

Mr. Chairman and Members of the Committee:

Thank you for this opportunity to speak on issues important to beekeepers for the 2007 Farm Bill.

My name is David E. Hackenberg. From my headquarters in Lewisburg, Penn., my family and I operate 3,000 colonies of honey bees. We operate in Pennsylvania, Florida, California, New York, and Maine. We produce honey and beeswax and provide pollination services for growers of a wide variety of crops. I have been a beekeeper for 44 years.

Over the years I have worked with beekeepers associations in several states and have allowed federal and university bee researchers to use my colonies for field trials in several projects. I am also well acquainted with beekeeping issues across the country, having been active in the American Beekeeping Federation for 25 years; I was ABF president in 1998 and 1999 and have served two stints on the National Honey Board.

My family beekeeping operation and all of the American beekeeping industry are facing many challenges. We are continuing to deal with three exotic pests: varroa mites, honey bee tracheal mites, and small hive beetles. USDA and University scientists are working on solutions to these pests, but they develop resistance to the treatments about as fast as they come on line. All these treatments are expensive -- costly to purchase and labor-intensive to apply.

Modern commercial beekeeping is a highly mobile operation, as we beekeepers move our colonies from honey crop to pollination contract to winter nursery grounds in an attempt to maximize our revenues. Mobile means fuel-consuming which these days translates into more dollars for every tank full.

Honey prices have strengthened recently, but they have been severely depressed for several years. Drought has taken a toll on honey crops, as it has on other crops, but poor honey crops don't always see the expected bump in prices, since honey is a world crop that is freely imported into the United States.

Frequently, this imported honey is sold at prices below the U.S. cost of production. This gives producers in developing countries like China a clear economic advantage since they are not required to adhere to many of the costly requirements or realities of doing business in the U.S. Relatively low labor costs for foreign producers, and the lack of disincentives for adulteration or production of low-quality product are among the most problematic.

We are also facing an erosion in our markets from what we call "honey pretenders" - products that purport to be honey but are blends of cheaper sweeteners labeled to confuse consumers into thinking they are buying 100% pure honey. I see these fraudulent products on sale everywhere I go. The honey processors who buy my honey have to compete with them, resulting in lower prices paid to me.

Many of these "honey pretenders" contain little or no honey. Sometimes their labels are legal, if confusing to all but the most astute shoppers. Others are outright frauds that are clearly labeled

as Pure Honey, even though they are not. We continue to seek assistance of the Food and Drug Administration to combat the frauds, but in this day of tight budgets, FDA assistance is very limited. The U.S. honey industry has petitioned the FDA to establish a Standard of Identity for Honey that we see as one means of dealing with "honey pretenders." We ask the committee to identify this as priority for FDA and recommend that FDA devote sufficient staff and resources to this effort to promulgate a Standard of Identity for Honey as soon as possible.

HONEY MARKETING LOAN - OUR SAFETY NET

During the earlier period of honey price downturn, the honey marketing loan program of the 2001 Farm Bill served as a true safety net. It worked as intended, allowing honey producers to borrow funds while holding their honey crop for a better market - and the program has operated a minimal cost. In periods of low prices, it is critical that we beekeepers have this program available.

The industry is also working with USDA's Risk Management Agency to make affordable and effective honey crop insurance available. I look forward to have such a crop insurance program to help stabilize my honey production income during times of disaster-diminished honey crops. However, so far RMA has not approved or piloted any crop or revenue insurance products for beekeepers. We urge the Committee to encourage RMA to move forward in this area.

POLLINATION - SWEETER THAN HONEY

Honey bees are known for their honey, but their value as pollinators of plants vastly exceeds the value of the honey produced [about \$200 million at the farm gate in the U.S. last year]. Through pollination our bees provide a unique and irreplaceable service to the rest of agriculture -- a service that enables those growers to be more productive and efficient. A Cornell University study has determined that pollination by honey bees adds \$14.6 billion in value major crops. And this total does not take into consideration the pollination of backyard gardens, ornamental plantings, and environmental plants.

In my own operation, we pollinate almonds, oranges, pumpkins, cherries, cucumbers, cantaloupes, watermelons, and apples. The growers of these crops, which are dependent on pollination, pay me for that service. However, even as heavily involved in pollination as I am, I depend on honey production to round out my income. Honey crops also give my bees a chance to rejuvenate and build up for the next pollination crop, since many crops we pollinate produce little or no honey.

Honey bees play a vital role in their pollinating of plants that are important to the environment and conservation. It is important that beekeepers continue to be allowed to place their colonies on conservation acreages and that beekeepers be eligible for participation in conservation best practices programs.

U.S. beekeepers, especially those who operate in the Northeast as I do, are facing a shortage of natural habitat due to increasing suburban encroachment and land use changes have converted much prime bee habitat to other non-bee-friendly uses.

I have been told that the European Union has included an explicit economic incentive for farmers to set aside habitat for native species, especially pollinators like bees, in their Common Agricultural Policy (CAP). The CAP aims to implement coherent and integrated agricultural and environmental policies. I encourage the Committee to study the EU model closely as it may represent a non-trade-distorting green box agricultural policy that achieves multiple aims - decoupling most direct payments from production, encouraging preservation and enhancement of conservations buffers in agricultural areas, providing wildlife habitat and refuge for keystone species, especially pollinators, and compensate farmers and land-owners for lost revenues with economic incentives to maintain and implement good environmental practices, such as growing plant communities that sustain and foster biodiversity and reduce pesticide and herbicide applications.

HONEY - TRULY A SPECIALTY CROP

Beekeepers want to be included in any specialty crop provisions of the new Farm Bill. Not only is honey itself a specialty crop, but, through pollination, honey bees contribute to the value of most other specialty crops.

While it might not lie within the Committee's jurisdiction, I want to bring one issue to your attention that is having an adverse impact upon the number and health of honey bee colonies available for crop pollination. Beekeepers depend on the ready availability of new queen honey bees to produce healthy colonies. We have traditionally depended on the U.S. Postal Service to deliver them from the queen-rearing areas of the South, California, and Hawaii. However, USPS is not requiring the airlines to accept live animals such as queen bees and baby chicks. As a result many queen producers and their customers are finding it almost impossible to obtain queens in a timely fashion. Here in the Northeast, our beekeepers must have queens delivered by air mail to assure their supply. This issue deserves Congress' attention too.

As the Committee begins to craft the new Farm Bill, I encourage you to work closely with national trade associations, such as the American Beekeeping Federation, in an effort to see that the Farm Bill ensures a safe and abundant food supply for consumers, protects producers from market disruptions and price/revenue volatility, and honors our commitments to free and fair trade, while enhancing environmental quality and biodiversity, wildlife habitat and preservation of open spaces.

Thank you for this opportunity to provide testimony on farm policy. I would be pleased to attempt to answer any questions you might have.

Sincerely,

David Hackenberg
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