



Testimony of Tessa Parks

Submitted to the

**U.S. Senate Committee on Agriculture, Nutrition, and Forestry
Subcommittee on Commodities, Risk Management, and Trade**

“Pathways to Farming: Helping the Next Generation of Farmers”

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Good afternoon, Chairwoman Smith, Ranking Member Hyde-Smith, and members of the Senate Subcommittee on Commodities, Risk Management, and Trade. Thank you for the invitation to testify before this subcommittee and for the opportunity to provide testimony from National Farmers Union (NFU). Founded in 1902, NFU is a grassroots organization with more than 230,000 members nationwide advocating on behalf of family farmers, ranchers, and our communities.

My name is Tessa Sadae Parks, and I am a beginning farmer in Northfield, Minnesota, and the newly elected President of the Rice County chapter of Minnesota Farmers Union. I am also active in the Land Stewardship Project and the National Young Farmers Coalition. Together with my spouse, Wyatt, I own and operate W.T. Farms, raising grass-finished beef, which we sell direct-to-consumer at farmers markets. We also produce and sell certified organic hay.

Though I am new to farming and several generations removed from the farm, my connection to and love for agriculture is strong. I fell in love with and married Wyatt, who was already working on an organic dairy and produce farm and raising livestock on the side when we met. That summer I learned livestock care basics, like how to identify and treat scours and how it feels when you touch a live electrified fence. Ever since then, Wyatt and I have been farming side-by-side. The shared experience of building our farm together – from bottle-feeding calves, walking pastures to check on the herd, and taking care of customers at the farmers market – has brought me immense joy and a unique sense of accomplishment in the face of many hardships.

Furthermore, agriculture is an important part of my family history. On my mother's side, our family farmed rice in Japan and immigrated to Hawaii where they were pineapple farmers and members of the Lawai-Kalaheo Pineapple Growers Association. My family escaped internment during World War II because they raised crops that helped feed the American troops stationed there. While in a sense I see myself as a new or beginning farmer, I also see myself as returning to agriculture, tying up loose threads that came undone generations ago. My husband is also several generations removed from farming. While we are without family land, we are working hard to chart a course back to the farm.

In addition to farming – and like most farmers in the United States today¹ – Wyatt and I work off-farm jobs. We dream of farming full-time while caring for our land, our livestock, and providing healthy food to our community.

Farmers Union's grassroots policy recognizes that it is critical for our economy and the health and security of our nation and communities that we create the conditions necessary for the next generation of family farmers to continue producing the food, fiber, and fuel we all depend on.² But beginning farmers like me face significant barriers to entry into agriculture, including a farm safety net that favors larger and more established farms, barriers to accessing land and capital, climate

¹ USDA Economic Research Service (ERS), "Off-Farm Income a Major Component of Total Income for Most Farm Households in 2019." <https://www.ers.usda.gov/amber-waves/2021/september/off-farm-income-a-major-component-of-total-income-for-most-farm-households-in-2019/>

² NFU Policy Book, March 2024. <https://nfu.org/policy/>

change, and ongoing corporate consolidation in agriculture that limits our opportunities and diminishes competition in the marketplace.

Farmers Union is taking on these challenges and cultivating the next generation of farmers in many ways. NFU's flagship programming for beginning farmers and ranchers is called the Beginning Farmers Institute (BFI)³. Since 2011, NFU has hosted BFI to provide the next generation of farmers and ranchers with technical training, mentorship, and leadership development opportunities, with a dozen or so graduates from the program each year. While BFI is a tremendous program, we also need to make sure the right federal policies are in place and funded to meet the unique needs of the next generation of family farmers and ranchers.

As a Farmers Union member, I am proud to be part of the organization's annual grassroots policy development process. At NFU's 122nd Anniversary Convention in March 2024, delegates to the convention updated and adopted Farmers Union policy, with a focus on making sure the next farm bill is the right farm bill.⁴ The right farm bill will stem the ongoing loss of family farms by establishing a stronger farm safety net, building fairer and more competitive markets, and creating better opportunities for the next generation.

