

**Testimony of Ken Givens, Commissioner
Tennessee Department of Agriculture
Before the U.S. House of Representatives
Committee on Agriculture
October 25, 2007**

Mr. Chairman, members of the committee, my name is Ken Givens and I serve as Commissioner of Agriculture for the State of Tennessee, and it's my privilege to be here this morning to offer testimony on how the drought is affecting agriculture in our state. Thank you for letting me share this information with you.

First, I want to express a special thanks to you, Chairman Peterson, for your recent visit to Middle Tennessee to witness firsthand some of the extensive damage that our horticultural industry has suffered as a result of weather extremes this year. Nursery and greenhouse products are our second leading crop and generate \$273 million in farm cash receipts annually. Like all of our farm sectors, the nursery and greenhouse industry has suffered a devastating blow from both a hard spring freeze and the drought. Because of the multi-year investment that this sector of agriculture represents, the impact will be felt for years to come.

I also want to thank and recognize Congressman Lincoln Davis for inviting me to report on damages experienced by farmers in all of Tennessee's 95 counties. Congressman Davis is a former colleague of mine in the Tennessee General Assembly and a fellow farmer.

To the entire committee, I want to thank you for focusing on this issue. As a former legislator who served 14 years in the Tennessee General Assembly and seven of those years as Chairman of the House Agriculture Committee, I understand the importance of these hearings and appreciate the job you are doing to support agriculture.

As a farmer, I also appreciate the fact that you recognize that our producers are foundational to the security and safety of our food, fuel and fiber system. I grew up the son of sharecroppers in Hawkins County, Tennessee in the Northeast portion of the state, on a diversified dairy, tobacco and row crop farm. Today, "diversified" is a fancy term for a farm that produces many different things, but back then we were "diversified" simply because we had to scratch a living out of whatever we could grow and sell. As a young boy, when I wasn't in school, I was milking twice a day and working tobacco or whatever was in season at the time. Today, my family still has farming interests in Hawkins County where we raise beef cattle.

As someone who grew up farming, I know firsthand how weather extremes can affect both row crop and livestock producers. In my lifetime of farming, I've never seen anything like what we

have experienced and are continuing to experience in Tennessee.

Actually, the drought and weather extremes we've experienced this year are the continuation of drought conditions experienced by several counties over the past two years. In 2005, we had 23 counties designated agricultural disasters by USDA due to drought and high temperatures. In 2006, we had another 41 counties, primarily in East Tennessee and southern Middle Tennessee, designated agricultural disasters primarily as a result of drought and unseasonably high temperatures.

What distinguishes the 2007 growing season from all others is the fact that we've really had three disasters in one and the fact that the impacts have cut across all sectors of agriculture and all geographical regions.

This year, early planting started off with unseasonably warm, dry weather – enabling farmers to get out early to prepare fields and to plant corn. Unfortunately, the corn crop was at a vulnerable stage of development when a hard spring freeze struck in early April. For a period of several days, Tennessee experienced record low temperatures statewide, not only damaging the early corn crop, but also decimating our fruit crops – as much as 90 percent of apples, peaches, grapes and berries of all kinds were lost. The freeze had a devastating impact on our nursery and greenhouse industry, leaving growers with millions of dollars worth of unmarketable trees and shrubs, representing lost income in many cases two and three years away. The winter wheat crop was severely damaged, reducing yields by 25 percent and costing producers more than \$10 million for that crop alone.

Livestock producers were not left untouched either. Pastures and hay crops were severely stunted, forcing producers to feed more hay in the spring than normal, depleting hay stocks in anticipation of a green up that never came.

In April, due to extensive freeze damages, Governor Phil Bredesen asked for a secretarial designation of agricultural disaster for all 95 counties, which was granted by USDA.

May turned from bad to worse as we headed into the prime growing season with below normal rainfall, stunting development of every crop. The drought continued throughout the growing season as the rainfall deficit rose to a statewide average of 16 inches or more. And, going into the fall, 99 percent of Tennessee was in either a stage 3 or stage 4 drought, with most of state rated exceptionally dry.

There was not a sector of agriculture left unaffected. In fact, crop conditions and livestock conditions were compounded by record high temperatures during the month of August. A significant portion of the state experienced a record number of 100-plus degree days, making

August the hottest month on record.

