

**AN EXAMINATION OF THE STATE OF THE
SPECIALTY CROP INDUSTRY**

HEARING

BEFORE THE

**COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES**

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

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AN EXAMINATION OF THE STATE OF THE SPECIALTY CROP INDUSTRY

TUESDAY, SEPTEMBER 16, 2025

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The Committee met, pursuant to call, at 10:00 a.m., in Room 1300, Longworth House Office Building, Hon. Glenn Thompson [Chairman of the Committee] presiding.

Members present: Representatives Thompson, Lucas, Austin Scott of Georgia, Crawford, LaMalfa, Rouzer, Kelly, Bost, Feenstra, Miller, Moore, Cammack, De La Cruz, Newhouse, Wied, Bresnahan, Harris, Taylor, Craig, David Scott of Georgia, Costa, Adams, Hayes, Brown, Salinas, Davis of North Carolina, Tokuda, Budzinski, Sorensen, Vasquez, Thanedar, Figures, Mannion, McClain Delaney, Pingree, and Carbajal.

Staff present: Austin DeBerry, Luke Franklin, Sofia Jones, Josie Montoney, Patricia Straughn, John Konya, Suzie Cavalier, Emily Pliscott, Emma Simon, Michael Stein, Elaine Zhang, and Jackson Blodgett.

OPENING STATEMENT OF HON. GLENN THOMPSON, A REPRESENTATIVE IN CONGRESS FROM PENNSYLVANIA

The CHAIRMAN. The Committee will come to order.

Welcome, and thank you for joining today's hearing, entitled, *An Examination of the State of the Specialty Crop Industry*. After brief opening remarks, Members will receive testimony from our witnesses today, and then the hearing will be open to questions.

So, good morning once again, everyone, and welcome to today's hearing. I want to begin by thanking Ranking Member Craig for her partnership in hosting this bipartisan hearing. I also want to thank our colleagues for their participation and continued commitment to work together on behalf of American agriculture. Most importantly, I want to extend my sincere thanks to our witnesses. We know that your time is valuable, and your decision to be here today to share your perspectives, your experiences, and concerns is greatly appreciated. As we examine the current landscape of the specialty crop industry, your firsthand insights are essential to make sure our work is informed by those who live and breathe these challenges every day.

Specialty crop plays a crucial and often under-appreciated role in the success of U.S. agriculture. Fruits, vegetables, and tree nuts provide nutritious, high-quality food that supports the health of our population home and abroad. Beyond the plate, nursery crops and

floriculture industries contribute to our quality of life, beautifying our communities and supporting local economies. From the flower beds in our neighborhoods to produce aisles in our grocery stores, specialty crops touch our lives in countless ways. However, the very diversity that defines this industry can also present unique challenges in policy development. From ensuring adequate risk management tools to supporting effective research, the specialty crop industry requires thoughtful solutions to nuanced challenges. Producers navigate a complex web of pest and disease threats, rising costs, regulatory constraints, and global competition, all while trying to meet evolving customer expectations.

Over the years, this Committee has worked to create those thoughtful solutions through the creation of specific programs that support the sector and by working across titles to improve program delivery for specialty crop producers. We recognize that the challenges of a citrus producer in California look different than those of a wheat farmer in Kansas, and we believe that our agriculture policy should reflect those differences. As we hear more on what it means to support the industry in a meaningful and effective way today, it is timely to highlight the substantial investments made via budget reconciliation to support our specialty crop producers, and I wanted to share a few examples.

But I am going to back that up to—really was the investments that were included were ones that were—I want to—really wanted to say thank you to all the Members of the Committee that were here last Congress because that was the blueprint that we used as we worked on the piece of legislation that passed out this Committee with some bipartisan votes. That was the hard work that became the template for what we were able to move in budget reconciliation as the vehicle to get it into law, but it was really the bipartisan work of this Committee in the area of specialty crops, and so some thank yous.

But some of those accomplishments include an historic investment of an additional \$95 million per year in the Specialty Crop Research Initiative, a competitive grant program that provides resources for research and extension projects that ensures the specialty crop industry is not being sidelined; an additional \$15 million increase for the Specialty Crop Block Grant program enabling state departments of agriculture to work with their producers to enhance their competitiveness; another \$15 million in increased funding to the Plant Pest and Disease Management and Disaster Prevention Program, which is essential to safeguarding American agriculture from invasive pests and diseases that can be particularly devastating to specialty crop producers. And funding was doubled for market development programs to help support export growth for agriculture commodities and to, ultimately, return to an agriculture trade surplus, which we know is particularly important for the horticulture industry.

These investments represent a substantial step in rising to the occasion of assisting our specialty crop producers, but investment alone is not enough. We also need to ensure these programs are accessible, effective, and responsive to real-world conditions. Today's hearing is an opportunity to take stock of where we are, hear directly from stakeholders, and identify where we can come together

to find workable solutions that support this essential sector. Thank you again to our witnesses for being here, and thank you to my colleagues for your attention and engagement. I look forward to a productive discussion and to work together to ensure a bright future for America's specialty crop producers.

[The prepared statement of Mr. Thompson follows:]

PREPARED STATEMENT OF HON. GLENN THOMPSON, A REPRESENTATIVE IN CONGRESS
FROM PENNSYLVANIA

Good morning, and welcome to today's hearing. I want to begin by thanking Ranking Member Craig for her partnership in hosting this bipartisan hearing. I also want to thank our colleagues for their participation and continued commitment to work together on behalf of American agriculture.

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Specialty crops play a crucial, and often under-appreciated, role in the success of U.S. agriculture. Fruits, vegetables, and tree nuts provide nutritious, high-quality food that supports the health of our population at home and abroad. Beyond the plate, nursery crops and floriculture industries contribute to our quality of life, beautifying our communities and supporting local economies. From the flower beds in our neighborhoods to the produce aisles in our grocery stores, specialty crops touch our lives in countless ways.

However, the very diversity that defines this industry can also present unique challenge in policy development. From ensuring adequate risk management tools, to supporting effective research, the specialty crop industry requires thoughtful solutions to nuanced challenges. Producers navigate a complex web of pest and disease threats, rising costs, regulatory constraints, and global competition, all while trying to meet evolving consumer expectations.

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As we hear more on what it means to support the industry in a meaningful and effective way today, it is timely to highlight the substantial investments made via budget reconciliation to support our specialty crop producers. A few examples include:

- A historic investment of an additional \$95 million per year in the Specialty Crop Research Initiative, a competitive grant program that provides resources for research and extension projects that ensure the specialty industry is not being sidelined.
- An additional \$15 million increase for the Specialty Crop Block Grant Program, enabling state departments of agriculture to work with their producers to enhance their competitiveness.
- Another \$15 million in increased funding to the Plant Pest and Disease Management and Disaster Prevention Program, which is essential in safeguarding American agriculture from invasive pests and diseases that can be particularly devastating to specialty crop producers.
- And funding was doubled for market development programs to help support export growth for agricultural commodities and to ultimately return to an agricultural trade surplus, which we know is particularly important for the horticulture industry.

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Today's hearing is an opportunity to take stock of where we are, hear directly from stakeholders, and identify where we can come together to find workable solutions that support this essential sector.

Thank you again to our witnesses for being here, and thank you to my colleagues for your attention and engagement. I look forward to a productive discussion and to working together to ensure a bright future for America's specialty crop producers.

The CHAIRMAN. With that, I would now like to welcome the distinguished Ranking Member, the gentlewoman from Minnesota, Ms. Craig, for any opening remarks she would like to give.

**OPENING STATEMENT OF HON. ANGIE CRAIG, A
REPRESENTATIVE IN CONGRESS FROM MINNESOTA**

Ms. CRAIG. Thank you, Mr. Chairman, and a special thank you and welcome to our witnesses here today. We really appreciate this bipartisan hearing. I also want to recognize the Subcommittee Ranking Member, Ms. Salinas, who has been a stalwart champion for our specialty crop farmers. Oregon, as we all know, is home to many specialty crops, including winegrapes, and grass seed. She comes to work every day to fight on their behalf. Thank you for your leadership, Andrea.

While row crops are critical to our nation's energy and food security, specialty crops are just as important. Whether it is fruits, nuts, or vegetables, specialty crops are staples of the American diet. Like many of our row crop growers, specialty crop farmers are in a tough spot today. Labor costs are high. Production costs are being driven up by tariffs or inputs that simply cannot be sourced within the United States. The trade wars are causing market turmoil and impacting the cost of machinery and equipment. All of this makes it harder for specialty crop farmers to keep farming and harder for the average American to enjoy reasonably-priced produce. The Republican's budget bill, which they are now trying to rebrand because of its unpopularity, was signed into law in July and made some investments in the farm safety net. However, many of the requests and needs of the specialty crop industry were left behind, like improvements to crop insurance.

I visited a berry farm in California earlier this year where I spoke with farmers about the challenging economic headwinds they are facing. Specialty crop farmers often produce delicate crops that require fundamentally different farming techniques and equipment than the corn and soybean farmers that call my southwest Minnesota district home. The farmers I spoke with at the berry farm increasingly see the need for automation and mechanized labor to perform the specialized work necessary to tend to and harvest their crops. Their need to innovate new tools is underscored by this Administration's current assault on the farm labor community and the chaos it has caused across farm country. I look forward to hearing from our witnesses today who are sure to talk more about that. I want to thank you for being here and for sharing your expertise and experiences with us.

Thank you, Mr. Chairman, and I yield back.

[The prepared statement of Ms. Craig follows:]

PREPARED STATEMENT OF HON. ANGIE CRAIG, A REPRESENTATIVE IN CONGRESS FROM
MINNESOTA

I want to thank the Chairman for holding this hearing today.

I also want to recognize the Subcommittee Ranking Member, Ms. Salinas, who has been a stalwart champion for our specialty crop farmers. Oregon, as we all know, is home to many specialty crops—including wine grapes and grass seed. She comes to work every day to fight on their behalf. Thank you for your leadership.

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The farmers I spoke with at the berry farm increasingly see the need for automation and mechanized labor to perform the specialized work necessary to tend to and harvest their crops. Their need to innovate new tools is underscored by the Administration's current assault on the farm labor community and the chaos it has caused across the farm country.

I look forward to hearing from our witnesses today, who are sure to talk more about that. I want to thank you for being here and for sharing your expertise and experience with us.

Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. The chair would request that other Members submit their opening statements for the record so the witnesses may begin your testimony and ensure there is ample time for questions.

Our first witness today is Mr. Michael Frantz, the President of Frantz Wholesale Nursery. Our next witness is Dr. Ramesh Sagili, a Professor of Horticulture at Oregon State University, and our third witness today is Dr. Tim Boring, the Director of the Michigan Department of Agriculture and Rural Development. Dr. Boring is testifying on behalf of the National Association of State Departments of Agriculture, and our final witness is Mrs. Dana Brennan, Vice President for Corporate Affairs at Grimmway Farms. Thank you all for joining us today, and we are now going to proceed your testimony. You will each have 5 minutes. The timer is in front of you and will count down to zero, at which point your time has expired.

Mr. Frantz, please begin when you are ready.

STATEMENT OF MICHAEL J. FRANTZ, PRESIDENT AND CO-OWNER, FRANTZ WHOLESALE NURSERY, LLC, HICKMAN, CA

Mr. FRANTZ. Good morning, Chairman Thompson, Ranking Member Craig, and Members of the Committee. Thank you all for the opportunity to be here today. My name is Michael Frantz, and I am the co-owner of Frantz Wholesale Nursery, a family farm founded by my parents nearly 50 years ago. We grow trees and shrubs, perennials and grasses, and sell them to landscape contractors and various retail outlets across the western United States. I have served for over 15 years as a Director to the Turlock Irrigation District, a public utility that serves water and power to my commu-

nity. I have also served for many years as the Chair of the Advocacy Committee for AmericanHort, the premier Federal trade association for the horticultural industry. I have traveled to Washington many times over the last 25 years, consistently advocating for bipartisan solutions that would provide a stable and legal workforce for agriculture and reasonable water policies for the West. I realize these topics are outside the jurisdiction of this Committee, but both remain top priorities for the specialty crop industry and to me personally. I have submitted a longer, more detailed written testimony to the Committee. Foundational to my comments today, the specialty crop industry does not seek commodity price supports. Consumers value our quality crops and pay a fair price generally sufficient to pay our bills, but there are key areas where government support is vital, which I will try to outline today.

We struggle to find effective insurance to mitigate the enormous risk we growers take. In our nursery, we grow over 700 varieties of plants and have up to 10,000 individual crops growing at any given time. Some crops only reside on our farm for a few weeks, while others will grow as long as 8 years from sowing the acorn until we ship the half-grown oak tree to our customer. All our crops are highly perishable and vulnerable to weather and economic variability. Crop insurance for catastrophic and nature-related events are in place for Title I crops, but these programs rarely work well for us because of our extreme crop diversity. Affordable crop insurance programs that can provide disaster relief for unique specialty crop farmers like myself are needed.

While we do our best to prevent the need for quarantine, much of the quarantine process is out of our hands. We grow potted citrus trees, a crop highly regulated by USDA to protect commercial citrus farmers. The nursery industry has invested millions of dollars in protective structures to ensure the plants we ship are free of disease, but even small changes in the regulation of movement of citrus can block multiyear crops' access to markets, potentially resulting in millions of dollars of losses essentially overnight. I am happy to see pilot insurance programs to cover government-imposed quarantine risks are getting started, but they need refinement to be useful. I respectfully ask that you continue to fund this vital risk mitigation tool. We continue to lose crop protection tools each year, and replacements are slow to fill the void. IR-4 research dollars were not funded in your last budget bill. They are critical to advance new pest and disease options for us, and I respectfully ask that you include IR-4 funding in the next farm bill.

The recent Marketing Assistance for Specialty Crops—MASC—funding helped us with our substantial increase in costing. I understand that some of you on this Committee were essential in getting the payments out this year. Thank you for your help. As this *ad hoc* funding source will hopefully play a vital support role in future years, I would ask that this Committee consider providing consistent logic for what and who would qualify for additional funding when real needs arise. Another challenge we face is tariffs on essential inputs that largely cannot be sourced domestically. Many of the crop inputs we depend on, such as peat moss and coconut core, which are components of our soil mix, must be sourced internationally. I want to thank the Chairman and his staff for recognizing

this challenge and elevating the need for tariff exemptions on peat moss. Securing that exemption has saved our industry millions of dollars and provided some relief. Still, other non-exempt inputs remain subject to tariffs, contributing to macro-inflationary pressure that, in some cases, is pricing our very discretionary products out of consumers' reach.

Thank you for your time and consideration today. In closing, I will circle back to my three main issues: the vital need for a stable and legal workforce, a strong safety net to protect us when disasters and quarantine strike, increasing inflationary costs that are pricing our quality American-grown specialty crops out of consumers' budgets. If any of you find yourself in California, I would invite you for a tour. We would love to have you. I look forward to your questions.

[The prepared statement of Mr. Frantz follows:]

PREPARED STATEMENT OF MICHAEL J. FRANTZ, PRESIDENT AND CO-OWNER, FRANTZ WHOLESALE NURSERY, LLC, HICKMAN, CA

Good morning, Chairman Thompson, Ranking Member Craig, and Members of the Committee,

Thank you for the opportunity to present to you today. My name is Michael Frantz, and I am the co-owner of Frantz Wholesale Nursery, a family farm founded by my parents nearly 50 years ago. The business has been owned and operated by my brother Keith and me for the last 25 years, fulfilling my parents' dream of founding a farm, and passing it on to the next generation. We grow trees and shrubs, perennials and grasses, and almonds. All are grown in containers and sold to landscape contractors and various retail outlets across the western United States.

