

**Testimony of**  
**Andy Snider, Owner, Snider Farms**  
**before the United States Senate Committee on Agriculture, Nutrition and Forestry**  
**May 6, 2017**  
**Frankenmuth, Michigan**

Good afternoon, Chairman Roberts and Ranking Member Stabenow. Thank you for receiving my testimony today as you work to develop the new Farm Bill. My name is Andy Snider and I am the senior partner/owner of Snider Farms. Snider Farms is a multigenerational family farm, we raise turkeys, hogs, corn and soybeans in the center of beautiful Oceana County in Western Michigan. My wife Beth and I run the day to day operations at the farm along with my son Zack and his wife, Priscilla and a dedicated team of eleven employees comprise Snider Farms.

We farm 2,700 acres, 85% of the acreage is corn with the remaining balance in soybeans and some wheat/ rye. We expanded our turkey operation in 2012 with an entirely new farm 1.5 miles from the home farm and we are currently doubling that facility. Snider Farms produces about 170,000 turkeys Raised Without Antibiotics (RWA) and a portion of those we raise as certified Organic as a member/owner of Michigan Turkey Producers Cooperative, located in Grand Rapids, Michigan. We have a hog operation that hosts 560 breeder sows and we sell roughly 325 weaned pigs weekly to Michiana Agra, another cooperative business in southern Michigan.

Finally, I serve in several leadership roles for local farm cooperatives. I am one of fourteen farmers that serves on the board of Greenstone Farm Credit Services which is a farmer owned cooperative. I also serve on the Land O'Lakes, Inc. Cooperative Region IV Executive Council and am a founding member of the Michigan Turkey Producers Cooperative.

**Farmer Owned Cooperatives**

My wife and I farmed in partnership with my parents from 1982 through 1994. My involvement in farmer owned cooperatives began early in my career. We were dairy and hog farmers and in 1994 we added turkey barns, raising turkeys as contract growers for Bil-Mar Foods, a division of Sara Lee. In 1996, my wife and I woke up to a fire blazing through our dairy barns. Only one cow survived the blaze and we were left with difficult decisions. We decided to get out of the dairy business and focus on the turkey and pork enterprises, expanding our hog facilities to grow more weaner pigs. One year after the catastrophic fire, we and the other Michigan growers for Sara Lee were informed that they were exiting the live turkey business immediately. Michigan turkey producers only option was to transport live birds to Indiana and Iowa which eroded margins and would have eventually drove all the production out of the state. Fifteen turkey producers including myself banded together to form what is currently the Michigan Turkey Producers Co-op. We raised \$30 million in capital from co-op members and other industry investors. We acquired a shuttered potato processing facility in Wyoming, Michigan, and the facility was ready for slaughter operations in 2000. A small group of producers took our fates

into our own hands and saved the turkey industry in the state which is now an industry that produces 6 million birds annually with an economic impact of \$250 million to the Michigan economy. Additionally, we have created good paying jobs in that facility which had taken a hit after the potato process facility had left. We received assistance through the USDA rural development loan guarantee program for the facility as well as a Value Added Producer Grant (VAPG) for a later expansion which allowed us to expand into ready to eat products such as deli meats. This cooperative ensured economic viability for its member owners as well as economic well-being for the entire community.

I serve on Greenstone Farm Credit Service's board and see firsthand the benefits that our Farm Credit system provides to rural communities and farmers. I would like to call to attention a couple of the extraordinary benefits from the Farm Credit System.

First, Farm Credit made 64,000 loans to young producers (under the age of 36). Having already heard my story, you can appreciate that with both my son going into farming and my need for credit to expand the business, this is a critical service.

Second, Farm Credit finances more than \$27 billion in rural infrastructure including rural electric coops, rural water systems, rural telecommunications and broadband.

Third, given the increasing volatility of farm income, we would encourage Congress to ensure adequate funding for all risk management programs and tools. Programs like crop insurance, livestock gross margin insurance, and FSA guarantees, are essential to maintain a stable and secure food system. Overall, net farm income was down nearly 50% from 2013 to 2016, and if net farm income continues to fall, the risk management programs may be the only remaining safeguard.

