill. This is not acceptable to producers in Kansas. Farm prices are down over 40 percent since 2013. Soybean prices in Kansas are down from \$14.40 to \$9.12 per bushel in the last three years. Hard Red Winter wheat prices have been hit particularly hard, down from \$7.56 to \$3.16 per bushel. And U.S. farm income is now expected to fall for the fourth straight year, by 8.7 percent, in 2017.

The anticipated cost of the current farm bill is significantly less than the level estimated by the Congressional Budget Office when it was enacted in 2014. While commodity program costs are projected to be up by \$14 billion over the next ten years due to lower prices, the cost of crop insurance is down about \$10 billion for the same reason. And the cost of food stamps, or SNAP, is down by \$84 billion over the same ten year period due to the improved economy.

A large number of farm organizations, including the Kansas Soybean Association and the American Soybean Association, have just sent a letter to the Congressional Budget and Appropriations Committees opposing further spending cuts in the 2018 Farm Bill. The letter points out that agriculture voluntarily accepted \$23 billion in cuts in the 2014 bill, and that other sectors have made no contribution to deficit reduction whatsoever.

As Congress looks toward writing the 2018 Farm Bill, we believe the sharp and continuing fall of farm prices and income since 2013 justifies increasing funding to strengthen the farm safety net

and to make other worthwhile investments. Soybean producers have begun to identify priorities and they include the following:

1. First, the crop insurance program needs to be protected. For many soybean producers, crop insurance is their most important risk management tool.
2. Second, most soybean, corn and wheat producers in Kansas signed up for the county ARC program. While support under ARC has declined with the lower prices and revenue we've had in recent years, Kansas farmers want to see this program continued in the next farm bill. We do need to change the yields used under the program from NASS to RMA data, when available, to minimize county to county discrepancies. This could incur some additional cost, but it would make this important program more accurate and defensible as an option in the next farm bill.
3. We support funding of current conservation programs, including EQIP and the Conservation Stewardship Program, at their authorized levels. We support raising annual funding for agricultural research under AFRI to the full authorized level of \$700 million. And we support continued authorization and funding for Energy Title programs, including the Biobased Market Program, the Bioenergy Program for Advanced Biofuels, and the Biodiesel Education Program.
4. We strongly support doubling mandatory funding for the Foreign Market Development program and the Market Access Program to spur promotion of U.S. agricultural exports. Funding for these programs has been frozen for over ten years while our foreign competitors are massively outspending us on market promotion.

We are aware that other crops have issues that need to be addressed, and which may add to the cost of the bill. It is important for farm organizations to work together to achieve legislation that everyone can support. Soybeans will continue to lead this effort, and to oppose proposals from farm bill critics on both the left and the right to weaken or eliminate programs that are important to producers.

In closing, Mr. Chairman, I would note the importance of keeping programs that support farmers and programs that support consumers together in the next farm bill. There is a relationship between the need to provide assistance to those who produce food and those who consume it, when either needs that assistance. This bond explains how Congress has been able to come together and enact farm bills for over 40 years.

Thank you again, Mr. Chairman, for the opportunity to appear today. I'm happy to answer any questions.