In addition to my primary job at my family's nursery business, I have served for 15 years as an elected Director to the Turlock Irrigation District, a publicly owned utility that serves Water and Power to part of the great San Joaquin Valley in California, where I live and farm. I served for many years as the chair of the Advocacy Committee for AmericanHort, the premier trade association for the Horticultural Industry. I have traveled to Washington many times over the last 25 years, consistently advocating for bipartisan workforce solutions that would provide a stable and legal workforce for agriculture, and reasonable water policies for the West. I realize these topics are outside the jurisdiction of this Committee, however, both remain top priorities for the Specialty Crop industry in the great state of California, and for me personally.

Crop Insurance for Specialty Crops

It is important to note: we do not seek price supports afforded to commodity crops. Typically, specialty crop growers like me trust the market. The American consumer desires the quality crops we grow, and we trust them to pay a price that covers our bills. We do see a few key areas where government can and should support the industry, and I will lay those out here today.

We struggle to find effective insurance to mitigate the enormous risk we take each year. In our nursery, we grow over 700 different varieties of plants and have up to 10,000 individual crops growing at any given time. Some may be as small as just a handful of unique plants for a special market or customer. Some plants are sold within 60 days of planting, and others can be as long as 8 years from when we sow the acorn to when we ship the half-grown Oak tree to our customer. All are highly perishable and vulnerable to weather and economic uncertainty. Crop Insurance for catastrophic and nature-related events, such as frost, fire, earthquakes, and hail are in place for Title One crops, but these programs seldom work for us. Improved crop insurance programs are needed throughout the specialty crop sector.

Quarantine Insurance

While we do our best work to prevent the need for quarantines, much of the quarantine process is out of our hands, and we incur a substantial amount of risk. Pests and diseases can come through the ports, the transit of goods, and human movement across the United States. A void that we do not have filled at this time is insurance coverage to protect us when a government-imposed quarantine prevents growers from shipping plants or products.

We grow potted citrus trees that are sold via retail outlets and independent garden centers on the West Coast, and via e-commerce across most of the lower 48 states. Oranges, grapefruit, mandarins, lemons, and limes—all are grown in USDA-regulated structures in a highly controlled environment. But even small changes in the regulations can block multiyear crops from being sold, resulting in millions of dollars of losses essentially overnight. Pilot insurance programs to cover this exact risk are ongoing. I ask that you continue to fund this vital risk mitigation tool for growers like me.

Adjusted Gross Income (AGI) limits

AGI limits are often an issue for us, especially in sectors of agriculture where the cost of doing business is capital-intensive. Greenhouses, irrigation systems, and USDA-compliant growing systems drive up both investment costs and gross incomes, often pushing producers above AGI thresholds. For our sector, using the standard that at least 75% of income must come from agriculture is a far more accurate measure—particularly in states like California, where high costs and gross receipts do not reflect true farm profitability.

Protection Tools

Each year, we lose vital crop protection tools, while new alternatives take far too long to reach the market. The IR-4 Program is essential to developing safe, effective alternatives for specialty crops, yet funding was not included in the last budget bill. I ask you to restore and prioritize IR-4 funding in the farm bill to ensure growers have the tools they need to protect their crops and remain competitive.

Miscellaneous Government Programs

We also benefit from a variety of other government programs. The recent Marketing Assistance for Specialty Crops (MASC) program helped us with our substantial increases in costs (especially labor) over the last few years. I understand that some of you on this Committee were essential in getting the payments out this year—thank you for your help. Going forward, I respectfully ask this Committee to establish clear and consistent criteria for determining which needs qualify for additional funding as they arise.

Inflation

The nursery business is often at the tip of the economic spear as landscaping and plants for your home or office are almost entirely discretionary expenses. When there are downturns, we will oftentimes feel it first, and we are feeling it now due to the looming inflationary environment. Since prices have spiked during the COVID pandemic, we have seen our unit counts decline as we have attempted to pass along the increased costs to our customers.

We now find ourselves in an unsustainable situation where our costs increase, and our units sold of any given crop decline. Inflation is pricing our products out of reach of many consumers. This is of great concern to specialty crop growers such as me. For growers and farmers across the agricultural sector, the escalating cost of essential inputs—such as labor, fuel, fertilizer, and equipment—is outpacing the value of our outputs at an unsustainable rate. This widening gap places immense pressure on producers, threatening the long-term viability of agricultural operations and stability. As policymakers, your understanding and support are critical in shaping strategies and policies that help safeguard the future of farming and ensure a resilient, productive agricultural economy[.]

Tariffs

As a nursery grower, I want to emphasize that many of the essential inputs for our crops, such as peat moss, coconut coir, and burlap, are sourced internationally, as these materials cannot be produced in the United States due to climatic and environmental limitations. I would like to thank the Chairman for recognizing this challenge and elevating the need for tariff exemptions on critical inputs like peat moss. Securing an exemption on this input has saved our industry millions of dollars and provided some relief. However, we continue to experience margin pressure on other inputs that remain subject to tariffs, further squeezing profitability in a sector already operating on thin margins. These ongoing cost burdens jeopardize our ability to remain competitive.

Thank you for your time and consideration of my comments today. In closing, I circle back to three main issues: the vital need of a stable and legal workforce, a strong safety net to protect us when disasters and quarantines strike and increasing inflationary costs that are pricing high-quality American grown specialty crops out of the consumers budgets.

And as I wrap up, I would like to invite any of you to come tour our nursery in Hickman, California—just outside of Modesto. We would love to have you. I look forward to your questions.

ATTACHMENT 1



About Us

AmericanHort unites the horticultural industry and represents professionals from all facets of the industry.

From growers to retailers, breeders to installers, suppliers to innovators, students to researchers, and everyone in between, people and businesses across the horticulture industry call AmericanHort their inspiration, voice, community, business partner, leader, and advocate.

With farmgate crop value of roughly \$17 billion, total industry economic output of \$348 billion, and directly supporting 2.32 million full- and part-time jobs, the horticulture industry is a key player in the American economy.

MATT MIKA, *Vice President, Advocacy & Government Affairs*, Matt M@AmericanHort.org, (202) 222-5719

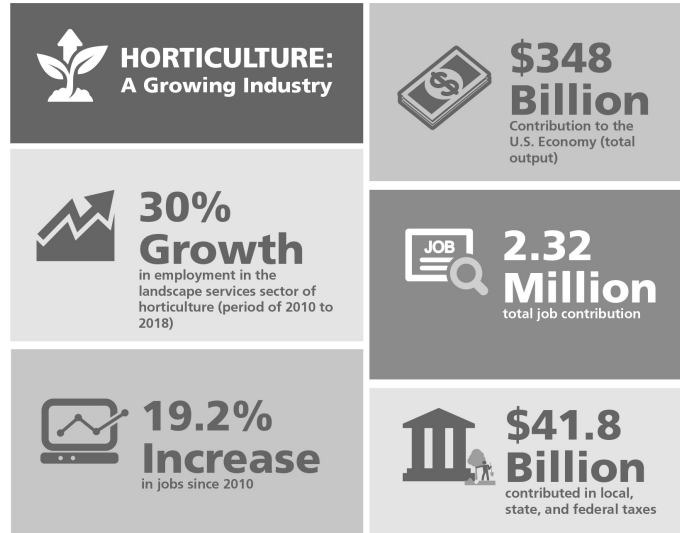
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KAMRON NEWBERRY, *Advocacy Project Coordinator*, KamronN@AmericanHort.org, (806) 315-1046



Scope of the Industry

The business of horticulture is significant and has a big impact. Our businesses include growers, retailers, breeders, suppliers, landscape designers, and installers. Most are small and family-owned. Many are into their third or even fifth generation of family ownership. They are found in every state. Greenhouse and nursery crops comprise $\frac{1}{3}$ of the total value of all specialty crops, and 10% of the value of all crop production in America. More than just a “pretty face,” horticulture’s products and services add to property values, clean and filter air and water, make our cities cooler and more livable, and increase health and well-being.



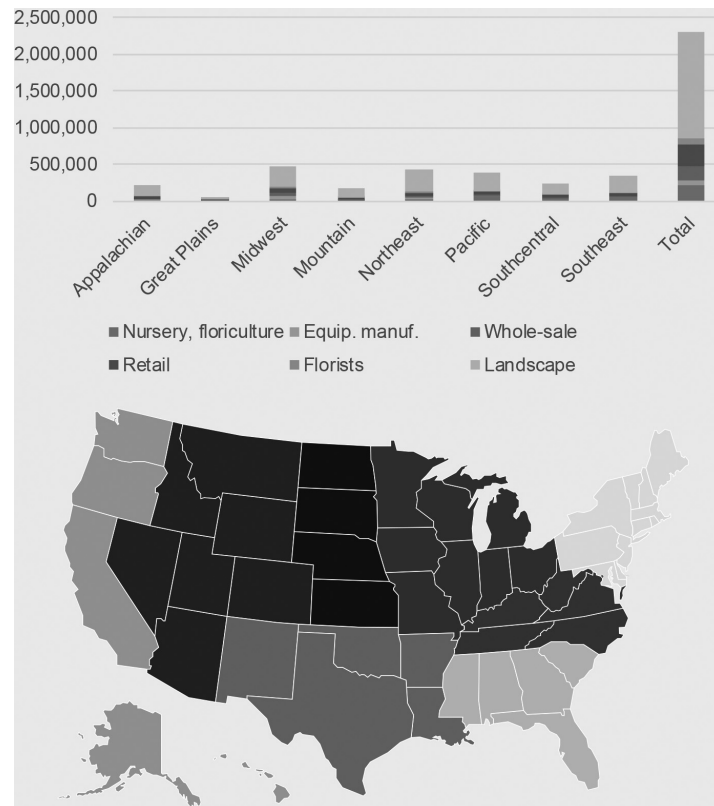
Figures from *Executive Summary of Economic Contributions of the Green Industries in the United States in 2018* by Alan W. Hodges and Hayk Khachatryan, University of Florida, Charles R. Hall and Marco A. Palma, Texas A&M University; July 10, 2019. Green industries in this study are defined as nursery and floriculture production, lawn and garden equipment manufacturing, lawn/garden equipment and nursery/florist wholesalers, retail garden stores, florists, landscape design and services.

Horticulture Means Jobs

State	Total Employment Contributions	State	Total Employment Contributions	State	Total Employment Contributions
Alabama	28,248	Iowa	24,958	Ohio	90,406
Arizona	46,941	Maine	12,743	Oklahoma	23,946
Arkansas	8,348	Maryland	50,700	Oregon	43,078
California	264,913	Massachusetts	52,913	Pennsylvania	90,075
Colorado	48,571	Michigan	77,719	Rhode Island	8,169
Connecticut	31,384	Minnesota	43,472	South Carolina	36,435
Florida	203,482	Mississippi	16,849	Tennessee	44,006
Georgia	66,527	Missouri	42,788	Texas	161,151
Idaho	15,391	New Jersey	64,513	Utah	22,355
Illinois	87,595	North Carolina	78,766	Virginia	63,559
Indiana	45,701				

Coast-to-Coast Impact

Regional Employment by Industry Segment



ATTACHMENT 2



About Us

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From growers to retailers, breeders to installers, suppliers to innovators, students to researchers, and everyone in between, people and businesses across the horticulture industry call AmericanHort their inspiration, voice, community, business partner, leader, and advocate.

With farmgate crop value of roughly \$17 billion, total industry economic output of \$348 billion, and directly supporting 2.32 million full- and part-time jobs, the horticulture industry is a key player in the American economy.

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Workforce & Labor

What We Seek

Labor shortages and access to labor continue to pose significant challenges to the horticulture industry, particularly in plant production and landscape installation. Horticulture is one of the few industries that utilize H-2A and H-2B visas.

H-2A

The H-2A visa program is essential but in need of reform to better meet workforce demands. In the 118th Congress, the House Agriculture Committee's bipartisan Agricultural Labor Working Group released targeted policy recommendations to modernize the program, improve access, and enhance stability. Chairman GT Thompson is working to translate these recommendations into legislation that would:

- Streamline the H-2A application process through a single electronic portal.
- Allow staggered start dates and expedite processing for returning workers.
- Shift recruitment from print to digital and require USDA consultation on program rules.
- Provide greater wage predictability by capping fluctuations and eliminating mid-contract adjustments.
- Offer flexibility in job duties without triggering higher pay and explore alternative AEWR calculations.
- Expand support for safe, affordable farmworker housing and allow small farm waivers based on financial need.

H-2B

The H-2B visa program is essential for landscape businesses that face chronic shortages of seasonal labor. It enables companies to scale during peak seasons, supporting U.S. jobs across the landscape and horticulture supply chains. The program's outdated annual cap of 66,000 visas—set over 30 years ago—is far below current demand, with roughly half of all H-2B visas used by the landscape industry, the program's largest user.

The following fixes would provide relief and assistance to the landscape and horticulture industry:

- Raise the annual visa cap to a minimum of 120,000 visas a year.
- Include “may to shall” H-2B discretionary language in the FY26 DHS appropriations bill.
- Create a certified seasonal employer H-2B cap exemption.

We urge Members of Congress to support legislation that strengthens the H-2A and H-2B visa programs and ensures a stable, legal workforce for the American horticulture industry.

Further Background

President Trump and his Administration can take immediate steps to stabilize the agricultural workforce through executive and administrative actions. These include prioritizing H-2A visa processing, modernizing wage calculations, expanding eligi-

bility for non-seasonal roles, and clarifying the definition of agricultural labor. While these actions are helpful, they are only temporary.

President Trump, his family, and businesses have utilized the H-2A and H-2B programs—just like many growers across the country. But agriculture cannot rely on stopgap measures. We urge the Administration to lead in securing a permanent legislative solution that ensures a reliable, legal workforce for U.S. horticulture and agriculture.

ATTACHMENT 3



About Us

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Farm Bill

The 5 year farm bill is set to expire on October 1, 2025. The Titles Related to Horticulture, Research, Rural Development, Crop Insurance, and trade in the farm bill are instrumental in our industry's success. AmericanHort, along with the Specialty Crop Farm Bill Alliance (SCFBA), urges Congress to pass a bipartisan 5 year farm bill to provide much-needed support to our growers, retailers, suppliers, researchers, partners, and customers.

What We Seek

We urge USDA to adopt the Specialty Crop Competitiveness Act of 2024 definition of specialty crops as the standard across all programs to ensure clarity and consistency.

Establish a comprehensive safety net for specialty crop growers in the form of affordable and effective crop insurance:

- Congress should work with USDA to expand crop insurance options for the entire horticulture industry, including nursery, greenhouse, and landscape operations. Many specialty crop growers lack access to affordable and effective cov-

erage. To address this, Congress should create a Specialty Crop Advisory Committee to guide improvements. Reforms are needed to include more flexible policy development, improved data utilization, updates to Whole Farm Revenue Protection, expanded prevented planting coverage, targeted risk research, and enhanced outreach to growers.

Tree Assistance Program (TAP) Improvements:

- Enhance Flexibility: Extend rehabilitation timelines, allow replanting of non-viable but living trees, and permit updates for higher-density plantings to help growers recover and modernize after disasters.

Consistency and predictability for specialty crop growers receiving *ad hoc* economic assistance from USDA:

- Congress should establish a permanent program, like the MASC program, as a mechanism for delivering direct economic assistance to specialty crop growers.

Agriculture Trade and Food Assistance Program:

- U.S. specialty crop growers face higher labor and compliance costs than many foreign competitors. To stay competitive and support domestic food production, farm bill programs should invest in market development, research, and technology. We urge Congress to fund the Technical Assistance for Specialty Crops (TASC) program and support efforts to boost specialty crop export competitiveness.

Invest in research, technology, and innovation:

- Support the Specialty Crop Research Initiative (SCRI): Reinstate the Secretary's ability to waive matching fund requirements and prioritize research in areas like automation, pest detection, crop improvement, and post-harvest handling.
- Dedicate \$40 million annually within SCRI for labor-saving mechanization and automation, with unused funds returning to general SCRI use.
- Provide stable funding for the IR-4 Program to support critical crop protection research for specialty crops.

To support the specialty crop sector, Congress should set aside an increase of at least \$5 million per year in the Specialty Crop Block Grant Program (SCBGP) for multi-state projects with broad industry benefits.