In particular, FSA loan guarantees are a critical risk management tool and are used extensively by the Farm Credit System as well as other agriculture lenders. This assists borrowers to gain credit during tough times. The FSA program frequently runs out of funding even in the good times of agriculture and has encountered a shortfall in funding over the last two years that harms farmers that need access to operating capital. Further, the loan limit is merely \$1.4 million which is woefully inadequate in today's farm economy which is extremely capital intensive. For example, one new four wheel tractor can easily cost in excess of \$500,000. The limit of \$1.4 million puts large farms, as well as mid-sized farms at a disadvantage from receiving any benefit in mitigating enterprise risk, but this limit should not be increased without a proportional increase in annual appropriations.

When you consider our aging farmer population, the farm economy and crumbling infrastructure, it's easy to see why it's critical that the Farm Credit system maintains its Government Supported Entity (GSE) status.

In conclusion, farmer owned cooperatives promote the kind of long term economic sustainability that will allow future generations to stay/return to these farms and communities.

## **Conservation**

Growing up in Michigan, surrounded by the state's beautiful lakes, I understand the importance of being a good steward of our natural resources. The conservation ethic runs deep on my farm, with a firm understanding that our land is our capital and legacy. We are committed to do right by it. Through my involvement on Land O'Lakes Inc. Executive Council, my view of on-farm conservation and sustainability has been deepened as Land O'Lakes has developed their Sustain Program. I now view sustainability and profitability on our farm as symbiotic – you can't have one without the other. I commend Land O'Lakes Sustain for their efforts to combine good stewardship, and precision ag tech tools, grounded with data and science, with a view towards on farm productivity and viability. Because legacy and lifestyle matter to all farm families, our farm has enrolled in several state and federal conservation programs that we hope will sustain the land and water for my children and future grandchildren.

The working lands programs within the conservation title of the Farm Bill help support these efforts. Snider Farms has participated in the signature working lands program, the Environmental Quality Incentives Program (EQIP), to help make our farming operation more environmentally sound. Our first EQIP project in 2007 was for an Ag/Chem Building. This facility allows us to store and mix all of our crop protection materials inside a containment area that eliminates risk of ground contamination. Our next EQIP project was a Litter Storage Facility since raising turkeys produces a large amount of waste. This EQIP cost share allowed us to construct a litter storage facility on our original farm without impacting our bottom line. Now, with the help of EQIP funding we have been able to utilize all of our turkey litter as a natural fertilizer for our fields as well as selling natural fertilizer to non-livestock farming neighbors and prevent leaching and runoff from outdoor stacking on the ground of manure. On our new farm, we received another EQIP cost share two years ago that allowed us to create another litter storage facility without hurting our ability to be profitable.

We also take part in the Conservation Stewardship Program (CSP), the largest working lands program at USDA, to help us ensure our operation supports important water quality efforts. Our farm is close to numerous lakes, streams and rivers in Western Michigan that all end up in beautiful Lake Michigan. We take our nutrient management as well as our extensive use of cover crops very seriously. These practices, along with using the latest technologies, allow us to excel in this area of conservation and are supported by CSP.

At the state level both locations of Snider Farms are verified in all three systems of the Michigan Agriculture Environmental Assurance Program (MAEAP). MAEAP is an innovative, proactive program that helps farms of all sizes and all commodities voluntarily prevent or minimize agricultural pollution risks. Each system or phase of MAEAP works to reduce our farm's environmental risk by utilizing a three system process of education, a farm-specific risk assessment and practice implementation, and an on-farm verification of our environmentally sound practices. For example, MAEAP verified farms in the Livestock and Cropping systems are

required to have a CNMP (Comprehensive Nutrient Management Plan) that tracks all nutrient applications, whether commercial fertilizer or manure. Non-MAEAP verified farms are not required to practice this most important, long term, environmentally sound practice that is of the utmost importance toward sustainability. At Snider Farms, we have CNMP plans for both of our farms and have recently received our county's Conservationist of the Year Award.

Overall, Snider Farms has been able to prioritize conservation because of our convictions and programs made available through the Farm Bill. These programs have allowed our farming operation to continue with each new generation and allowed us to expand in a way that is both environmentally and economically sustainable.