Improving the Farm Safety Net

One of the special orders of business adopted at the 2024 NFU Convention noted the last farm bill fell short of providing the support farmers need due to market disruptions and weather disasters. Since 2018, farmers experienced many challenges: a period of low commodity prices, a rapidly deteriorating export market due to a unilateral trade war with China, economic shocks stemming from the COVID-19 pandemic, and swings in supply and demand due to geopolitical instability. Our farm policy should learn from these challenges. In that spirit, NFU delegates called for Congress to pass a farm bill that is fiscally responsible, directs improvements to farm bill programs to family farms and ranches, and mitigates or offsets the cost of these improvements through subsidy limits or eligibility restrictions.

One way to bolster the farm safety net is to make improvements to crop insurance, which is a risk management tool that works well and is popular among my neighbors and fellow farmers. For beginning farmers, legislation like the Crop Insurance for Future Farmers Act (S. 2458) makes crop insurance more affordable for those of us who are in our first several years of farming. I appreciate the support provided to this bill by its original cosponsors, Senators Klobuchar (D-MN) and Thune (R-SD), as well as from cosponsors like Senator Smith (D-MN). This bill was included in the Rural Prosperity and Food Security Act framework from Chairwoman Stabenow (D-MI), and I hope it will be part of the next farm bill.

³ NFU Beginning Farmer Institute (BFI). <https://www.eventcreate.com/e/bfi>

⁴ "NFU Closes 2024 Convention, Outlines Policy Priorities and Special Orders of Business," March 12, 2024. <https://nfu.org/2024/03/12/nfu-closes-2024-convention-outlines-policy-priorities-and-special-orders-of-business/>

Similarly, the improvements to the Non-Insured Crop Disaster Assistance Program (NAP) in the Chairwoman’s framework hold promise as a way for new and beginning farmers to better manage their farming risks. Farmers Union also supports the inclusion of the Whole Farm Revenue Protection Program Improvement Act (S. 2598) in the farm bill, which would spur adoption of crop insurance policies that could better provide coverage to diversified farm and ranch operations, not only for new and beginning farmers.

While greater crop insurance coverage and availability is very important for new and beginning farmers, Farmers Union believes that improved risk management products and revenue insurance are not a substitute for fair markets and price support programs. Lawmakers should be mindful of how crop insurance can negatively affect beginning farmers and ranchers, especially as it contributes to increases in land prices and rental rates. Congress should enact subsidy limits or eligibility restrictions on crop insurance so that the program can better direct the benefits of the program to family farmers and ranchers without pushing land prices higher and higher.

Fairness for Farmers

I am incredibly proud that Farmers Union is a champion for the issue of fair and competitive markets and keeping the topic of our nation’s monopoly problem in the current farm bill debate. I know that I am not getting a fair price for my beef because livestock market prices are suppressed by lack of competition among the major meatpackers. But if I can get a fairer price for my beef that I raise and sell, we can reinvest that revenue in our farm, improve our access to financing, and circulate that additional income in our local community. Fair and competitive markets are foundational to the success of beginning famers and established operators alike.

In 2021, NFU launched the Fairness for Farmers campaign, which is an effort to shed light upon the devastating impact that monopolies and near monopolies have on family farmers, ranchers, and our communities. Very few firms control the market for agricultural inputs (such as seeds, crop protection products, fertilizer, and farm equipment), processing (including livestock slaughter and processing), food manufacturing, wholesale distribution, food service, and grocery retail. The small number of large, consolidated firms in the middle of the agricultural supply chain wield immense market power over both farmers and consumers.^{5 6 7}

Fairness for Farmers calls for strengthening the Packers and Stockyards Act (PSA), increasing price discovery and transparency in livestock markets, ensuring farmers have the Right to Repair their

⁵ Jonathan B. Baker, “Market power in the U.S. economy today,” Washington Center for Equitable Growth, March 2017. <https://equitablegrowth.org/market-power-in-the-u-s-economy-today/>

⁶ USDA, Agricultural Marketing Service (AMS), Packers and Stockyards Division: Annual Report 2021 & 2022 (March 2024). <https://www.ams.usda.gov/reports/psd-annual-reports>.