- The 2018 Farm Bill permanently authorized \$85 million per year in mandatory funding for the SCBGP.
- Congress should also reaffirm USDA's ability to promote U.S. specialty crops and direct the agency to use programs like SCBGP and Environmental Quality Incentives Program (EQIP) to help growers adopt automation and mechanization tools that lower labor costs but remain expensive and underused.

ATTACHMENT 4



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Supply Chain: Tariffs, Trade & Transportation

Tariffs

What We Seek

The horticulture industry relies on a wide range of agricultural inputs that are not readily produced in the U.S., making access to imported materials critical for continued growth and competitiveness. AmericanHort is focused on preserving this access by advocating for fair and predictable trade policies that minimize cost burdens on growers and ensure supply chain reliability. Reducing or eliminating tariffs on essential inputs helps protect businesses, many of them small and family-owned, from rising production costs and supply disruptions.

In addition to tariff relief, AmericanHort supports a transparent and functional exclusion process at the U.S. Trade Representative's office, particularly when no viable domestic alternatives exist. The organization also advocates for trade policies that reflect the structure of the horticulture industry and promote clear communication between Customs and Border Protection (CBP), USDA APHIS, and importers to avoid unnecessary delays or penalties at ports of entry to facilitate safe and efficient plant trade.

Transportation & Supply Chain Policy

What We Seek

Reliable transportation is essential for delivering perishable horticultural products, inputs, and equipment. The horticultural industry relies on various modes of transportation, including trucking, rail, waterways, and ports, to transport goods.

Congress should support a state opt-in pilot program to modernize Federal Gross Vehicle Weight (GVW) limits, allowing 91,000 pounds on six axles to improve efficiency and reduce congestion. Addressing the truck driver shortage through better recruitment, retention, and streamlined licensing is also critical. Additionally, increased investment in first- and last-mile infrastructure will help growers access major transport routes and reduce costly delays.

ATTACHMENT 5



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Research & Innovation

Nursery and greenhouse crops account for 15% of the total value of U.S. crop agriculture, yet our industry receives less than 1% of USDA research funding. While horticulture does not receive, nor does it seek, government subsidies, public investment remains essential. Strategic support for research, plant pest prevention, and mitigation helps sustain the critical infrastructure our industry relies on to thrive. We strongly support several USDA programs that serve as pillars of this infrastructure.

Floriculture and Nursery Research Initiative

The Floriculture and Nursery Research Initiative (FNRI) is a unique partnership involving USDA's Agricultural Research Service (ARS), universities, and industry (AmericanHort and SAF). It is often held up as a model for other industries. FNRI is vital to our industry efforts to overcome pest and disease challenges, enhance the efficiency of our production practices, develop and promote sustainable growing practices, and advance the economic, environmental, and human health benefits of our industry's products and services. Over the years, Congress has built the initiative up to over \$5.5M annually. We will seek additional funding of \$2M in FY 2026 to keep pace with rising costs and to tackle additional research.

IR-4 Program

The IR-4 Program was established to facilitate regulatory approval of sustainable pest management technology for specialty crops, including environmental horticulture crops, to promote public health and well-being. Funding for the IR-4 Program remained flat for many years at \$11.9M annually. Coupled with rising research costs and service fees, the IR-4's impact is diminishing. The number of field trials decreased 21% in the Environmental Horticulture Program alone from 2016-2018. We are asking Congress to increase financial support for the IR-4 Project in FY 2026 from \$15M to the Congressionally authorized \$25M.

We Support:

- Modernizing agricultural research facilities and increasing funding for high-priority research focused on the horticulture industry.
- Expanding the Specialty Crop Research Initiative[.]
- Increasing funding for the Specialty Crop Block Grant Program and improving stakeholder consultation processes.
- Strengthening U.S. plant health protections by increasing funding for the Plant Pest and Disease Management and Disaster Prevention Program under PPA Section 7721.

The CHAIRMAN. Mr. Frantz, thank you so much. Dr. Sagili, please begin when you are ready.

**STATEMENT OF RAMESH SAGILI, Ph.D., PROFESSOR,
DEPARTMENT OF HORTICULTURE, OREGON STATE
UNIVERSITY, CORVALLIS, OR**

Dr. SAGILI. Good morning, Chairman Thompson, Ranking Member Craig, Representative Salinas, and the Members of the Committee. Thank you for the opportunity to testify on the role of the Specialty Crop Research Initiative. My name is Ramesh Sagili. I am a Professor in the Department of Horticulture at Oregon State University.

Specialty crops are a critical and an integral part of United States agriculture. They are produced in all 50 states on about 15 million acres with a market value of \$115 billion. Oregon ranks among the top states nationally in the production value of specialty crops, including fruits, tree nuts, berries, vegetables, and nursery products. Pollinators play an essential role in the production of many of these specialty crops with direct impact on both yield and quality. As a university researcher in apiculture, I have the privilege of working with beekeepers, farmers, and industry partners in addressing critical challenges impacting Oregon's and the United States' specialty crop production. I am a current recipient of an SCRI grant and was a part of other SCRI-funded projects in the past. My work focuses on the critical role of pollinators in specialty crop production and complex threats facing pollinators.

The Specialty Crop Research Initiative is unique among the USDA and NIFA competitive programs because of its targeted focus on specialty crops, its broad scope, integration of research and extension, and robust funding levels that allow multidisciplinary and multi-state projects. The program has five legislatively-mandated focus areas and encourages focus on emerging priorities, such as threats to specialty crop pollinators. The SCRI program strongly encourages transdisciplinary research, which is critical in solving complex problems as many problems facing agriculture are multifaceted and need diverse expertise from different disciplines. SCRI also encourages a systems approach that emphasizes understanding a problem by focusing on the entire system rather than looking at individual components. In addition, the SCRI program closely involves stakeholders in identifying the needs and in the review of grant proposals. This unique approach enables SCRI to address the real-world needs of specialty crop producers by prioritizing practical, applied research with tangible benefits.

My overall experience with SCRI proposal submission has been positive, but I believe that there is further scope for improvement in the process, and I offer three opportunities to improve and streamline the SCRI grant process. First, the SCRI program could improve the timely and reliable release of requests for applications because uncertainty around the release of RFAs makes planning challenging for the applicants as they need adequate time for preparing quality proposals. Second, the SCRI could provide more time between the release of RFA and submission of the proposals. Finally, a key challenge with the SCRI program is the limited success rate in securing grants by the applicants. There are over 300 spe-

cialty crops grown in the United States with a wide range of complex challenges demanding attention. In recent years, with an allocation of \$80 million per year, the SCRI was able to fund between 20 to 25 awards per year, but this program receives a large number of meritorious proposals each year, and the success rate is only about 15 percent. For my current award, I had to apply twice before I was successful.

With this said, I applaud the Committee for recognizing the importance of the SCRI program and the impact of investment in this program. The Committee's action in H.R. 1, enacted in July (Pub. L. 119–21), to increase annual investment of mandatory funds for the SCRI from \$18 million per year to \$175 million starting in 2026 creates some meaningful opportunity for USDA to increase the number of projects awarded each year.

In conclusion, SCRI is an exemplary program that has served the specialty crop industry needs especially well since its inception and is the most significant research funding opportunity for addressing challenges at the intersection of pollinator health and specialty crop production. Investment in SCRI not only advances innovation, but also helps secure the future of American agriculture. Your continued support for the SCRI is greatly appreciated and essential to ensuring that program's long-term success and its continued benefits to specialty crop farmers across the United States. Thank you very much.

[The prepared statement of Dr. Sagili follows:]

PREPARED STATEMENT OF RAMESH SAGILI, PH.D., PROFESSOR, DEPARTMENT OF
HORTICULTURE, OREGON STATE UNIVERSITY, CORVALLIS, OR

Chairman Thompson, Ranking Member Craig, Representative Salinas, and Members of the Committee, thank you for the opportunity to testify on the role of the Specialty Crop Research Initiative (SCRI) to help support a robust and diverse specialty crop industry. My name is Dr. Ramesh Sagili, and I am a Professor in the Department of Horticulture at Oregon State University, a land-grant institution deeply committed to agricultural research, innovation, and outreach.

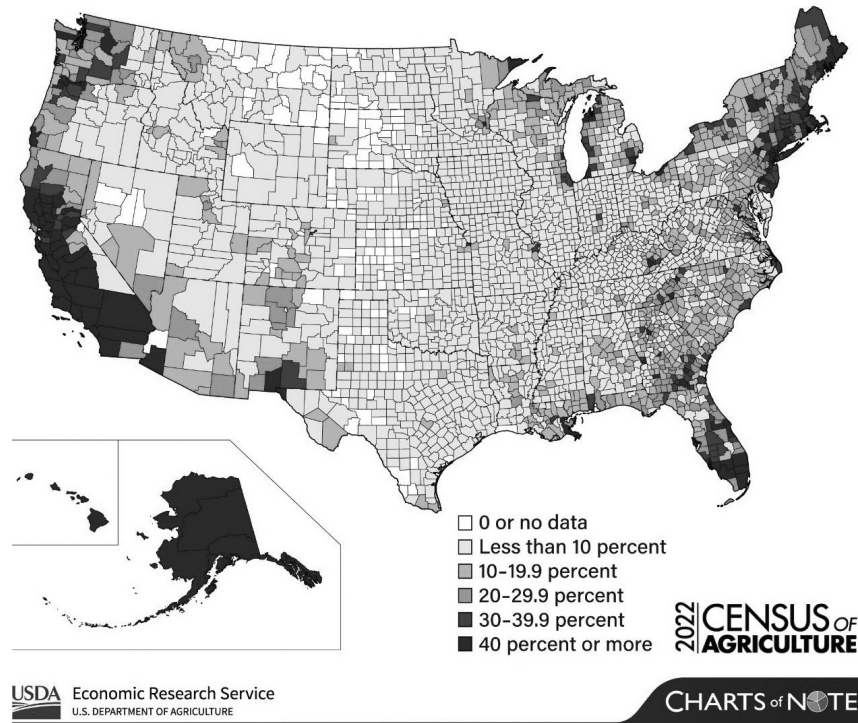
Oregon is a major producer nationally in specialty crops, many of which are pollination-dependent crops like blueberries, cherries, or pears. According to the USDA 2022 Census of Agriculture, Oregon ranks among the top states nationally in production value for fruit, tree nuts, berries, vegetables, and nursery. Pollinators play an essential role in the production of many of these specialty crops with direct impact on both yield and quality.

As a university researcher in apiculture, I have the privilege of working closely with beekeepers, farmers and industry partners in addressing critical challenges impacting Oregon's and the U.S. specialty crop production. I am a current recipient of an SCRI grant and have been part of other SCRI funded projects in the past. A focus of my work is on the role of pollinators and complex threats to pollinators for specialty crop production. The SCRI is uniquely suited among Federal agricultural research programs to effectively invest resources in work that enhances understanding and strategies to address complex, existing and emerging challenges faced by specialty crop industries.

In this testimony, I offer the following key points for your awareness: (1) the important role of pollinators in specialty crop production; (2) the unique research funding opportunity of the SCRI program; and (3) opportunities to further improve the implementation of the SCRI program.

Specialty Crops Overview

Specialty crops are defined in law as "fruits and vegetables, tree nuts, dried fruits and horticulture and nursery crops, including floriculture." Specialty crops are produced in all 50 states with a market value (farm-level) of \$115 billion, as most recently assessed in 2022, and were produced on approximately 240,000 farms with a total acreage of about 15 million acres (USDA Census of Agriculture, 2022) (*Figure 1*).

Figure 1. Specialty Crop Growing Farms (by County, 2022)*Share of Farms Primarily Growing Specialty Crops, by County, 2022*

Source: USDA, Economic Research Service using 2022 Census of Agriculture data from USDA, National Agricultural Statistics Service.

Role of Pollinators in Specialty Crops and Importance Or Impacts of Research To Support Pollinator Health Critical for Specialty Crop Production

Managed honey bees and other native bees play a critical role in our food production and food security via pollination of numerous crops including a large number of specialty crops. Honey bee pollination is valued at \$15 billion in the United States (Calderone, 2012). Pollination services provided by managed honey bees owned by commercial beekeepers are vital for the yield and quality of many specialty crops, affecting their competitiveness. Many high-value specialty crops—such as almonds, apples, blueberries, cherries, pears and vegetable seed crops—depend on honey bee pollination to achieve optimal yield, fruit quality, and consistency.

Further, a vibrant, thriving beekeeping industry is essential in maintaining healthy colonies for crop pollination and honey production. Unfortunately, for the past 2 decades the beekeepers in the United States have reported unsustainably high colony losses due to multitude of stress factors including parasites, diseases, and poor nutrition. The colony losses that were reported during 2024–2025 have been particularly alarming, with reports of about 60% colony losses by commercial beekeepers across the United States (Project Apis m, 2025). These significant colony declines are threatening pollination of specialty crops in all states. Hence, research to address the challenges facing honey bees is critical for sustainable apiculture and crop production.

I am a principal investigator on a 4 year, \$4.2 million SCRI grant awarded in 2023 that is addressing an urgent problem threatening honey bee colonies (European foulbrood disease) that pollinate specialty crops in several states. The beekeepers that employ their colonies for pollination of some of the early season specialty crops such as blueberries are increasingly reluctant to provide pollination services to these specialty crops due to the fear of exacerbating this disease when providing pollination services. We have assembled a transdisciplinary, multi-state

research team to comprehensively address this problem impacting commercial honey bee colonies. The beekeepers from four different states (California, Mississippi, Oregon and Washington) are also collaborating on this project. The long-term goal of this research is to identify causal factors associated with European foulbrood disease in honey bees and develop strategies to mitigate this disease. We anticipate that several specialty crops grown in multiple states that are dependent on honey bees will greatly benefit from stronger and healthier colonies that beekeepers will be able to manage following the best management practices formulated from the findings of this SCRI funded research project. This project sits uniquely at the intersection of pollinator health and crop production, bridging two critical areas of agricultural sustainability. This ambitious research project, aimed at tackling a multifaceted challenge requiring diverse expertise and substantial funding, would not be possible without the support of a Federal grant program like the SCRI.

The SCRI Program Provides Unique Funding Opportunities

The SCRI program is unique among the USDA National Institute of Food and Agriculture competitive grant programs because of its targeted focus on specialty crops, its broad scope, and robust funding levels that allows for multi-disciplinary, multi-state projects. The program requires proposals to address at least one of five required focus areas, and also encourages focus on emerging priorities, such as threats to specialty crop pollinators. The SCRI program strongly encourages transdisciplinary research, which is critical in solving complex problems, as many problems facing agriculture are multifaceted and need diverse expertise from different disciplines. Further, SCRI also encourages a systems approach that emphasizes understanding a problem by focusing at the entire system rather than looking at individual components. This program also emphasizes multi-institution and integrated projects that incorporates research, extension and education as well as direct engagement with producers. In addition, the SCRI program closely involves stakeholders in identifying the needs, and in the initial review of grant proposals. This unique process allows SCRI to effectively meet the needs of specialty crop farmers by supporting predominantly applied/practical research that benefits farmers both in the short term and in the long term.

Opportunities To Support and Improve the SCRI Program

The majority of researchers in the USA spend a large portion of their time seeking funds for their respective research by submitting multiple grant proposals each year. This process is quite demanding and time consuming. My overall experience with submissions of SCRI proposals has been positive, but I offer three opportunities to improve and streamline the SCRI grant process.

First, the SCRI program could improve the timely and reliable release of request for applications (RFA). Uncertainty around when or if RFAs are released makes planning challenging for applicants as they need adequate time for preparation of quality proposals. Secondly, the SCRI could provide more time between the RFA and submission for the proposals—this would be particularly helpful if the RFA release schedule remains unreliable. Finally, a key challenge with the SCRI program is the limited success rate in securing grants by the applicants. There are over 300 specialty crops grown in the United States with a wide range of complex challenges demanding attention. In recent years, funded at \$80 million per year, the SCRI program was able to fund between 20–25 awards per year. The program receives a large number of meritorious proposals each year and the success rate is approximately 15 percent of the total applications submitted. For my current award, I had to apply twice before I was successful.