### **Animal Pest and Disease Disaster Prevention and Response Program**

Since 2015, the turkey industry has made significant strides in recovering from highly pathogenic avian influenza (HPAI), after suffering through the worst animal disease outbreak in U.S. history. The losses from HPAI were personal and weighed heavily upon farmers, rural communities, and companies from the West coast to the Midwest. As an industry, we learned many lessons from the outbreak, and the way we quickly contained a similar case of HPAI in Indiana last year indicates the industry, with assistance from USDA, the states, and other key stakeholders are applying those lessons to reduce the chances and severity of a future outbreak. However, the road ahead remains long and as an industry we will need renewed support from Congress to assist USDA/Animal Plant Health Inspection Service (APHIS) to reduce the long-term impacts. HPAI is not going away overnight; it is a global problem and the time is now to start an international discussion on eradication strategies for HPAI including the use of vaccines. The global spread of HPAI illustrates that no country is immune and the U.S. must be a leader to begin this discussion. Additionally, we are reminded by the recent HPAI outbreak in Tennessee that this disease is still very much a danger and can strike at any time.

As the Committee embarks on the reauthorization of the Farm Bill, the National Turkey Federation and its turkey farmers will be joining many that rely on the animal agriculture community in asking for the inclusion of a forward-looking, mandatory Animal Pest and Disease Prevention Program to the Farm Bill. This program will be designed to limit the impacts of foreign diseases on U.S. livestock and poultry producers both before and during an outbreak. We have all heard that "an ounce of prevention is worth a pound of cure" and this program will use that mantra to focus federal dollars on targeted efforts that reduces foreign diseases ability to gain a foothold here in the first place.

Animal agriculture is a major economic driver for our nation and this program will have a huge impact on protecting the industry from future foreign disease exposures. According to the Farm Income Atlas administered by USDA's Economic Research Service, total cash receipts for animals and animal products was over \$212.2 billion in 2014. This represents over fifty percent

of all farm cash receipts. In addition, a recent study commissioned by the United Soybean Board found that the total economic impact of the livestock and poultry industry in the United States was \$440.7 billion in 2014. In order to protect our investment in the vital sector of the economy, we will be asking Congress to support our request for this new program.

In recent years, disease outbreaks have cost billions in production losses and response costs. According to APHIS, the 2015 avian influenza outbreak cost taxpayers \$1 billion in response, clean up, and indemnity costs. That doesn't include lost export markets, temporary shortages, or price increases for certain poultry products.

There are two key pillars of our proposal:

First, the Animal Pest and Disease Disaster Prevention and Response Program, administered by APHIS, would build upon the 2014 Farm Bill's authorization of the National Animal Health Laboratory Network (NAHLN) that provides crucial resources to prepare and prevent a crisis and brings together the federal government, states, industry and universities to:

- Provide rapid detection and response capabilities
- Develop mitigation and stamp-out technologies including vaccines
- Identify and support critical research needs.

Second, it would provide for the development of a block grant system that allows states and other key players to strategically target areas of concern where we are more vulnerable. Finally, it is envisioned that this program would be structured to take full advantage, through support and collaboration, of the science generated by the National Institute of Food and Agriculture (NIFA) program. As an industry, we look forward to working with the committee to establishing this critical program needed to support our nation's livestock and poultry industry.

One final point I'd like raise related to my turkey operation, specifically the organic portion is the recent USDA rule on Organic Livestock Production Practices. I and many of the other organic poultry producers in the state are concerned about the impacts of some of the new requirements in the National Organic Program. The organic program has long been focused on sound organic production from an ingredients standpoint. This new rule dictating outdoor space requirements moves the goalpost in a significant way. Producers including myself have made significant investments into our operations to comply with the rules including securing feed sources and marketing our product.

The organic sector has been a bright spot for growth in Michigan. I have concerns about the potential impacts of the organic livestock rule and unintended consequences that could negatively impact our producers. The new rule could put many committed organic producers out of business

Furthermore, this rule is in direct conflict with what producers are currently doing to avoid future HPAI outbreaks.

So today, I call on Secretary Perdue to delay the implementation of the rule before May 19th and take a hard look at the impact these rules will have on famers, local supply chains and consumers. Chairman Roberts and Ranking Member Stabenow, thank you for the invitation today to speak about these important issues as you consider reauthorization of the Farm Bill.