

TESTIMONY OF MICHAEL T. SCUSE
SENATE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Thursday, December 15, 2011

Chairwoman Stabenow, Ranking Member Roberts, and members of the Senate Committee on Agriculture, Nutrition, and Forestry, thank you for the opportunity to appear before you today. I would also like to thank Senator Coons for his kind introduction. The Senator and I have had the pleasure of working together for many years, and I am grateful for his support here today.

I would like to take this opportunity to introduce my wife Patrice. As of this past Sunday, we have been married 35 years. Much of what I have been able to accomplish over the years is due to her strong support and understanding. I would like to thank her for her patience and the sacrifices she has made.

I consider it a tremendous honor to be before this Committee, nominated by the President and Secretary Vilsack to serve as Under Secretary for the Farm and Foreign Agricultural Service at the Department of Agriculture.

As a farmer, I am keenly aware of the responsibility and the privilege of this position: the ability to positively impact America's farmers and ranchers' ability to do business, to produce the food, fiber, and fuel that our nation runs on, and their lives. Every decision I make, in my last job as Secretary of Agriculture for the State of Delaware and in my current job at USDA, I make with farmers and ranchers in mind. If confirmed, I will continue this focus and examine closely the impact of each decision.

We have the best farmers and ranchers in the world today. Our agricultural producers are deeply rooted in this nation's history, and they are a big part of our strength as a people. They define our rural communities and bring particular economic strengths to the rural parts of our country.

Even as America recovers from the deepest recession since the Great Depression, we are seeing a strong agricultural economy. Agriculture is responsible for one out of every twelve jobs in America. This year, net cash income and net farm income are record in nominal terms and, adjusting for inflation, are at their highest levels since the early 1970s. Farm credit is still tight for some, but expanding more and more in many sectors of agriculture, and total farm equity is up.

U.S. agricultural exports for fiscal year 2011 reached \$137 billion, \$22 billion higher than the previous record set in 2008 and \$28 billion above 2010. Further, it is expected that exports for 2012 will remain equally strong and help to support over one million American jobs. In fact, taken as a whole, the United States is in the midst of experiencing the three best years in our history in terms of agricultural exports.

This has also been a year of unprecedented disaster. This past spring, above average snowmelt and excessive rainfall delayed and, in many cases, prevented planting of major crops. Tornadoes hit parts of the Southeast, flooding spread across the Missouri, Mississippi and Ohio river basins, record drought affected the Southwest, and finally, Hurricane Irene and Tropical Storm Lee devastated parts of New England and the mid Atlantic.

America's farmers and ranchers are the best in the world and they are resilient. But at the end of the day, the weather is beyond their control. These disasters only emphasize the importance of a strong and effective safety net for those who need it. One bad year should not have to mean the end of a farmer's business. I am a strong supporter of a robust and innovative crop insurance industry. As a farmer, I carry crop insurance on all of my crops. With the high cost of production today, we need to provide our

producers with the best tools available to deal with the risk associated with farming and crop insurance is one of the best tools we have to offer.

This is a moment of great opportunity in agriculture. I will not downplay the hard work that is needed on the long road that lies in front of us to the next farm bill. If confirmed, I will look forward to working with the members of this Committee and your colleagues in the House to assist, answer any questions, or provide any analysis that you might need.

I would like to recognize today those with whom I have had the great privilege of serving at USDA. The three Agencies that I have been working to oversee in my current acting role, the Farm Service Agency, the Foreign Agricultural Service, and the Risk Management Agency, are each staffed with immensely capable and experienced public servants who are committed to the highest level of service to their customers and stakeholders.

In addition, I would like to emphasize my commitment to turning a new page in civil rights at USDA. Under Secretary Vilsack's leadership, we have made great strides in resolving outstanding civil rights claims. Discrimination in any form will not be tolerated in the Agencies over which I have responsibility.

Thank you again for the opportunity to appear before you today. I am grateful for the opportunity and the faith my President and Secretary Vilsack have placed in me. If confirmed, it will be my greatest honor to serve the American farmer and rancher in this trust.