With this said, I applaud this Committee for recognizing the importance of the SCRI program and the impact of investment in this research program. The Committee action in H.R. 1 enacted in July to increase annual investment of mandatory funds from \$80 million per year to \$175 million starting in 2026 creates a meaningful opportunity for USDA to increase and expand projects awarded each year to address the most pressing challenges impacting specialty crops. Further, this increased investment encourages and supports researcher's interest and effort to pursue these grants to help address the most pressing industry challenges.

Conclusion

In my opinion, SCRI is an exemplary program that has served the specialty crop industry needs exceptionally since its inception and is the most significant research funding opportunity for addressing challenges at the intersection of pollinator health and specialty crop production. Investment in SCRI not only advances innovation but also helps secure the future of American agriculture. Your continued support of SCRI is much appreciated and helps to ensure the SCRI program will thrive and benefit the specialty crop farmers in the United States.

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<https://www.projectapism.org/colony-loss-information>

The CHAIRMAN. Dr. Sagili, thank you so much for your testimony. Dr. Boring, please begin when you are ready.

STATEMENT OF TIM BORING, Ph.D., DIRECTOR, MICHIGAN DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT, LANSING, MI; ON BEHALF OF NATIONAL ASSOCIATION OF STATE DEPARTMENTS OF AGRICULTURE

Dr. BORING. Good morning, Chairman Thompson, Ranking Member Craig, and Members of the Committee. Thank you for the opportunity to participate today. The perspective I bring to this hearing is that of the Director of the Michigan Department of Agriculture and Rural Development. I am also a sixth-generation family farmer and a proud member of the National Association of State Departments of Agriculture, or NASDA. Many of you know my colleagues from around the country who are currently in Arkansas for NASDA's annual meeting this week. I appreciate all the work NASDA is doing at a Federal level and look forward to participating in the rest of the annual meeting there when I return to Arkansas following this hearing.

My focus this morning will be on Michigan's specialty crops, their importance, and the challenges and opportunities that growers and consumers face in this vital industry. Members of this Committee have the ability to foster the success of specialty crops today and for years to come. Earlier this year, I was honored to speak before your colleagues in the Senate, and I first want to acknowledge the progress that has been made since I submitted that testimony. I appreciate that the recent Federal budget did extend portions of the farm bill through 2031, but we know that we are still barreling towards the September 30 expiration for the remaining provisions not included in H.R. 1. We know food security is national security, and the next farm bill will dictate effectively how we are able to feed ourselves by ourselves in the future.

Agriculture is a nearly \$126 billion industry in Michigan, and I consider our specialty crop farmers the backbone of our success. I have had the pleasure of visiting many of our specialty crop growers in their fields and orchards this season, hearing firsthand the many challenges facing the industry. These interactions inform our strategy at the state level as well as how I advocate at a Federal level, when we have opportunities like this to convey just how vital specialty crop support programs are for their existence. Unfortunately, for many specialty crops, times have never been more tenuous. In Michigan, specialty crops once offered a way for farmers to diversify, but these days, instead of growing their operations, many farmers are debating if they can stay in business. Whether it is due to trade uncertainty, rising input costs, climate variability, labor constraints, and threats of pest and disease, many specialty crops in this country are either harder to grow, more difficult to get to markets, or as challenging as ever to reach the consumer. In the

interest of time this morning, I want to highlight some key areas that are currently supported in the farm bill and need continued support, as well as share what we are doing in Michigan that is seeing success and deserves more attention at a Federal level.

First, public sector research has been critical for specialty crops, specifically the Specialty Crop Block Grant supported through the Specialty Crop Research Initiative. These investments have been instrumental in keeping farmers one step ahead of the next disease or pest threat. For instance, in 2024, cherry farmers in our state lost between 30 and 75 percent of the crop, depending on locality and variety, because of abnormal weather events early in the season that drove unprecedented insect and disease pressure later. This year, early spring frost events reduced yields by 30 to 90 percent across our state, depending on the farm location, and our state as a whole only harvested 60 percent of a normal cherry crop. Losses such as these are becoming far more common. Our researchers in Michigan are utilizing Specialty Crop Block Grant funding to address new pest pressures and build climate resiliency in our orchards, but as these recent yield reductions show, the threats are eminent and significant. I appreciate H.R. 1 expanding funding for the program by \$100 million and believe the next farm bill should affirm that continued support for continued research investment. Understanding science is critical for the long-term viability of specialty crops in Michigan and across the country. At a time when there are so many unknowns and challenges around our trade partnerships, fostering stronger domestic markets will be critical for the success for our growers.

Finally, I want to share two areas we are seeing success in Michigan: our Regenerative Ag Program and our new Farm to Family Program. Regenerative agriculture is an active approach to land management driven by improving soil health. Our Regen Ag Unit supports Michigan producers by de-risking practice adoption, strengthening network engagement, and increasing market opportunities so farmers and landowners can improve profitability and find new ways to diversify. This also restores healthy soils and safeguards natural resources for future generations. The second program I would like to highlight for its success is our Farm to Family Program, an effort working to strengthen agrifood systems across our state. This year, we administered our first research grants to food hubs and farm stops, creating new opportunities for Michigan farmers and meeting demands for communities who want healthy, locally-grown produce on their tables. And just this week, we finalized plans to launch our new Good Food for Michigan program. This will be work that is intentionally engaging different institutions, including community colleges and early childhood centers, addressing barriers and creating opportunities for healthy-grown food here in Michigan. It is another example of how Governor Whitmer is prioritizing collaboration that translates to improving quality of life for all Michiganders. I share all this today because the support of our specialty crop growers directly translates into tools to keep farmers farming, keep rural communities vibrant, and keeps fruit and vegetables on the dinner tables across America.

Thank you for this opportunity and look forward to questions from the Committee.

[The prepared statement of Dr. Boring follows:]

PREPARED STATEMENT OF TIM BORING, PH.D., DIRECTOR, MICHIGAN DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT, LANSING, MI; ON BEHALF OF NATIONAL ASSOCIATION OF STATE DEPARTMENTS OF AGRICULTURE

Good morning, Chairman Thompson, Ranking Member Craig, and Members of the Committee. Thank you for opportunity to speak before you for today's hearing: *An Examination of the State of the Specialty Crop Industry*.

The perspective I bring to this hearing is as Director of the Michigan Department of Agriculture and Rural Development (MDARD) and sixth-generation family farmer. I'm proud to lead a state agency of dedicated public servants who are committed to providing opportunities for our food and agriculture businesses, lifting up our rural communities, and preserving Michigan's natural resources.

I'm also a proud member of the National Association of State Departments of Agriculture (NASDA). Many of you know my colleagues from around the country who are currently in Arkansas for NASDA's annual meeting this week. I appreciate all of the work NASDA is doing at the Federal level and look forward to participating in the rest of the conference when I return to Arkansas following this hearing.

My focus this morning will be on Michigan's specialty crops—their importance and the challenges and opportunities that growers and consumers face in this vital industry. Members of this Committee have the ability to foster the success of specialty crops today and for years to come and I'm looking forward to the constructive solutions and policy decisions that will come out of this hearing.

Earlier this year, I was honored to speak before your colleagues in the Senate, and I want to first acknowledge the progress that has been made since I submitted that testimony.

I appreciate that the recent Federal budget did extend portions of the farm bill through 2031, but we all know we're still barreling toward a September 30 expiration for remaining provisions that were not included in H.R. 1. We also know food security is national security, and the next farm bill will dictate how effectively we will be able to feed ourselves by ourselves in the future.

Agriculture is a nearly \$126 billion industry for Michigan, and I consider our specialty crop farmers the backbone of our success.

While Michigan is largely considered "THE" specialty crop state with more than 300 crops produced, specialty crops are grown and consumed in all 50 states. Specialty crop producers feed the country and much of the world with nutritious fruit, vegetables, legumes, and more while supplying our homes and businesses with cut flowers and potted plants. Our holidays include celebrations that see families partake in food and drink flavored with herbs and spices, snacking on an array of tree nuts, or maybe putting up Christmas trees in December. Our yards and gardens are often landscaped with a fir, spruce, or hemlock. The point is that specialty crops truly are special and are integrated into what we eat, how we decorate, and when we share moments with friends and family.

This Committee is well aware of the breadth of crops designated as "specialty" and it may be easy to assume these products have always been here and always will be. But given the tenuous times we're in, I've remained in close contact with a number of producers to hear just how vital specialty crop support programs are for their existence.

Unfortunately, for many specialty crops, the future has never been more fragile. What once provided an avenue for farmers to diversify their products has forced many to choose whether or not their farm will welcome the next generation. Whether it's due to trade pressures, market access challenges, rising input costs, climate variability, labor constraints, and threats of pests and disease—many specialty crops in this country are either harder to grow, more difficult to get to markets, or as challenging as ever to access for the consumer.

This Committee has a history of championing specialty crops in a purposely intentional way by passing farm bills that have opened market opportunities through purchasing and food access programs, as well as by funding programs that foster trade and advance agronomy and plant pathology.

For example, MDARD—in conjunction with USDA—has awarded nearly \$16 million in Specialty Crop Block Grants since 2019. These investments supported activities such as new leaf disease and seedling root rot research in celery; determining action thresholds and management strategies for root lesion nematodes in carrot production; methods to combat onion *Stemphylium* leaf blight; and advancing eti-

ology, detection, and management of blueberry viruses. All of this work has been critical to the health of crop yields.

Last year, the block grant funding made it possible for Michigan specialty crop companies and associations to attend national and international trade shows including the National Restaurant Association Show, SIAL Paris, and the Global Produce and Floral Show. These trade shows resulted in 266 new buyers of specialty crops or specialty crop-processed products. Companies and specialty crops groups realized \$1.4 million in sales immediately from participating in these three trade shows with an additional \$7 million in sales anticipated through the buyer conversations and negotiations started at these events. The year before last, Specialty Crop Block Grant dollars funded consumer preference and market demand studies for blueberries, promoted specialty crops as healthy food options for school-aged children in urban communities across west Michigan, furthered sustainable dry bean production practices to meet evolving market demands, and advanced social media marketing support to engage target audiences and enhance competitiveness for Michigan apples.

The block grant program has wide-reaching impacts—from increasing profits to growing market potential and advancing disease management—and the funding provides a lifeline to address the needs of Michigan’s specialty crop industry.

In the lead up to the farm bill effort in the previous Congress, NASDA worked closely with the Specialty Crop Farm Bill Alliance on a stakeholder proposal to increase funding, as well as to improve transparency and the priority-setting process concerning how state departments of agriculture fund awards under this program. This proposal was shared with Members of this Committee last year and was ultimately incorporated as section 1002 of H.R. 8467. We are thankful for the increase in funding for the program, but once again reiterate our support for improving states’ flexibility to work closely with specialty crop farmers and grower groups in establishing annual priorities. We support maintaining this language in the next iteration of the farm bill.

The nation’s first land-grant college, Michigan State University, is driving additional research, much of which is supported by the farm bill’s Specialty Crop Research Initiative. Land-grant universities across the country are also recipients of this research funding and are actively engaged on the front lines of keeping farmers one step ahead of the next pest or disease threat. The increase in Research Initiative funding to \$100 million is a positive signal to our industry, and we ask that funding continue to be supported by this Committee so progress is not interrupted.

One program not included in H.R. 1’s agriculture funding is the Marketing Assistance for Specialty Crops program. We appreciate Agriculture Secretary Brooke Rollins announcing another round of payments through this program back in April, and hope our Federal partners continue to see the benefit of it by implementing it into the next farm bill.

MDARD is in constant communication with growers and specialty crop groups to ensure their state government is listening, engaged, and responsive. Everywhere I go in Michigan, growers continue to express concern over increasingly erratic growing conditions. For instance, in 2024, our cherry farmers lost between 30 and 75 percent of their crop, depending on locality and variety, because of multiple abnormal weather events that drove unprecedented insect and disease pressure. This year, early spring frost events reduced yields by 30 to 90 percent across our state depending on the farm location. Our state has experienced some of the warmest and wettest spring seasons on record in recent years, resulting in changes to pest life cycles and early bud breaks. When followed by events such as late frosts, we see crop disasters our growers cannot continue to endure. With the future of our specialty crop industry in such doubt, many farmers don’t know how long their operations can continue. Accordingly, in Michigan, we’ve taken a posture of intentional coordination with Federal and local partners to ensure we’re taking action to support farmers when they need it most. A farm bill that provides growers the support to ensure the continuation of their family farms in the face of these unprecedented challenges is critical for the long-term viability of specialty crops in Michigan and across the country.

At MDARD we’re focused on several overarching priorities: Climate resiliency and regenerative agriculture, diversity in agriculture production, and economic prosperity across Michigan. Specialty crops are key to the realization of these priorities not just in Michigan but in many places across the country. Towards this end, Governor Gretchen Whitmer has leveraged Federal funding supporting specialty crops, investing state dollars in two new flagship programs: MDARD’s Regenerative Agriculture Program and the Farm to Family program.

Regenerative agriculture is an active approach to land management driven by improving soil health. Rather than a rigid set of rules, it embraces a blend of sustain-

able farming methods tailored to each farmer's needs and thus drives profitability and creates opportunities for farmers to diversify. Core principles include understanding the context of an individual's farm operation, minimizing soil disturbance, maximizing biodiversity, keeping soil covered, maintaining living roots year-round, and integrating livestock.

Our regenerative agriculture unit is the first of its kind to be embedded in a state department. It allows Michigan producers to receive support to engage in this approach to production agriculture, which will only be more important in the years ahead. By adopting regenerative agriculture practices, farmers and landowners can improve profitability and find new ways to diversify while restoring healthy soils and safeguarding natural resources for future generations. Commodity row crop farmers are on the front lines of integrating many of these practices, but they are equally important for specialty crop growers.

The second program I'd like to highlight for its success is Farm to Family, which is a first-of-its-kind program in state government that's working to strengthen agrifood systems across two peninsulas. This year we administered our first grants to food hubs and farm stops, which are creating new market opportunities for Michigan farmers and meeting demands from community members who want locally grown, healthy food on their tables. We're excited about the potential of this program in strengthening local food systems in a meaningful way.

Both of these state-based programs serve as examples of innovative ways we can be approaching this work in supporting our specialty crop growers. Together, Federal and state dollars are critical to the vibrancy of rural communities, quality of life from the Atlantic to the Pacific, enhancing America's economic competitive edge, and establishing and broadening lifelong consumers for U.S. food and agriculture produce domestically and in markets across the globe.

I share all of this in today's testimony because support for our specialty crops directly translates to tools to keep farmers farming, keep rural communities vibrant, and keep fruits and vegetables on dinner tables across America. Specialty crops are a vital piece in this puzzle, and I urge the Committee to ensure it doesn't get lost in the big picture and our continued need for a new farm bill.

The CHAIRMAN. Dr. Boring, thank you so much for your testimony. Mrs. Brennan, please proceed with your 5 minutes whenever you are ready.

**STATEMENT OF DANA BRENNAN, VICE PRESIDENT,
CORPORATE AFFAIRS, GRIMMWAY FARMS, BAKERSFIELD,
CA; ON BEHALF OF INTERNATIONAL FRESH PRODUCE
ASSOCIATION**

Mrs. BRENNAN. Thank you Chairman Thompson, Ranking Member Craig, and Members of the Committee. My name is Dana Brennan, and I am here today on behalf of Grimmway Farms, based in Bakersfield, California, with operations throughout the country. I am honored to serve as the Chair of the International Fresh Produce Association's United States Public Policy Committee, the organization I am proudly representing today.