⁷ Claire Kelloway and Sarah Miller, “Food and Power: Addressing Monopolization in America’s Food System,” *Open Markets Institute*, May 13, 2019. <https://www.openmarketsinstitute.org/publications/food-power-addressingmonopolization-americas-food-system>.

own equipment, and creating new and more diverse market opportunities. Many of these priorities could be addressed in the next farm bill. We are pleased to see several key Fairness for Farmers priorities included in the Rural Prosperity and Food Security Act framework, but there are other provisions that have not yet been included.

NFU was especially pleased to see the inclusion of the Meat and Poultry Special Investigator Act (S. 346), introduced by Senators Tester (D-MT), Grassley (R-IA), Rounds (R-SD), and others to establish an independent office at USDA to enforce the PSA and prevent abuses by meatpackers. The PSA, which first became law in 1921, is meant to protect livestock and poultry producers from unfair, deceptive, and monopolistic practices in the marketplace. But the law has not kept up with changes in the livestock industry, which has seen rampant consolidation, reduced market transparency, and the rise of unfair contract terms for farmers and ranchers. USDA is undertaking rulemakings to update the PSA by providing additional protections for producers in livestock and poultry markets. The new special investigator would ensure USDA has an independent team dedicated to enforcing the law.

We also welcome the inclusion of parts of the Strengthening Local Processing Act of 2023 (S. 354), introduced by Senators Thune (R-SD), Brown (D-OH), Smith (D-MN), and others. This bill will provide resources and grants to support small and medium meat processors, improving market opportunities for farmers like me.

Additionally, NFU appreciates inclusion of the following Fairness for Farmers provisions: establishing the voluntary Product of USA label claims for Food Safety Inspection Service (FSIS) products; making permanent the USDA Cattle Contract Library pilot program; establishing the Farmer Seed Liaison at USDA to strengthen competition and choice in the seed marketplace; and requiring additional research into consolidation the livestock industry based on a bill introduced by Senators Smith (D-MN) and Grassley (R-IA).

These are important reforms, but family farmers need additional action on issues stemming from corporate consolidation and concentration.

To address the thinning cattle cash market and market manipulation caused by overuse of Alternative Marketing Agreements (AMAs), the committee should include the Cattle Price Discovery and Transparency Act of 2023 (S. 228). This bill, led by Senators Fischer (R-NE) and Tester (D-MT), is also supported by the Chairwoman and Ranking Member of this Subcommittee, Senators Smith (D-MN) and Hyde-Smith (R-MS), as well as 22 bipartisan cosponsors, including many members of the Senate Agriculture Committee.

The American Beef Labeling Act (S. 52), which would reinstate mandatory country of origin (COOL) labeling for beef, should also be added to the farm bill. While inclusion of a provision in Chairwoman Stabenow's framework on the voluntary Product of USA label is a step in the right

direction, American cattle farmers and ranchers, and American consumers, deserve mandatory COOL for beef.

Finally, we are concerned with a provision included in the Rural Prosperity and Food Security Act framework that would exempt meat processing facilities from the prohibition on owning, financing, or participating in the management or operation of a livestock marketing agency under the PSA. We should *strengthen* the PSA, not create new loopholes.

Creating Better Opportunities for the Next Generation

Improving the farm safety net and ensuring family farmers get a fair shake in the marketplace are essential for creating better opportunities for the next generation of farmers. Congress should also create and improve programs to help with land and capital access for beginning farmers, invest in programs that tackle climate change and improve the resilience of our farm operations, and address the urgent need for better access to affordable health care and child care in rural areas.

