



Testimony of Dennis P. Engelhard

On behalf of the

Michigan Bean Commission

And

U.S. Dry Bean Council

Before the

United States Senate Agriculture, Nutrition, and Forestry Committee

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Good morning.

Chairperson Stabenow, Ranking member Senator Pat Roberts, Committee members, other dignitaries and guests. I appreciate this opportunity to participate in the Senate Agriculture hearing entitled "Opportunities for Specialty Crops and organics in the Farm bill".

My name is Dennis Engelhard. I am a Farmer from Tuscola County, Michigan. Tuscola County is one of the largest agricultural counties in the U.S. and it is also one of the largest bean growing counties in the U.S. as well.

I have been involved in my family's 4 generation farm for over 35 years. I am a cash crop farmer producing corn, wheat, soybeans, and dry beans. When I graduated from high school, I knew the farm was my vocation and would be the way for me to support my family.

I am a past Chairman of the Michigan Bean Commission, which is a grower organization fully funded by dry bean growers in the state. The Michigan Bean Commission directs its efforts toward education, research and promotion of dry beans. I am also the current president of the U.S. Dry Bean Council, the national organization of Dry Bean producers, dealers and processors.

The last few years have been strong ones for agriculture. Farming has helped lift the nation out of some dark economic times. In Michigan, agriculture ranks number two in economic return to the state, second only to the automobile industry. This strong agricultural trend must continue. Currently the value of dry bean production in the U.S. was \$838 million with Michigan representing nearly 15 percent of that total, adding over \$122 million in economic stimulation to the state.

Dry beans, which represent approximately 18 percent of all specialty crops grown across the United States, yet, dry beans have not enjoyed the same benefits of many other crops in the Farm Bill. Some dry bean growers are reluctant to pursue some of those benefits. The restrictive planting clause has benefited growers by discouraging non-traditional growers from jumping into dry bean production during peak times for dry beans; we also understand the world climate has changed. As growers of dry beans, we would ask that if this clause needs to be addressed or modified, then we request something in return be granted the grower for their willingness to forego traditional payments for all of these years. That might mean that the current Specialty Crop Block Grants that our own Senator has championed, remain in place or possibly health related research such as the current Pulse Health Initiative or PHI be considered. The PHI is a collaboration between the Dry Bean, and Pea & Lentil industries with three major challenges that these two crops can and do address: Obesity & Chronic Disease; Global Hunger and Functionality; and Environmental Sustainability. If you return to the buildup of the 2007 Farm Bill, you will notice that many believed that bill would be shaped by four major considerations: Farm programs; WTO Cotton case; Broader WTO negotiations; and lastly, the Obesity issue. Those items that shaped the 2007' Farm Bill will continue to be driving forces in the 2012 Farm Bill, and we believe that Dry beans and their healthy status could be a key to the obesity and other health issues.

The first thing I would like to talk about is the exciting new concept called the PULSE HEALTH INITIATIVE (PHI). The PHI was initiated by the Pulse Industry, which consists of the U.S. Dry Bean Council and the USA Dry Pea & Lentil Council and their respective members. Pulses are grown yearly in 24 states and processed yearly in an additional 13 states.

The PHI started with a planning session, in March 2010 at the ARS facility in Beltsville Maryland. This planning session brought together the leading pulse researchers from across the U.S. and included a number of ARS staff as well. The planning session centered around three research areas that need to be expanded:

- Health and Nutrition

With the pulses being low fat, a fundamental source of fiber, protein, and starch, high in folate, pulse crops provide an outstanding health and nutritional benefits that not only contribute to a healthy lifestyle, but can also help reduce serious health problems. The yearly indirect cost of

obesity alone is estimated at over \$450 billion a year (*McKinsey Quarterly, 2011*). Pulses could be part of the answer. While existing research of dry peas, dry beans, lentils and chickpeas is certainly valuable, it is just the tip of the iceberg. There is much more to be studied in pulse crops in order to unlock their full potential for preventing nutrition-related health problems that plague our world.

- Sustainability

As stated earlier, with global population expected to increase to 9 billion by 2050, the need to create dependable food sources that offer high nutritional value at low cost has never been greater. This creates tremendous pressure to produce more food on fewer acres. Pulse crops can be an integral component in designing sustainable production systems to effectively utilize limited land and water resources. For example, the water footprint beef is estimated at 1,857 gallons/pound, for chicken it is estimated at 469 gallons/pound, for soybeans it is estimated at 216 gallons/pound and pulses it is estimated at 43 gallons/pound (*National Geographic, April 2010*).

- Functionality/End Use

To better use the Health and Nutritional aspects of Pulses, plus their sustainability, additional research needs to happen in the functional use of pulse crops, such as milled flour and ingredients. Also, the need to develop convenient, healthy products from pulse crops must be accomplished as well.

These areas were determined to have very high potential for pulses at the planning session. How do we fund this? Pulses and specialty crops offer enormous potential to make our diet healthy. Funding research that encompasses their development makes America healthier. I am not advocating eliminating or making a major reduction in the long term research dollars that the grains have received, just a redistribution to bring pulses in line with their potential.

The Specialty Crop Block Grant program, championed by our own Senator, has certainly turned into one of the worthier grant programs currently available. In Michigan alone, we continue to have a number of applicants. Last year's 66 applicants has been the highest, and from a number of different crops, fields, and institutions.

Many applicants have strived to advance their technology through these grants. We took a different view. While the technology was there to increase speed of harvest and insure quality through direct harvesting, (via soybeans with direct harvest ability) we needed to find the correct varieties and agronomic practices to make this system work for dry beans. Our industry needed to adapt production to current technology. We are accomplishing this with help from our universities, our Michigan Department of Agriculture and Rural Development, USDA, and our own growers who all have contributed in this research effort.

We would also like to see the continuation of both the MAP (Market Access Program) and FMD (Foreign Market Development) programs. Currently the U.S. Dry Bean Industry exports 34 percent of its production (ERS/USDA&FAS numbers). Export of dry beans has been increasing

since 2004' and our industry obtained high export numbers in 2009' that had not been reached since 1990'. This increase is due in part or wholly due to the opportunities we have been granted through the MAP and FMD programs. Along with these two programs we must encourage the continuation of the PL 480 program. This program, also known as the food aid program, has done wonders in making sure that many around the world go to bed with food in their stomach. At the same time, while many are encouraging the infusion of cash rather than products to these areas, it seems at this time it is much easier to track and control food distribution than to track dollars that seem to be disappearing.

A success story for the dry bean industry with both of these programs is Angola. It started as a Food Aid country for beans, and with the help and foresight of USDA, and the dry bean industry, using FMD funds, Angola has developed into a quality dry bean market for our exports.

In conclusion the Pulse Health Initiative is the shining star of my presentation today. Its benefits reach far beyond the Farm Bill in shaping a bright and healthy future for our nation. I would encourage you to become fully aware of its benefits and make it part of your vocabulary as you develop this Farm Bill. Effective farm legislation has long been valuable in maintaining healthy low cost food for America. We look forward to the 2012 Farm Bill continuing that trend.

Thank you.

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