Grimmway's story began with a roadside produce stand started by the Grimm Brothers in the early 1960s. Today, Grimmway is one of the biggest carrot producers and also one of the top organic growers in the United States. We grow more than 135 seasonal and year-round products distributed worldwide, including 65 organic commodities under brands such as Cal-Organic and Bunny-Luv. Those crops are grown on over 40,000 acres of conventional ground and 55,000 acres of prime, organically-certified ground throughout California, Arizona, Oregon, Washington, Idaho, Colorado, Georgia, and Florida.

Fresh produce is a cornerstone of both American agriculture and public health. Our industry contributes billions annually to the economy and delivers the healthiest foods available, foods that are essential to preventing diet-related diseases, but this vital sector is

under real and growing pressure. Regulatory overreach, labor challenges, and outdated policies are making it harder to grow, harvest, and deliver fresh food. Without action, many U.S. producers will not be able to compete. We appreciated the much-needed funding in the One Big Beautiful Bill Act, but gaps remain.

Specialty crops make up hundreds of billions of dollars in value, yet they receive just .5 percent of farm bill funding. The next law must strive to rebalance this. To secure America's supply of fresh, affordable produce and in full alignment with the Specialty Crop Farm Bill Alliance's farm bill priorities, the updates shared on August 5, we urge Congress to do the following: one, expand research and development in crop protection, pest management, innovation, and mechanization; two, reform and modernize the safety net. Unlike major commodity crops which benefit from well-established and widely-utilized insurance programs, many specialty crop growers still lack access to viable, tailored risk management options. Congress must prioritize risk management solutions that address the full spectrum of U.S. agriculture, encompassing both large and small farms as well as row crops and specialty crops, in a manner that is both efficient and cost effective.

Three, update and streamline existing specialty crop programs, including the National Organic Program. Four, promote produce at home. Domestic produce products are competing with lower-cost imports and processed alternatives that often serve as "like" substitutes in the eye of the consumer. Questions have been raised about whether the USDA has the statutory authority to establish and administer a domestic promotion program to help address these competitive pressures. Therefore, Congress should reaffirm that the USDA does indeed have the statutory authority to conduct domestic promotion activities.

Five, improve nutrition access. Only one in ten Americans meet the recommended fruit and vegetable intake daily. The fresh produce industry is ready to help reverse that trend. We believe Congress should incentivize produce consumption in SNAP and WIC, expand online SNAP access, make the Fresh Fruit and Vegetable Program option available to more schools, and ensure USDA procurement reflects a diverse range of fresh produce. Last, strengthen trade and market access. Fresh produce is one of North America's most actively-traded commodities, yet non-tariff barriers, such as excessive residue limits and packaging standards, block U.S. exports. This industry, frankly, is central to America's health, economy, and food security. It deserves policy support that matches that value.

On behalf of Grimmway and IFPA, I want to thank the Committee for dedicating so much time today and attention to specialty crops in America. We look forward to working with you to build a stronger, more resilient future for U.S. produce and for the millions of Americans who rely on it every day. Thank you.

[The prepared statement of Mrs. Brennan follows:]

PREPARED STATEMENT OF DANA BRENNAN, VICE PRESIDENT, CORPORATE AFFAIRS,
GRIMMWAY FARMS, BAKERSFIELD, CA; ON BEHALF OF INTERNATIONAL FRESH
PRODUCE ASSOCIATION

Thank you, Chairman Thompson, Ranking Member Craig, and Members of the Committee. My name is Dana Brennan, and I serve as Vice President of Corporate Affairs for Grimmway Farms, based in Bakersfield, California. I have been fortunate enough to work for Grimmway for 7 years and was born and raised in Kern County, which proudly holds the title of the nation's number one agriculture-producing county. Additionally, I am honored to serve as the Chair of the International Fresh Produce Association's United States Public Policy Committee, the organization I am proudly representing today. IFPA is the largest and most diverse association serving the entire fresh produce and floral supply chain worldwide and the only one to integrate advocacy and industry-facing support seamlessly. IFPA proudly represents member companies, from modest family businesses to large corporations, throughout the fresh fruit and vegetable supply chain, including growers, shippers, fresh-cut processors, wholesalers, distributors, retailers, food service operators, industry suppliers, and allied associations.

Headquartered in Kern County, Grimmway Farms traces its roots to a roadside produce stand started by the Grimm Brothers in the 1960s. Today, Grimmway is a global produce leader—one of the biggest carrot producers out there and also one of the top organic growers in the United States. We take our mission seriously—a commitment to bring fresh, healthy, and safe produce to communities around the world as we invest in and care for the earth's natural resources and our family of employees.

Today, we produce more than 135 seasonal and year-round products, distributed worldwide—including 65 USDA-certified organic commodities, under brands such as Cal-Organic and Bunny-Luv. Those crops are grown on over 40,000 acres of conventional ground and 55,000 acres of prime organically certified ground throughout California, Arizona, Oregon, Washington, Idaho, Colorado, Georgia, and Florida.

On average, Grimmway is running upwards of 10 million pounds of fresh carrots per day through our facilities, 6 days a week, year-round. Those facilities are in California, the Pacific Northwest, and the Southeast United States.

That work could not have been done without our incredible family of employees. More than 6,000 jobs are dependent on our company's success, including direct labor, contract labor, and H-2A labor.

At Grimmway, we recognize the vital importance of providing wholesome food. We are proud to play a role in nourishing children in schools, supporting families at the dinner table, and serving communities worldwide. Much of our work could not be done without the support of farm bill programs.

Fresh produce is a cornerstone of both American agriculture and public health. It is a tremendous economic engine, contributing billions annually to U.S. agricultural output. Beyond economics, we provide the healthiest foods available—essential to combating diet-related diseases and improving public health.

But this vital sector is under siege. Regulatory overreach, labor shortages, and outdated policies threaten our ability to grow, harvest, and deliver fresh food. These challenges are not theoretical—they are very real, and they threaten the viability of many U.S. producers.

The Farm Bill: A Lifeline for Specialty Crops

As a team member of Grimmway Farms and a volunteer leader at the IFPA, I've seen firsthand how U.S. agricultural policy has evolved and how it continues to impact different segments of our industry in very different ways.

When the Great Depression hit, the Federal Government began to shape farm policy in earnest, stepping in to stabilize supply and prices for major staple crops of the time, namely corn, wheat, cotton, and rice. These became the foundation of what are now known as "program crops" under the farm bill. Over time, the bill expanded to include conservation initiatives and crop insurance tools tailored primarily to these commodities.

With each farm bill reauthorization, adjustments have been made to further refine pricing and supply mechanisms for program crops. However, growers of other crops, such as fruits, vegetables, and other high-value, labor-intensive commodities, were largely left to navigate the volatility of the marketplace on their own. These crops were eventually categorized as "specialty crops," now officially defined to include fruits, vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture).

Despite their critical role in public health and the broader food supply chain, specialty crops have historically received limited support through traditional Federal

safety nets, particularly in areas like crop insurance. It's a dynamic that continues to challenge our sector and one we believe must evolve to reflect the modern realities of American agriculture.

We want to extend our appreciation to the Chairman and Members of Congress who helped pass much-needed funding for many farm bill programs of significance to our industry earlier this year. Although the One Big Beautiful Bill Act (OBBBA) made significant investments in programs that support the family farms producing U.S.-grown specialty crops, the law does not specify the purposes and parameters of those investments and omits significant policy proposals that specialty crop growers desperately need to enhance their competitiveness.

As we move into the final stretch of farm bill negotiations for 2025, the specialty crop industry remains focused on ensuring that Federal farm policy reflects the diversity and complexity of modern American agriculture.

Farm Bill: Specialty Crop Farm Production Priorities

The fresh sector is an active leader in the Specialty Crop Farm Bill Alliance (SCFBA). My testimony references many SCFBA farm bill priorities, and IFPA strongly supports and incorporates, without direct reference, all SCFBA priorities. Specialty crops represent hundreds of billions of dollars in farmgate crop value, yet they received just 0.5% of funding in the 2018 Farm Bill. The next farm bill must invest robustly and more equitably in specialty crop production to maintain a reliable, affordable domestic food supply.

We call on Congress to:

1. **Expand research and development:** In crop protection and pest management, including support for the IR-4 program, while investing in applied research on mechanization and automation for specialty crops to ease the tremendous cost and liability of labor on the farm—the single largest concern for fresh produce growers, which often exceeds 50% of total expenses.

Until laws and regulations around labor, immigration, taxation, environmental standards, food safety, crop protection, and trade are more aligned with the day-to-day realities of family farming, the most reliable path forward for specialty crop production comes down to one key principle: innovation.

One of the most impactful innovations needed on today's farms is increased mechanization. With the labor pool shrinking at an unsustainable rate, investment in equipment, robotics, and other advanced tools is essential to help fill the gap. Without bold, sustained efforts to accelerate agricultural technology development, we risk losing a significant portion of our nation's specialty crop production.

There has never been a greater need for accelerated innovation leaps in specialty crop production. To get the most bang for the buck, public-private partnerships in the farm bill should emphasize addressing mechanization. In California, the land-grant university system has played a pivotal role in advancing labor-saving agricultural technologies. UC Davis' Department of Biological and Agricultural Engineering has a strong legacy of innovation in specialty crop mechanization, including the development of the field harvester that revolutionized processing tomato production.

Closer to home, at Grimmway Farms, we're always exploring new ways to innovate. Right now, depending on the crop, we're using automation and precision agriculture in the field—from planting all the way through to harvest.

2. **Reform and Modernize the Safety Net:** While specialty crop growers have demonstrated remarkable resilience in the face of severe weather, volatile markets, labor shortages, and mounting regulatory pressures, access to effective risk management tools continues to lag. Unlike major commodity crops, which benefit from well-established and widely utilized insurance programs, many specialty crop growers still lack access to viable, tailored risk management options.

Congress must prioritize risk management solutions that address the full spectrum of U.S. agriculture, encompassing both large and small farms, as well as row crops and specialty crops, in the most efficient and cost-effective manner possible. Most fresh produce growers currently lack access to affordable and effective crop insurance. The USDA must be directed and empowered to develop a better system for specialty crops and implement it quickly. Specialty crop growers are among the most vulnerable to natural disasters, and we are just as dramatically impacted by market price fluctuations as our neighbors in the row sector. We have also learned that we cannot rely on timely support from disaster aid when disaster strikes. Congressional gridlock

means relief comes too little and too late. We want better options for managing production risks and protecting our businesses.

3. **Update and streamline existing specialty crop programs:** As mentioned earlier, organics is a large part of Grimmway's production and a growing sector in the specialty crop industry. In 2019, 58 percent of organic sales came from crops, primarily led by vegetables and fruits (including berries and tree nuts), representing \$9 billion in sales. With the growing importance of the organic production sector in specialty crops and increasing participation throughout the supply chain, the industry continues to collaborate with other stakeholders on a range of initiatives aimed at improving the National Organic Program.

Additionally, Congress should establish a transparent process by which USDA solicits input directly from stakeholders every 5 years on what, if any, organic standards need updating. The agency should then publish a list of priorities for regulatory action and follow its existing process and procedures to execute on that plan.

4. **Promote Produce at Home:** Staying competitive in today's market is proving to be difficult for farmers. While individual vegetable growers may succeed in getting their products to market, driving broader market expansion and increasing consumer demand remains a significant challenge—largely due to the fragmented nature of specialty crop production. Domestic vegetable products are competing with lower-cost imports and processed alternatives that often serve as “like” substitutes in the eyes of consumers. Questions have been raised about whether USDA has the statutory authority to establish and administer a domestic promotion program to help address these competitive pressures. To that end, Congress should reaffirm that USDA has the statutory authority to conduct domestic promotion activities.

Nutrition: The Path to a Healthier America

Only one in ten Americans meets the recommended fruit and vegetable intake. The fresh produce industry is ready to help reverse this trend.

We call on Congress to:

- **Incentivize produce consumption in SNAP and WIC**
- **Expand online SNAP access**
- **Make the Fresh Fruit and Vegetable Program (FFVP) option available to more schools**
- **Ensure USDA procurement includes a diverse range of fresh produce**

Trade: Better Access, Fewer Barriers

Fresh produce is one of North America's most actively traded commodities. Yet, non-tariff barriers, such as excessive residue limits and packaging standards, block U.S. exports.

We are grateful for the funds recently appropriated and support future funding designated for specialty crops under the following:

- **Market Access Program (MAP)**
- **Technical Assistance for Specialty Crops (TASC)**
- **Assisting Specialty Crop Exports (ASCE)**

These programs help U.S. growers compete globally and ensure consumers have access to fresh, affordable food.

Conclusion

The fresh produce sector is essential to America's health, economy, and food security. However, we cannot survive without swift, decisive Federal action.

We ask this Committee and the Administration to:

- **Support specialty crops in the farm bill**
- **Invest in innovation**
- **Address labor and regulatory policies**
- **Ensure fair trade and access to more markets**

It has been an honor to be here today. The specialty crop industry is a powerful force in feeding our nation and supporting our economy, and today's hearing reflects just how important this work is. Together, we can secure the future of American agriculture and ensure every American has access to safe, nutritious, and affordable food.

On behalf of Grimmway, I want to thank the Committee for dedicating so much time and attention to specialty crops in America. We deeply value your commitment, and we look forward to continuing to work together to strengthen the industry and ensure that future generations have access to healthy, affordable fresh produce.

The CHAIRMAN. Mrs. Brennan, thank you so much for your testimony. At this time, Members will be recognized for questions in order of seniority, alternating between Majority and Minority Members and in order of arrival for those who joined us after the hearing convened. You will be recognized for 5 minutes each in order to allow us to get to as many questions as possible.

I would like to recognize myself for 5 minutes.

Specialty crops require tailored research, from pest and disease management, to post-harvest handling and mechanization technology. To any of our witnesses, how effective have Federal research programs, like the Specialty Crop Research Initiative or the IR-4 Project, been in addressing these unique industry needs, and where do you see opportunities for additional investment or collaboration?

Dr. BORING. Well, I can share the Michigan perspective, too, of just how important the Specialty Crop Block Grant funding has been. Our industry really bands together in the allocation of this funding. We have a pretty rigorous process for how applications come in, of how we are advancing any number of various challenges to the industry, whether it is emerging pest pressure, the shift of some of the changing weather patterns we see, the ability to work on market access in various areas. So, those continued investments, in a predictable way, in a way that fosters that continued collaboration for the betterment of our broad industry is going to continue to be really important for us, of making sure we are elevating up the stature of all specialty crops as kind of a rising tide narrative within our state.

The CHAIRMAN. Thank you, Dr. Boring. Any other witnesses care to comment on that question?

Mr. FRANTZ. Yes, Mr. Chairman. Thank you for the question. I can speak to IR-4, which is a fabulous public-private partnership that really puts a good use of money to help fund crop protection tools that would otherwise not be put in motion by commercial producers because there is not enough crop demand for it. On my farm, we measure the space where we put our crops in square feet, not in acres, and so there is not much incentive for the chemical manufacturers to invest in crop protection tools for crops that have such a small amount of need. So, we are very grateful for the funding, and we put it to good use. Thank you.

The CHAIRMAN. Very good. Either of the two remaining witnesses care to comment on that? No? Okay.

Dr. SAGILI. Yes. As a researcher, I can talk a little bit perspective on that. I am glad that I see some language in the SCRI RFPs recently that they are going to address some labor issues and promote some of those research programs that might benefit mechanization so that labor costs can be dealt with. So, I am glad I see some language in the SCRI now.

The CHAIRMAN. Very good. Thank you very much. Well, Mr. Frantz, as a specialty crop producer in California, you are operating in a sector that not only drives significant economic activity,

but also faces unique regulatory challenges. Can you share with us today how Federal policies and regulations impact your operation and what should we be considering to support the long-term viability of your operation?

Mr. FRANTZ. Thank you, Mr. Chairman. California is a wonderful state, but there are a lot of regulatory challenges, so thank you for asking the question that way. I would give you a three-part answer. The first is, we urgently need a bipartisan legal ag labor workforce solution. We need it now, and we need it for the future. It is a critical component, not only of agriculture, but of the whole country, so I would ask this Committee in your other capacities, too, to please focus on getting that done. The second is price stability. I think we are going to talk about tariffs quite a bit today. Our business hasn't been materially affected by tariffs yet, but the uncertainty around them has already increased our costing, which has forced us to increase our prices, so we need price stability. And the third is we need to pass the farm bill. You have heard already from the four of us the essential provisions that are in it, and having that foundational backstop is critically important for us in California. Thank you.