Land and Capital Access for Beginning Farmers

One of the biggest challenges I face as a beginning farmer is access to the land and capital required to farm. Put simply, without land, you cannot farm – so it is really a make-or-break issue. Farming is a capital-intensive business and because we are truly starting from scratch, affording land and accessing capital is incredibly daunting for us. We need a diverse set of creative policy solutions so that we can have a fair shot at building a successful farm business.

While some beginning farmers can get their start on very small acreage producing fruits, vegetables, and other specialty crops, for us to cash flow, our acreage needs are greater because we graze cattle and cut hay. Unfortunately, farmland is incredibly expensive today, and where we live, farmland is often sold without houses or barns because that infrastructure is split off to sell as hobby farms. We cannot blame our neighbors for making the financial decision to split off those assets. But what we can do, and what Congress should do, is recognize this reality and establish policies that create opportunities for the next generation in the face of these challenges.

Presently, our pasture is rented from a local non-profit, Sharing Our Roots⁸, for which we are incredibly grateful. Our arrangement is not perfect because the land is shared, so it is a little bit like farming with roommates. Our tenuous and impermanent land tenure also prevents us from investing in infrastructure. The approximately 100 acres we rent for hay production is cobbled together from four different fields and owners, which makes things complicated.

While we dream of owning land that allows us to fully invest in our farm, grow and raise a family, and keep our animals as comfortable and healthy as possible, in the near term, our ability to get started

⁸ Sharing Our Roots. <https://www.sharing-our-roots.org/>

is thanks to creative partnerships and approaches from community-based and community-led organizations. This is why I support the Increasing Land Access, Security, and Opportunities (LASO) Act (S. 2340), which is led by Senator Smith (D-MN) and includes a bipartisan companion bill in the House. This bill would extend USDA's Land, Capital, and Market Access Program⁹, first established in 2022. The program funds cooperative agreements or grants for projects that help underserved producers, including beginning farmers, access land through various approaches. These approaches include establishing innovative ways to connect available land to those that want to farm it, transitioning farmland from existing landowners to the next generation, and providing much needed technical assistance related to land, capital, and market access for underserved producers.

As we dream about land ownership, we know a USDA Farm Service Agency loan may be what we ultimately need to access financing early in our farming journey. This is why we support the Producer and Agricultural Credit Enhancement (PACE) Act (S. 2890), led by Senators Hoeven (R-ND) and Klobuchar (D-MN), and cosponsored by Senator Smith (D-MN), to update FSA loan limits to ensure they make sense for the current economic environment.

An important part of securing farm financing is pre-qualification or pre-approval to allow farmers to move quickly once farmland comes up for sale. But USDA FSA does not currently offer pre-qualification or pre-approval for farm mortgages like other lenders do, decreasing their utility in a competitive real estate market. Congress should consider including an FSA pre-qualification and/or pre-approval pilot program in the next farm bill.

We also need to make sure our FSA county offices are fully staffed and that these positions come with adequate compensation so that we have the guidance and support we need when applying for financing from FSA.

Climate Change and Voluntary Conservation Programs

As a beginning farmer, I think a lot about climate change and how to make our farm sustainable. We are experiencing many impacts of climate change, from sustained droughts to intense snowstorms and everything in between. I think about the risks to my farm, such as increased disease pressure and infrastructure damaged by storms, but I also think about the opportunities. As a beginning farmer, I have a chance to be on the land for many years and we have real opportunities to improve the land to make it more resilient.

Wyatt and I are doing all we can to reduce our climate impact through our management practices. I feel hopeful when I walk our pastures to see the improvements we are making through rotational

⁹ USDA Farm Service Agency (FSA), *Increasing Land, Capital, and Market Access Program*.
<https://www.fsa.usda.gov/programs-and-services/increasing-land-access/index>

grazing. But sometimes we run into roadblocks because we do not own the land we farm on, which means we cannot invest in permanent infrastructure that would make our operation more resilient.