Already stressed crops like corn, soybeans, tobacco, hay and even cotton, baked in the soaring temperatures. Following heavy freeze damages in our nursery industry, the drought further inflicted heavy horticultural losses as growers simply could not irrigate enough to protect their investment.

Livestock production accounts for half of farm income in Tennessee. Cattle and calves represent the largest generator of farm income with annual sales of \$500 million. The impacts to this sector were just as severe as to our crop sector.

The spring hay cutting was drastically reduced, as much as 50 percent, while livestock farmers were forced to feed hay in the middle summer to sustain their herds. In the months of June and July, Tennessee experienced a 60 percent increase in the sale of cattle, 143 percent increase in the number of cows sold, compared to the same period last year as farmers were forced to cull herds due to the lack of pasture and hay. Currently, hay stocks in Tennessee are at a record low, with more than 80 percent rated short or very short going into the winter months with little or no prospect for a fall hay cutting.

Many livestock producers have been hauling water since mid-summer as wells, ponds and creeks have simply gone dry. The high cost of transporting hay from other states and the continued stress of water shortages are forcing livestock producers to make hard decisions such as whether to sell cattle at a loss or try to survive an uncertain winter.

Again, at the request of Governor Bredesen, in July, all 95 counties were designated an agricultural disaster by USDA due to drought conditions.

When all is said and done, this is likely to be the most devastating agricultural disaster in our state's history – an estimated \$40 million in losses for corn, \$93 million in soybeans, \$22 million in cotton, \$8 million in tobacco, \$100 million in hay production. Industry estimates put nursery and greenhouse losses at more than \$100 million, not to mention millions of dollars in losses in the fruit, vegetable, winter wheat and agritourism sectors.

The livestock losses are much harder to calculate, but considering reduced milk production, lost weight gain on calves, the premature selling of cattle, increased feed costs and lost hay production, the cost to livestock producers will be in the hundreds of millions of dollars, not including what it will take to rebuild Tennessee's cattle herd in the future.

Farm income in Tennessee totals more than \$2.5 billion annually. With a conservative \$750 million in total losses, we're talking about 30 percent of Tennessee agricultural industry at the

farm level alone. The impact to Tennessee's rural economy will be felt for years to come as this loss will ripple through local communities that depend on farm income.

I'm not here today to ask for your help without first being willing to do my fair share and asking the same of our farmers. Tennessee has one of the most, if not the most generous farm cost share program in the nation. In 2005, Governor Bredesen established the Tennessee Agricultural Enhancement Program to help spur farm investment in our state in areas that have potential for growth and development. Today, with the support of Governor Bredesen and the Tennessee General Assembly, \$26 million in annual state appropriations are helping Tennessee farmers improve cattle management by providing 35 percent of the cost of genetic improvements, cattle handling and feed equipment purchases, and hay storage facilities.

We're also helping farmers diversify to new and promising areas of agriculture like fruits and vegetables, organics, grapes, horticulture, specialty livestock and agritourism. We're making the kind of investments that will help minimize the impacts of weather extremes in the future and help increase farm income.

However, the magnitude of this disaster is beyond the state's ability to help Tennessee farmers to the extent that they can recover from these losses without financial ruin in some cases.

The low-interest emergency loans provided as a result of the disaster designations granted by USDA will help and are appreciated, but the truth is they are of nominal benefit to Tennessee producers. We produce a number of non-program crops and livestock that simply are not supported through traditional farm programs. However, if there was a time for federal assistance to help us sustain this vital industry for our state, the time is now.

I am here today to ask for your support for a disaster assistance package for southeastern farmers. We need a disaster assistance package specifically for 2007 that will provide direct financial assistance to help farmers recover from insurmountable crop and livestock losses. Anything short of that would simply be another disaster for Tennessee and other southeastern farmers.

Mr. Chairman, to you and the other members of this committee, thank you for allowing me to be here. On behalf of Governor Phil Bredesen, thank you for your support of disaster assistance for Tennessee farmers. Again, thank you for all that you're doing to support our agricultural industry. I will be glad to answer any questions that you may have.