The CHAIRMAN. Well, thank you so much, and I yield back the balance of my time and recognize the gentlelady, Ranking Member from Minnesota, Ranking Member Craig for 5 minutes.

Ms. CRAIG. Well, thank you once again to each of our witnesses who have taken time out of your busy schedules to be with us here today.

Director Boring, your testimony shows the high level of success the Michigan Department of Agriculture and Rural Development has had in implementing the Specialty Crop Block Grants in Minnesota. The Minnesota Department of Agriculture has let me know that while they usually receive USDA's request for applications for the program in January, this year's RFA was delayed until, I believe, May. Was this delay experienced across all departments of agriculture?

Dr. BORING. Well, I can share the—thanks for the question. I can share the perspective from Michigan that we experienced similar delays. Normally, we start a lot of the work for allocation of Specialty Crop Block Grant funding in December, and this year, we obviously had quite a few delays. I would say the timeliness and the predictability of these efforts continues to be really important. We have a pretty rigorous process for how we are going around and allocating funding. We have 300 commodities in Michigan. There is a lot of demand for these products and projects, so those kind of delays and uncertainty about when and if the funding comes through do have consequences on our ability to carry out meaningful research projects.

Ms. CRAIG. Can you say just a little bit more about how the timing of those block grant programs should better align with the growing seasons for specialty crops? How do you think about that?

Dr. BORING. Well, certainly. I mean, we are obviously growing crops here that have a predictable growing season, and so researchers need some time to be planning ahead and implementing research projects in the field. So, when we have these delays stretching into May, obviously we are coming into the growing season for

a lot of these crops, and researchers have set challenges then implementing some of these research projects in the field and the timelines by which we are traditionally accustomed to operating.

Ms. CRAIG. Thank you. I know agriculture research is absolutely necessary to protect American ag from pests, diseases, and other threats to crop health and productivity. In addition to protecting our harvest, ag research has ushered in new technology and innovations that have helped improve crop characteristics and even breed industry-changing varieties, like the Honeycrisp apple that was developed at the University of Minnesota and that we enjoy so much in my family. I am pleased to have a researcher here today who is leading a Specialty Crop Research Initiative project on pollinator health and crop production. So, Dr. Sagili, can you tell us about your experience working with a multi-state and multidisciplinary team on your SCRI project, and how does that collaborative environment help us better address challenges to specialty crop production and advance innovation?

Dr. SAGILI. Thank you, Congresswoman Craig. So, I have been fortunate to have an SCRI grant to address some of the pollinator health issues in intersection with the crop production or specialty crops as well, so my experience has been both rewarding and challenging as well. And the way I say *challenging* is to deal with multiple institutes to collaborate, but it has been very rewarding because you can't do—most of these agricultural problems, especially with specialty crop production, they are multifaceted. So, you need a—really, a credible team that is—for example, in our case, I will just give my example here. So, with—there is a disease that we are dealing with. It is called European foulbrood disease in honeybees, and it is impacting not only honeybee colonies, but because of that decline in colony health, it indirectly impacts the pollination of specialty crops, like blueberries, almonds, anything that you can think of. So, what we did is we designed a—or formulated a very strategic transdisciplinary team.

Because I am a honeybee biologist, I can only do one thing at a time, but I need a microbiologist on the team and ag economist to look for cost economics. I need an extension person to do extension. I need a genomics person to do genomics work and need a microbiologist as well. So, that is how we created this interdisciplinary team, and that is why I am really fortunate that this is really going well, and I am really glad that we got the SCRI grant to tackle it and not only—the transdisciplinary team. We are also looking at multi-state, so this is involving California, Mississippi, Washington, and Oregon as well because they all grow specialty crops, and most of them are involving honeybee pollination as well.

Ms. CRAIG. Thank you so much.

Dr. SAGILI. So, it has been a rewarding experience, yes.

Ms. CRAIG. Thank you. Last question quickly, Mr. Frantz. Can you give me any suggestions you have for this Committee on how crop insurance can be improved for specialty crop products?

Mr. FRANTZ. Yes. Thank you, Congresswoman, for the question. I do have a lot of thoughts about ways to improve crop insurance for specialty crops. There are a few programs out there, but in my case, because of the extreme diversity of crops on our farm, none of them work. And so, I would be happy to give you a much more

detail, or I can go now, but, basically, the catastrophic insurance programs that are out there require a minimum of 50 percent damage to pay for claims. In our case, we have so many crops that are immune from that particular hazard, we never hit the threshold. So, we could have a crippling frost that, say, would take out $\frac{1}{3}$ of our nursery, all of our citrus, but it wouldn't affect the frost-hardy plants, and so I am not eligible to receive payment.

Ms. CRAIG. Mr. Frantz, thank you for that, and my time is up and over, so I will yield back and I am sure someone else will ask you more about that. Thank you.

The CHAIRMAN. I thank the gentlelady. I now recognize the gentleman from Georgia, Mr. Austin Scott, for 5 minutes.

Mr. AUSTIN SCOTT of Georgia. Thank you, Mr. Chairman, and as we are sitting here talking about insurance and other things, I am reminded of 2008 when the FDA blamed a *Salmonella* outbreak on U.S.-grown tomatoes when it ended up being peppers coming in from Mexico and the bankruptcies that ensued in my area from a mistake that the FDA made, and then the courts deemed that FDA had no liability for that mistake, even though it resulted in not just the loss of millions of dollars, but the loss of farms that had been in families for generations. And so, we need to keep that in mind, that FDA not getting their facts straight before they make a decision like that and publicize something can lead to widespread disruptions in our agricultural markets, and I am also reminded of just how vital the role of our land grant institutions is.

Mrs. Brennan, you have a big operation in south Georgia. I have been there. It has been a couple of years. It is a great operation using a lot of new technology with regard to weed control. Would you mind just giving a brief explanation of what you are doing for weed control there that is just very different from what we have seen on other farms where you are targeting the actual specific individual weed?

Mrs. BRENNAN. Yes. Thank you for the question, Congressman. We employ varying technologies across our operation, whether it is in your district in south Georgia and northern Florida, that area. We are focused heavily on always looking to the next best thing. The cost in organics and in any specialty crop industry is always the highest cost is going to be labor, and so we have been employing a number of technologies to look at how we can target weeds when the crop is at its youngest. I think we are still working through that now. It is a really neat process, and we would invite you to come down if you haven't already seen it to take a look, but it is a good example of that, absolutely.

Mr. AUSTIN SCOTT of Georgia. Sure.

Just for my colleagues, it is actually a piece of machinery that, through an optical image, as I understand it, determines where to actually send a laser, which just destroys the weed by heat, and instead of spraying chemicals on a crop, you are you are doing that.

Mrs. BRENNAN. Yes, sir.

Mr. AUSTIN SCOTT of Georgia. Where is that machinery manufactured? Do you know?

Mrs. BRENNAN. I don't have that off the top of my head, but I am happy to get you that information later.

Mr. AUSTIN SCOTT of Georgia. Okay.

Well, there is one—look, I am very concerned about the tariffs on ag machinery that is being brought into the United States, and that is something that I think we need to revisit. Machinery that is being brought into the United States that we use in crop production should not be tariffed. It is putting Americans to work, it is putting groceries on our table, and I am very concerned about that.

Today, in Georgia, specialty crop growers in my state are meeting, actually, in my hometown of Tifton, Georgia. They are discussing H-2A and the ag labor issues. I want to give each of you the opportunity over the next 2 minutes to speak to what you see as keys to successful policy in the ag labor reform legislation in this Congress and the H-2A program, and again, Mrs. Brennan, I will start with you. If you could keep it to about 30 seconds, and then we will just move down the table.

Mrs. BRENNAN. Yes, absolutely. I mean, we have been on record as supporting the Farm Workforce Modernization Act of 2023 (H.R. 4319) in the last Congress. We appreciate that bipartisan work. I think there are a number of things we could do to reform the program, H-2A specifically, whether it is a cap on AEWR and a number of other flexibility issues. I would welcome a further conversation that. I know all of us rely very heavily on that change.

Mr. AUSTIN SCOTT of Georgia. Okay. Dr. Boring?

Dr. BORING. Well, certainly those ag labor issues are of top concern in Michigan as well. I would say again that the collaboration of trying to work on these multi-component issues is really significant to us in Michigan, recognizing the value that ag labor continues to provide. I think, certainly, those multifaceted investments in automation are a piece to this, but it is going to take some real digging down to get at what some of these labor issues are in states like Michigan.

Mr. AUSTIN SCOTT of Georgia. All right. Dr. Sagili, the pollinator expert.

Dr. SAGILI. Thank you, Congressman. So, I can just give a pollinator expert opinion here. So, I work very closely with our stakeholders, both beekeepers and farmers, and I know labor is really critical, and many of our beekeepers depend on H-2A for getting their labor, so I think it is a really important program. And, just as a researcher, I would emphasize that that would be definitely helpful for our stakeholders.

Mr. AUSTIN SCOTT of Georgia. Okay. I am down to about 20 seconds. Mr. Frantz, I will get your comments for the record, but one of the things I am very concerned about is how the wage rate has been set. Especially, for my state and the State of Georgia, it has gone up exponentially over the last several years. I don't know who was filling out the surveys, but I am yet to find a farmer, and I know a lot of farmers that was actually asked to fill out a survey on the wage rate, and yet they continue to go up on the wages somewhere in the range of 20 percent a year, making it very difficult for our family farm operations. With that, I yield back. Thank you.

The CHAIRMAN. The gentleman yields back. I now recognize Mr. David Scott from the State of Georgia.

Mr. DAVID SCOTT of Georgia. Thank you. Thank you, Mr. Chairman. In Georgia, my farmers definitely know the importance of ac-

cessing new markets. In my district alone, 95 percent of our farms are family owned, and nearly half of all producers are new or beginning farmers, and they understand how critical finding new buyers can be in order to stay competitive. But I tell you, this ongoing trade war is directly threatening their access to new and existing markets, and, Mrs. Brennan, that is the gist of my concern. And I strongly believe that we here in Congress must take steps to ensure that our specialty crop producers remain competitive both domestically and internationally. And in your testimony, you highlighted how programs, like Market Access Program, the Marketing Assistance for Specialty Crops, and Agriculture and Food Research Initiative, help in producers competing globally.

Please excuse my cold here, but here is the question. How is the current market volatility compounding existing barriers to entry that prevent our producers from participating in these programs?

Mrs. BRENNAN. Thank you, Congressman. I appreciate the question. I would add that, in addition to those headwinds, we already have other headwinds, right? We have pest pressure, we have weather, we have other volatile activities that affect our farms, so I would say anything that Congress could do to stabilize that would be greatly appreciated. Anything that Congress could do to invest further in specialty crop market access programs would be greatly welcomed by any number of us at this table and the growers that we are representing. So, I appreciate that sentiment, and I would agree with you.

Mr. DAVID SCOTT of Georgia. Well, we got a number of Congresspeople here. Let me ask you this question because we got the answer to this one. Would an increase in funding allow USDA to help more producers access new markets?

Mrs. BRENNAN. I feel like that might be a trick question.

[Laughter.]

Mrs. BRENNAN. Yes, of course, increased funding would be a huge help. I think ensuring that that goes to specialty crops would be—something that would be even more of importance in making sure that *specialty crop* definition is protected at USDA so that the programs in need are getting that funding.

Mr. DAVID SCOTT of Georgia. Well, I agree with you that the Federal Government can find new ways to partner directly with specialty group producers to increase that new market opportunities. For example, in my own district and Gwinnett County Public Schools, that is located in my district, they successfully partnered with Georgia blueberry producers to incorporate more blueberries into their high school and elementary school menus, simple things like that. So, Mrs. Brennan, how can domestic promotion drive consumer demand, grow business for our producers, and are there unique barriers to domestic markets compared to international markets?

Mrs. BRENNAN. Well, as you are aware, the cost of doing business in the U.S., the regulatory barriers, makes the cost of producing our product more expensive. I think you hit on something that is really important, which is that domestic consumption and driving that consumption, which starts at home, it starts at schools. And so, to the extent that we can invest in those nutrition programs that start young so those young people are getting introduced to

the commodities that we grow and are able to have access to that fruit and vegetable, will inevitably lead to a consumer down the road—who knows what they are buying—is looking for it at the store, and is supporting our programs.

Mr. DAVID SCOTT of Georgia. And let me ask you this. Should our Agriculture Committee consider incentivizing and expanding public-private partnerships, like those between specialty crop producers and school districts, in the next farm bill?

Mrs. BRENNAN. Yes, absolutely, sir. I would agree with that.

Mr. DAVID SCOTT of Georgia. Thank you very much.

Mrs. BRENNAN. Thank you.

The CHAIRMAN. The gentleman yields back. I now recognize the gentleman from Oklahoma, Mr. Lucas, for 5 minutes.

Mr. LUCAS. Thank you, Mr. Chairman, and thank you to our witnesses for testifying today.

Dr. Boring, your testimony touches on this, but why is it important that states have flexibility in setting their priorities under the Specialty Crop Block Grant Program?

Dr. BORING. Well, I appreciate that question. I think that is a really strong point here of the states' abilities to set those priorities and really knowing that we have challenges that really cut across numerous commodities in Michigan. Some of our pest pressures are going to be felt by various orchard crops or vegetable crops. The ability to respond quickly and to shift to these emerging issues, whether that is market access in some ways, but a lot of our emerging pest pressures, we really count on industry partnership to do that, and that flexibility moving forward is going to be really critical to continued success.

Mr. LUCAS. Continuing with you, Dr. Boring, before the 2014 Farm Bill, states couldn't collaborate on multi-state projects under the Specialty Crop Block Grant Program. Why is this ability to work together, especially on pests and disease management, so valuable today?

Dr. BORING. Well, really, that leveraging the university researchers from one institution to the next is really critical. We share a lot of growing condition challenges across the Upper Midwest, for instance, right? Many of the issues we are going to see in specialty crop production in Michigan are also going to be shared in New York and Minnesota and Wisconsin. The ability to work on those kinds of issues on a regional basis really strengthens the capacity for what the solutions are on the back-end.

Mr. LUCAS. Mrs. Brennan, your testimony highlights the need to help families eat more fruits and vegetables through programs like SNAP. In Oklahoma, we have a program called Double Up Oklahoma that matches every SNAP dollar spent on locally-grown fruits and vegetables. From your perspective, why is it beneficial to invest in local initiatives like this alongside broader efforts that expand market access?

Mrs. BRENNAN. Thank you for the question, Congressman. We are very supportive of those double up bucks-type programs. IFPA has been very supportive of that around the U.S. where it is available. I think local control is always something we should look at because the success of the program is really, right, boots-on-the-ground. I think we certainly aren't in the business of talking or ad-

vocating for eligibility, but to the extent that we can bring fresh fruits and vegetables directly to those children, it is all about health, and that is a huge success.

Mr. LUCAS. Absolutely. Mr. Chairman, with that, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back. I now recognize the gentlelady from North Carolina, Ms. Adams, for 5 minutes.

Ms. ADAMS. Thank you, Mr. Chairman, and thank you to our witnesses for being here today.

Mrs. Brennan, you called on Congress to incentivize produce consumption in both SNAP and WIC. Given the recent \$186 million cut to SNAP in the Republican's One Big Ugly Bill, what impact will these cuts have on produce consumption and, consequently, specialty crop producers, or should we expect Americans to purchase fewer fresh fruits and vegetables, and how can Congress attempt to prevent this impending harm to American producers and consumers?