We also know that even with secure land tenure, funding for voluntary, incentive-based conservation programs like the Environmental Quality Incentives Program (EQIP) and the Conservation Stewardship Program (CSP) is limited and there is no guarantee that we will be awarded that contract to install permanent fencing to further improve our pasture management. We are glad to see there is bipartisan support for bringing funding from the Inflation Reduction Act for these programs into the farm bill to increase overall future funding for conservation and climate change mitigation.

Affordable and Accessible Health Care and Child Care

Finally, as you work to craft the next farm bill, I want to highlight the importance of investing in accessible, affordable, and quality health care and child care. Farm programs are important, but they will not be as effective in helping the next generation if they are not paired with programs and policies that address these two issues central to everyone's lives.

Farmers face unique obstacles accessing quality, affordable health care. Since farmers are self-employed, we often need to pursue off-farm jobs to secure and afford quality health insurance. That is a choice Wyatt and I have made, but this has reduced the time we can spend investing in and growing our farm business. In the long-run, we worry about our ability to afford health insurance since premiums are consistently higher in rural counties where fewer insurers participate in health insurance marketplaces.¹⁰ Also, many rural residents live in areas with health professional shortages, forcing us to travel much longer distances to access services.¹¹ All of this is particularly concerning since farming is such a dangerous occupation.¹² We must continue building on the Affordable Care Act to make sure all Americans, regardless of where they live, have access to quality and affordable health care.

Relatedly, access to affordable child care is another major barrier for us. We often talk about how health care and child care access and affordability issues, when coupled with our uphill battle starting our farm business, means we may have to choose between farming and starting a family. I have a friend who has three children under the age of six and she pays more than \$30,000 each year for child care. She is lucky she can find childcare at all, since the child care gap – meaning where the number of children who need child care exceeds capacity – is larger in rural areas compared to

¹⁰ National Institute for Occupational Safety and Health (NIOSH), U.S. Centers for Disease Control. Sept. 18, 2023. <https://www.cdc.gov/niosh/newsroom/feature/national-farm-safety-and-health.html>

¹¹ Health Resources and Services Administration. "Designated Health Professional Shortage Areas Statistics." March 31, 2024. Bureau of Health Workforce. U.S. Department of Health and Human Services.

¹² U.S. Centers for Disease Control and Prevention (CDC), the National Institute for Occupational Safety and Health (NIOSH). <https://aspe.hhs.gov/sites/default/files/private/pdf/75456/report.pdf>

urban areas.¹³ Parents in rural areas also report more difficulty finding quality childcare services within their budget.¹⁴

Access to affordable child care has a direct impact on farm viability and opportunities for beginning farmers, so I appreciate the inclusion of the Expanding Childcare in Rural America Act (ERCA) (S. 1867) in Chairwoman Stabenow’s farm bill framework. This bill, introduced by Senators Brown (D-OH) and Marshall (R-KS), and with support from Senators Smith (D-MN), Ernst (R-IA), and others, would create a new multi-program initiative at USDA to address the availability, quality, and cost of child care in agricultural and rural communities.

Conclusion

I appreciate the committee’s attention to the challenges and opportunities facing beginning farmers and ranchers. I believe we can build a brighter future together through necessary improvements to the farm safety net, by building fairer and more competitive markets, and by creating better opportunities for the next generation of farmers.

Thank you for holding this hearing today and for the opportunity to testify. I look forward to answering any questions you may have.

¹³ Bipartisan Policy Center, “Rural Child Care Policy Framework,” October 2023. <https://bipartisanpolicy.org/report/rural-child-care-policy-framework/>

¹⁴ National Advisory Committee on Rural Health and Human Services (NACRHHS), “Childcare Need and Availability in Rural Areas,” January 2023. <https://www.hrsa.gov/sites/default/files/hrsa/advisory-committees/rural/nac-rural-child-care-brief-23.pdf>