Mrs. BRENNAN. Thank you for the question, Congresswoman. I think we are certainly not going to take position something that dictates eligibility. However, I would say we are supportive and have been supportive of anything that increases consumption of fresh fruits and vegetables, whether it is in schools or any program under the Federal Government. I am happy to look at and work with the trade association to get you numbers as related to your question of what this means on the ground and circle back with you directly.

Ms. ADAMS. Thank you. Thank you.

Ms. ADAMS. A Trump Administration goal is to make America healthy again, but the Republicans' One Big Ugly Bill eliminated the SNAP-Ed Program. That is an initiative that provides a nutrition education and promotes healthy, active lifestyles to individuals and families eligible for SNAP benefits. So, what are the potential consequences of eliminating this program for American families, and how might it impact specialty crop producers who rely on increased demands for fruits and vegetables? Yes, ma'am.

Mrs. BRENNAN. So, I would say long before there was a movement, the specialty crop producers have been supportive of health by way of fresh fruits and vegetables. I think we are going to continue to support things like the Fresh Fruit and Vegetable Program because that benefits the recipients and the growers who sell into those programs. So, we will continue to support those programs as they stand and happy to serve as a resource for the Committee or the Administration for further information.

Ms. ADAMS. Thank you. My last question will be for everyone, if they can briefly respond. Let me say, first of all, that specialty crop exports totaled \$24.6 billion in Fiscal Year 2023, providing essential income to U.S. farmers. The Trump Administration's haphazard imposition of tariffs on our nation's biggest trade partners have had a detrimental impact on many industries, including agriculture. And to all of you, with such a large amount of income tied to the export of specialty crops, what impact do you foresee that the tariffs will be having on farm income for specialty crop growers? If each of you can respond quickly.

Dr. BORING. I can certainly say, from Michigan, we expect negative ramifications to this in the short-term. We are also concerned about the long-term stability of markets, right? Our Michigan specialty crop industry is built on a multifaceted demand outlet, both domestic and international fresh market processing. It takes all of those things working in concert together to have a vibrant industry for our state. The continued access into international markets is really going to be critical for our ongoing success.

Ms. ADAMS. Okay. Thank you, sir. Yes, sir?

Mr. FRANTZ. Congresswoman, thank you for your question. My nursery does not ship internationally, but my brother and I do farm almonds, which is a powerhouse California crop. And in that market—that crop, it is primarily an export market, and so in that regard, we support trade agreements that support the free and fair trade and export of almonds.

Ms. ADAMS. Okay. Yes, sir.

Dr. SAGILI. Congresswoman, I am a researcher, so I probably—I don't have much opinion on that, but I can convey my stakeholders' opinion, for sure. So, they are concerned about some of these issues, but, again, as a researcher, I don't think I have much information to convey at this point.

Ms. ADAMS. Okay. Thank you very much. Yes, go ahead.

Mrs. BRENNAN. I would just add quickly, I think it is the lack of the unknown, right, which is going to affect the markets greatly, so I think that is what we are focused on.

Ms. ADAMS. Okay. Thank you very much. Dr. Boring, North Carolina and Michigan are not as uncommon as one might imagine. According to the Census of Agriculture and the Local Food Marketing Survey, North Carolina and Michigan ranked top ten in number of operations producing specialty crops and number of operations. It means then that our states are producing a lot of nutritious foods that can readily feed our communities, and North Carolina has done a pretty impressive job implementing former USDA investments, such as Local Food Purchase Assistance Programs and the Resilient Food System Infrastructure Grant programs. So, can you tell me just a little bit about Michigan's implementation of these programs?

Dr. BORING. We followed, right along with North Carolina, in implementation of a lot of these. Those kinds of programs are in demand for the food and the product we grow here in Michigan. So, continued support of that is really in the long-term best interest to Michigan and North Carolina.

Ms. ADAMS. So, I am out of time, and if you could send that to us in writing, I would appreciate it.

Ms. ADAMS. Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. I thank the gentlelady. I now recognize the gentleman from North Carolina, Mr. Rouzer, for 5 minutes.

Mr. ROUZER. Thank you, Mr. Chairman, and I want to follow up on what my colleague, Austin Scott, his last couple questions that he had for the panel.

And first, Mr. Chairman, I want to enter into the record research conducted by the North Carolina Chamber, North Carolina Farm Bureau, and other partners regarding the H-2A program's broken Adverse Effect Wage Rate methodology. The title of the report is,

A Broken Baseline: The Flawed Economics Behind AEW R Calculations, by Dr. Blake Brown. Dr. Blake Brown, I know Alma knows him quite well.

The CHAIRMAN. Yes. Without objection.

[The report is located on p. 89.]

Mr. ROUZER. Thank you, Mr. Chairman. Dr. Blake Brown was a longtime ag economist at NC State University, and his research focused on the current AEW R methodology, which is totally disconnected from real wage trends or inflation, and how it—pardon me—has hurt the American farmer and the American consumer and led to fewer jobs, and I mean all farm jobs. I am not talking about owned-farm jobs. All farm jobs. When comparing an alternative model where the AEW R grows in line with the Employee Cost Index—the ECI—the findings are very plain. We would have 518 million pounds and 823 million pounds, respectively, in additional domestic fruit and vegetable output. We would have an additional \$1.73 billion in total economic impact with 25,744 jobs created over that period of time, 290 million pounds in reduced fruit imports, and 470 million pounds in fewer vegetable imports.

So, the bottom line of all this is the AEW R is so artificially high, it has led to increased imports. It has led to fewer jobs, all farm jobs. It has led to higher prices for consumers, and smaller farmers, they can't make the numbers work, so they hang it up. And how many times in this Committee have I heard so many people talk about the plight of the small farmer and how we need to protect the small farmer? That Adverse Effect Wage Rate set so artificially high is running people out of business. It is affecting the American consumer, increase in imports, and all the rest of it. So, I encourage everybody to take a look at this report, which is why I submitted it for the record. We have to address this so that American growers can deliver affordable, domestic healthy foods to the American consumer. That is the bottom line. And so, I was pleased to see recent action by the Department of Labor to revise the current methodology following the Federal injunction in Louisiana, and I encourage Secretary Chavez-DeRemer to continue engaging with the agriculture industry to get this right for the future of the entire agriculture economy, and I know that she will.

Switching gears, Mr. Frantz, your testimony outlines the struggle your industry has finding effective insurance for the large variety of plants and different growing cycles you have in horticulture. In North Carolina, we personally experienced losses in the mountains at nurseries and Christmas tree farms, which have not previously carried insurance because, quite frankly, the region has never experienced such dramatic weather as with Hurricane Helene. I think the struggles that our growers experienced, coupled with dramatic losses from natural disasters we have seen across the country, underscore the need for some type of standing assistance for growers outside of crop insurance. Can you speak to how *ad hoc* assistance supports horticulture and specialty crop growers who have struggled to find the right insurance tools?

Mr. FRANTZ. I can. I can and just—well, thank you for the question, first of all. I want to acknowledge your comment about the H-2A increases. I am not an H-2A user, but I sat next to a gentleman last night at dinner, a large grower from Ohio, and he shared with

me that his adverse wage has changed by 47 percent since 2019, so, Congressman Scott, to your point earlier. So, it is real, and those wage increases in the horticultural world where labor is such a significant component, generally in excess of 30 percent of our direct inputs, translate into real-world inflation for our products.

To your question, Congressman, I have sort of introduced my comments as saying that the current status of specialty crop insurance isn't working. There is a NAP program that is for the non-insured folks like myself, who maybe went into a situation like you are discussing where you don't have insurance. The problem with that program is that the limits are very easily exceeded. The AGI limits are low, and the maximum payment that can go out is just a little over \$100,000, and so unless you are a very small farmer, it really doesn't apply. And so, in my experience, there really isn't yet a program that has the specificity to be very helpful to us growers. Thank you.

Mr. ROUZER. My time has expired. Thank you, Mr. Chairman.

The CHAIRMAN. Thank the gentleman. I now recognize the gentlelady from Ohio, Ms. Brown, for 5 minutes.

Ms. BROWN. Thank you, Chairman Thompson and Ranking Member Craig.

The importance of specialty crops in this country cannot be understated. These are the foods that families across the country eat every day: fruits, vegetables, and nuts that fill the shelves of our grocery stores, stock our farmers' markets, and end up on lunch trays in school cafeterias and dinner tables every night. In Ohio, specialty crops are one of the major backbones of our agriculture sector, ranging from cucumbers and pumpkins to apples and grapes. These products can be found in every corner of the state, keeping family farms running, strengthening local supply chains, and benefiting rural and urban communities alike. We here on the Agriculture Committee know just how tough things are in farm country right now, not only for the commodity crop growers, but also for specialty crop producers. Rising input costs, new pest and diseases, extreme weather, and uncertainty around tariff policy and the farm bill have left our producers in uncharted territory.

Just last week, I sat down with farmers from Ohio, and one sixth-generation grower told me something that I haven't heard since I joined the Agriculture Committee. He said that for the first time, he wasn't sure if he wanted to pass his farm on to his children simply because of the uncertainty and economic burden they would be facing. That kind of uncertainty should set alarm bells off for all of us because if multigenerational family farmers are questioning whether there is a future in farming, then it is time for Congress to take a hard look at what more we can do to give them stability and a fighting chance.

So, Dr. Boring, in your testimony, you mentioned that programs, like the Specialty Crop Block Grant and the Specialty Crop Research Initiative, have been lifelines for growers, especially when specialty crop growers have historically not been able to access traditional farm safety net programs. Dr. Boring, can you talk about what kinds of new Federal support programs would most directly help specialty crop farmers, like those in Michigan, Ohio, and across the country?

Dr. BORING. Well, certainly, and I appreciate the question. That sentiment around the concern that Ohio growers are having about the future viability of operations, I can share that that is being seen in Michigan as well. There has been a lot of work standing up crop insurance and safety net programs for a lot of commodity crops. As was previously noted earlier here, that there are significant challenges around how you do that within a specialty crop sphere when there is a lot more variability and there are a lot of complicating factors. Without going into a lot of detail about specific provisions, I would just say that the ability to be able to have those kinds of safety net programs that provide some certainty long-term for these crops, especially in permanent crops when there has got to be an additional planning and thought processing around what the future of these crops look like, that kind of work is going to be really critical to providing more certainty and keeping more farmers on farms moving forward.

Ms. BROWN. Thank you, and, Dr. Boring, I was really interested to hear about the work that is coming out of Michigan's Regenerative Agriculture Program and the way it is helping farmers improve soil health, profitability, and resilience. In Ohio, many of our farmers are already using conservation practices, like cover crops and crop rotation. Can you share what specific results you have seen from this program and whether you think it could be scaled up into a model for Federal policy to support specialty crop producers nationwide?

Dr. BORING. Absolutely. Let me talk about two provisions and real focus areas for this. First and foremost, our efforts in regen ag are going to be about building additional profitability for growers, certainly how you control input cost to some extent, but even more importantly, about how you might capture premiums for crops that are grown when we have a variety of outcomes that are environmentally and economically advantageous that are aligned with consumer preferences and desirability. The other aspect I would say is how we build resiliency into our cropping systems. So, when we talk about the challenges within crop insurance and mitigating from some of these weather challenges, we know investments in soil health build resiliency in soils. It becomes a longer-term approach then of how we are adding in additional risk mitigation steps and giving farmers tools to improve resilience in their operations so that it is not simply a reliance on crop insurance alone.

Ms. BROWN. Thank you so much and just want to say thank you to all of our witnesses for being here today. Specialty crops are so important and it is not easy work, so thank you all for your commitment to feeding this country, and with that, Mr. Chairman, I yield back.

The CHAIRMAN. The gentlelady yields back. I now recognize the gentleman from Mississippi, Mr. Kelly, for 5 minutes.

Mr. KELLY. Thank you, Mr. Chairman, and Mrs. Brennan, I had a question for you, but I don't need it answered, but I want to get it on the record. One of the biggest challenges growers face is labor with the Department of Labor's Adverse Effect Wage Rate causing labor costs to skyrocket. This is really impacting specialty growers in Mississippi, our sweet potato growers and those folks, and you have already affirmed that, but this is one of the most significant

impacts on our small farmers is the ability to pay a wage that is unfair right now because of a rule that doesn't make sense. So, I hope our Secretary will address that.

To our witnesses, research institutions, like Mississippi State University, are developing new sweet potato varieties, including purple varieties popular in Asia. Why is it important that Congress continues supporting breeding and research programs that can lead to higher value crops and new consumer markets?

Dr. BORING. I will touch on a state like Michigan that has seen a lot of success in these public breeding programs, right? Whether it is dry beans, it is wheat, it is a lot of our horticulture crops, the investments in public breeding programs like that are essential to keep moving this work ahead. It is true for Michigan growers, but you look at some of our work at Michigan State University in dry beans, potatoes, those are efforts that have international focus as well. That investment of public breeding is absolutely essential to keeping specialty crops going.

Mr. KELLY. Thank you for your answer on that, and I like—I am—I am glad that I don't have an accent like you. I have a good, neutral accent.

[Laughter.]

Mr. KELLY. I want to ask about how will doubling the Market Access Program and Foreign Market Development signed into law on July 4 impact specialty crops, for any of you?

Mrs. BRENNAN. Congressman, I would just say that anything that adds to our competitiveness both globally and domestically, we would appreciate.

Mr. KELLY. And then final question, when it comes to creating new domestic markets, how can nutrition programs—GusNIP and the Fresh Fruit and Vegetables Program—be used more effectively to increase sweet potato consumption and other specialty crop, especially among children?

Dr. BORING. I would say—I am proud to represent a Midwest accent here, too, by the way. The continued investment in locally-grown specialty crops into communities is a really big piece of how we provide more economic opportunities in places that have been left behind in a lot of ways, increase quality of life, livability of rural places. And too many places in Michigan—I am sure it is true in a lot of your districts—people are moving away from rural areas because they don't see opportunities, or there isn't high enough quality of life. It is an area we are really working in Michigan to build opportunities for farmers to invest, farmers of all kinds, farmers to diversify, new farmers to get into spaces. It is having local grocery access. It is about having high-quality food in schools, hospitals, institutions. That is a real source of investment and a positive area where we can continue to grow agriculture and have that work of agriculture seen as more broadly impacting rural and urban areas alike.

Mr. KELLY. I thank the witnesses, and thank you for being here today and testifying. It is so important that we continue to do things that make our farmers stronger, especially our rural and smaller farmers. With that, Mr. Chairman, I yield back,

The CHAIRMAN. The gentleman yields back, I thank him, and now recognize the gentlelady from Hawaii, Ms. Tokuda, for 5 minutes.

Ms. TOKUDA. Thank you, Mr. Chairman. Nearly every crop that we grow in Hawaii is considered a specialty crop, but for us, these are staple crops, from canoe crops like ulu and kalo or mai'a—*mai'a* is banana, *ulu* is breadfruit, *kalo* is taro—or to Asian specialty crops like wong bok, daikon, lychee. These are the foods that we eat every day. Specialty crop producers are literally the backbone of our local food system in an island-state that imports nearly 90 percent of what we eat, and if we are to meet our goals of trying to decrease our dependency on imported food, specialty crops are a major part of that answer. But these crops and growers face challenges, as you can imagine, magnified by our unique geography. We have some of the highest shipping costs in the country. We have exposure to hurricanes, tropical storms, drought, wildfire. We have an overrun of ungulates, quite frankly, that are literally stuck on an island to breed and destroy crops, and lands. Volcanic eruptions and lava and invasive species, like coffee rhinoceros beetle, coconut coffee bear boar, and the rose-ringed parakeet, that can literally devastate and take out a crop on acres overnight.

And so, for us, programs like the Regional Food Business Centers, that was \$400 million, Local Food for Schools Program and Local Food Purchasing Assistance, which was \$1 billion, they had been vital in strengthening our local food systems but, as you know, cut and eliminated by the Trump Administration. These played a key role in connecting producers, processors, and buyers with regional markets, and, as you can imagine, providing the much-needed technical support and infrastructure to be able to support our specialty producers.

The question I have, Dr. Boring, or for anyone who wants to answer, is can the—it has been said by USDA that the Specialty Crop Block Grant can take the place of what the RFBC was to many different people. I do not believe that it can fill the gap. Do you think that the Specialty Crop Block Grant Program can realistically replace the coordination, technical assistance, and capacity building support loss by the RFBCs, and is this program designed to support comprehensive regional food security, or does it have limitations that leave key food business development needs unmet?

Dr. BORING. I appreciate the question there of the importance of those programs, and it has really been an area that we have seen investment on the state level of our Farm to Family Program, of the genesis of complementary efforts to some of these federally-funded aspects. We do have quite a bit of flexibility of how we deploy Specialty Crop Block Grant funding. The majority of that does go to pest pressures and the advancement of new technologies. We do a little bit of marketing access and new market development within that kind of work, but they tend to be very project focused instead of those investments in collaboration and building an ecosystem for success of these kinds of programs. So, those investments into local foods, the systems by which to facilitate this work coming together are going to remain very critical. And as we talk about these shared interests of advancing local foods, local quality of life, economic opportunities for farms, having those kinds of sys-

tems by which to facilitate market access and how products move are going to be really important to achieve those objectives.

Ms. TOKUDA. I agree with you that it really seems like that market access, that technical assistance that farmers, especially small farmers, micro farmers, I would argue even, that they rely on, that is going to fall through the cracks with this. And so, given this is still the universe that we are dealing with, what thoughts do you have, especially in the area of research and looking at invasive species and disease, which is a huge threat and can literally take out a specialty crop you know, overnight, if you really think about that. What are any one of your thoughts in terms of how USDA needs to better coordinate SCBGs, perhaps APHIS funding, maybe even SCRI? They tend to be siloed, but at this point, we don't have time or room for error. We literally have funds being taken away when you think about it for technical application. But what more do you think we need to do to actually take down the silos and more, perhaps integrate some of the things APHIS and pest disease funds are discovering and incorporating that with how it is executed with specialty crop development grants and other funds, perhaps?

Dr. BORING. Success and emergency response, whether an invasive species, whether that is in an animal disease, whether it is in new and emerging threats, the investments and coordination are really critical. So, Michigan is the state that was on the spearhead of HBII a year ago, really underscored these needs into how we coordinate efforts across multi-agencies, multi-jurisdictions to have those kinds of responses. So, invasive species that kind of work to protect our—these really critical cropping industries, absolutely essential.

Ms. TOKUDA. Okay. Thank you, Mr. Chairman. I will add in another question later about staffing. I will add that I am very concerned with the staff reductions we are seeing in all these levels: NIFA, 18 percent reduction in staff. This is going to make that coordination more difficult. Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. I thank the gentlelady. I now recognize the gentleman from Illinois, Mr. Bost, for 5 minutes.

Mr. BOST. Thank you, Mr. Chairman. I want to thank you all for being here today.

The USDA administers specialty crop programs, over ¼ million producers, including many in my district. southern Illinois is one of the most diverse ag districts in the country, with vineyards, orchards, rice, many other specialty crops, peaches. I was happy to see the number of previous provisions included in the Working Families Tax Cut, especially to promote research and trade for specialty crops and expand our commercial export markets. Mrs. Brennan, can you speak to the importance of keeping specialty crops competitive in the market, and how do you see the specialty crop export market expanding through the Supplemental Agricultural Trade Promotion Program?

Mrs. BRENNAN. I would say that any support we can give a specialty crop for competitiveness anywhere is going to be much appreciated by the industry overall. I would be glad to get you additional information from IFPA to your to office and your staff on some of the other program questions you had.

Mr. BOST. Thank you.

As a few of you noted in your testimonies, H.R. 1 provided a significant increase in funding for Specialty Crop Research Initiative. Dr. Boring, in 2023, the Illinois Agriculture Research received \$3.53 million from the Specialty Crop Research Initiative to develop the automation of harvesting for apples and specialty crop producers. As you know, labor costs are a substantial expense for specialty crops production. Could you explain how the Specialty Crop Research Initiative help producers stay ahead of the next disease or pest threat, and how the increased funding for the initiatives from H.R. 1 will make an impact on labor cost?

Dr. BORING. Well, absolutely you hit on both the mechanization piece of why those kinds of technological investments are really critical, and the continued funding and certainty of what entomology/pathology investments at research institutions, like Michigan State, are so critical, even across these multi-regional efforts here. That kind of certainty of how we long-term fund research programs is really critical to having long-term consistency. A lot of these are not overnight solutions. Certainly, investments in technology take a long time to come to fruition. A lot of this work around a varietal development, of how we are deploying IPM practices to respond to pest/disease issues, those are long-term investments here. So, the stability, the continued investment to ramp up and have critical mass of those research programs is really critical to achieving success.

Mr. BOST. So, for—getting this on the record is vitally important to me. During our August work period, I went out and visited with a lot of my specialty crop growers. They grow apples, they grow peaches, and one thing that was brought up that I think it is vitally important as we are—we talk trade and the concern that we have with tariffs and everything like that, the concern each one of them had was they wanted us to take notice that with the peaches and with the apples, it isn't that they are competing against the neighbor, or the person the county over, or even Georgia with their peaches, but the foreign markets that come in that produce at such a cheaper price than they possibly can. Would any of you care to comment on that, on where we are at, and because I don't think people understand that.

Dr. BORING. I will bring up two points, really, about our apple market in Michigan. Our growers depend on Pacific Northwest exports to be able to have ample domestic consumption capacity for Michigan and kind of Upper Midwest apples. So, while Michigan apples specifically are not exported a lot, we have a vested interest in seeing that kind of exports from across the country. I will say, too, for crops like asparagus, cherries, blueberries, imports coming in really do threaten our industry and really are providing a cap then on what the future possibilities for the industry might be. Those import pressures are real and significant for our growers.

Mrs. BRENNAN. Can I just add quickly? I referenced it in my testimony, but the Specialty Crop Farm Bill Alliance has some pretty robust recommendations related to trade enforcement that I would encourage you and your staff to look to that lines that out pretty directly.

Mr. BOST. Thank you all. I appreciate that, and I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back. I now recognize the gentleman from Illinois, Mr. Sorensen for 5 minutes.

Mr. SORENSEN. Thank you, Mr. Chairman. Just last week, I was asked on Ag Radio if I agreed with Senator Chuck Grassley that we are in a farm crisis. I didn't even have to think about it. My opinion is based on the fact that I hear directly from our producers growing the crops that feed and fuel our country, and the farmers are hurting. Trade relations, they are getting worse. Farmers are paying the price for tariffs. Our number one exporter of soybeans didn't drop from number one. China didn't drop from number one to number two. It went from number one to off the list. We should be securing and restoring other export countries because our farmers are the best in the world, but the cost of fertilizers and pesticides are going up through the roof now. And people in my district have told me that they are running out of capital, and now they have to take on high-interest loans just to survive. And, I am tired of people saying that we need to do more, but then no one is willing to come up with any solutions.

So, here we are in the first full Committee hearing back from August recess—bless you—we are not taking on the solutions that would provide our specialty growers with the certainty that you need. We need solutions for research, for rural broadband, and conservation. Whether you are growing carrots, almonds, peaches, apples, or corn, we need solutions, and let's be crystal clear: whether it is specialty crops or row crops, more farmers are, unfortunately, having to give up. We shouldn't blame them. Ranking Member Craig as well as the perseverant Members on this side of the aisle, and I appreciate those willing to engage on the other side as well, we are pleading to get the leftovers from the farm bill out in a bipartisan way. And every day we delay, we increase the risk of not just a crisis in agriculture, but a failure of American agriculture.

So, to the panel, this isn't just about policy, because in March, the Trump Administration canceled more than \$1 billion for programs like the Local Food Purchase Assistance Cooperative Agreement Program. Basically, it helps farmers provide fresh produce to local schools and food banks, and last month, Secretary Rollins announced a similar program, but only provided a teeny, tiny little fraction of the breadth that we need. So, to our panel, could you help us understand the impact that cutting funding has for specialty producers in our local markets?

Mr. FRANTZ. Congressman, I will maybe go first. Thank you for your question. I can just certainly reaffirm the real cost of uncertainty. You are outlining various aspects that are current in today's market, and just, without highlighting any particular import or export issue, I would just say with certainty that there is so much unknown, that it is very challenging for those of us who are small family farmers to commit to making long-term capital expenditures because we don't know what tomorrow brings. And so, I would tell you that we can live with almost any outcome, but having to check each day to find out what the particular rules are for a particular country incoming or outgoing is very unsettling. And so, we would like to see certainty around our business environment. Thank you.

Mr. SORENSEN. Anyone else?

Dr. BORING. I will speak a little bit and give a specific example of some of the—I guess the opportunities of how we grow demand, right, and some of the ramifications, some of these cuts, some of the work that we are doing here in Michigan. It is difficult for institutions, it is difficult for public entities—hospitals, colleges, schools—to be sourcing local produce, right, of local products. There is cost to the aggregation, to the distribution, the transportation, having critical mass of products, investments into aggregation. Bringing those things together, increasing market access have definitive impacts on what demand on local levels looks like. We import an alarming amount of our fruits and vegetables into this country. Shifting the focus to value in a more significant way, domestic production of those, even hyper-local production, that represents an opportunity of growth for this sector that all of us represent, that does have meaningful potential.

Mr. SORENSEN. Thank you. As of May, around—and I know my time is brief—the USDA's workforce accepted the Trump Administration's deferred resignation offer. How has that impacted our specialty growers?

Mr. FRANTZ. We interact with USDA a lot, Congressman, around our citrus program, and I don't know enough about their budget to be able to tell you if there have been direct impacts. But, I can tell you that we rely on them doing their job for us to do ours, and so we need to ensure that the programs stay funded to the point they can do their jobs.

Mr. SORENSEN. Thank you, Mr. Chairman, for indulging me on a few extra points. I will stay after class if we can work on the farm bill. I appreciate your leadership.

[Laughter.]

The CHAIRMAN. I am up for it. Let's do it. I now recognize the gentleman from Alabama, Mr. Moore, for 5 minutes.

Mr. MOORE. Thank you, Mr. Chairman, and I appreciate the witnesses being here today.

Specialty crops are a cornerstone of American agriculture, providing both economic strength, essential nutrition for the American public. And currently, in Alabama, we are ranked top ten sweet potato producers in all of the states, showing how important this sector is to our growers. The One Big Beautiful Bill makes a strong investment in these growers by doubling the Specialty Crop Research Initiative funding to \$175 million starting annually in Fiscal Year 2026, extending support for citrus disease research, and increasing resources for plant pests and disease prevention. These commitments ensure farmers have some of the tools to stay competitive while protecting the long-term health of not only Alabama's, but America's specialty crop growers.

Dr. Boring, your testimony greatly described the importance of the Specialty Crop Block Grant Program for the State of Michigan. In your view, how might the increase in funding shape the future of specialty crop production for our entire nation?

Dr. BORING. I appreciate the question about how we really broaden the impacts of this. For us in Michigan, that additional funding means we can be spending time researching pest pressures, disease threats in a variety of different crops, right? We have major crops in Michigan, right? Cherries, asparagus, blueberries. We have a lot

of secondary crops, right? Celery, rutabagas, a variety of smaller crops that don't always get the attention and the research investments in this way. Increased funding means we have capacity to be investing in those really niche crops that still have significant challenges, that do need research investment at the same time.

Mr. MOORE. Dr. Sagili—that is the Alabama way of saying that; I am not sure if that is right—you described the unique funding opportunities provided by Specialty Crop Research Initiative in your testimony. Can you explain the impact those opportunities will have with ongoing and future research efforts?

Dr. SAGILI. Absolutely. Thank you, Congressman. So, as I said, SCRI is a very unique program where we can do transdisciplinary and multi-state institute research programs where you can get—we can't work in silos, right? As a honeybee biologist, I can't just focus on one thing, so I need collaborators on addressing pest and disease problems or other things in honeybees as well. So, I think this program is really unique in the sense that it gets all the collaborators together from multiple states. So, the example I was giving before, I have colleagues from Mississippi, Washington, California, and Oregon working on the same project. So, I think there is a lot of value in SCRI because it is uniquely qualified to address some of those big problems that can't be solved by smaller programs like AFRI or other grants.

Mr. MOORE. Dr. Boring, back to you. You also mentioned growers have expressed their concerns over unpredictable growing conditions, and we recognize coordination between local, state, and Federal partners in the ongoing process. Can you tell us more about those coordination efforts, and are there specific barriers that hinder the coordination?

Dr. BORING. Absolutely. We really are the front-lines of dealing with a lot of shifting weather patterns in states like Michigan. A lot of our specialty crops are located in the west side of the state that experience those moderating temperatures from the Great Lakes as weather patterns change, as a variety of factors continue to evolve. The coordination between those—the large agencies—National Weather Service, for instance, NOAA—the ability to predict and then to be responding to some of these threats in real-time, all the way from Federal agencies, state-level organizations, like Michigan State University, down to the local levels, really remain critical to having these multifaceted responses to these challenging situations in specialty crops.

Mr. MOORE. Thank you. This is kind of for any of the panel of witnesses. Are there any things we haven't discussed? How can Congress act to shape the Federal policy for the future of the industry? In other words, are there any things we are missing that you guys see that we need to be aware of? And then whoever. I got about a minute left, so you all get 15 seconds a piece.

[Laughter.]

Mr. FRANTZ. I will just take a—one comment, Congressman, and that is that my industry, when I—and I say “my.” I am talking about the lawn and garden industry across the country. Those of us who grow flowers and very discretionary items are very concerned about inflation. We sometimes get accused by our commodity crop colleagues of having the pleasure and the luxury of

setting our own prices, but the reality is we have been setting the prices to the point to where our customers can't afford our products anymore. And so, we are running out of customers, and in our business, for the last 3 years, our unit counts have declined each year because our cost to our customers has increased. It is just that the demand curve is killing us. And so, I would tell you that when I sit here and think about what is really keeping me up at night, it is the concern around pricing discretionary items like flowers that people don't have to buy out of the consumers' marketplace. Thank you.

Mr. MOORE. Thank you, Mr. Chairman. I apologize, folks. I ran out of time, but I will yield back.

The CHAIRMAN. The gentleman yields back. I now recognize the gentleman from Alabama, Mr. Figures, for 5 minutes.

Mr. FIGURES. Thank you, Mr. Chairman, and to the panel, thank you guys for all being here in this—between Barry and myself, this is the Alabama hour, I guess, of the Alabama 10 minutes of the hearing, but we both have the privilege of representing the State of Alabama and specialty crops. They are, like many of the states you guys represent, very important to the local economy and to the ag industry, whether we are talking peaches, sweet potatoes, blueberries, pecans, strawberries. These are the crops that I grew up seeing along the state highways as a child. But, unfortunately, we know the ag industry as a whole, especially our local small farms, are really feeling the crunch and really feeling the pressure of today's economy and changes that we have seen over the past several years and decades, quite honestly, in the industry. And so, we want to make sure that we are doing everything that we can on this Committee. And one of the reasons I wanted to be on this Committee as a freshman Member was to ensure that we are doing what we can to modernize our outlook and make our policies more reflective of the current environment that our farmers are facing.

To that extent, Mrs. Brennan, my first question is to you. You noted in your testimony that only one in ten Americans consume the recommended servings of fruits and vegetables. Well, I am going to one-up you because we have seen studies in the State of Alabama that say nine in ten Alabamians do not consume the recommended dietary guidelines for fruits and vegetable consumption, which, I guess, that will come as no surprise to anyone that we have one of the lowest life expectancies in the country. But nevertheless, we want to do everything that we can to ensure that people have access and are making good dietary choices, but we also understand the nexus between those choices and support for our local farmers.

So, what role do cancellations of programs that provide funding for local food initiatives, and nutrition education, and garden programs in school and childcare centers play in the partnership between producers and consumers?

Mrs. BRENNAN. I mean, anytime we are talking about affecting consumption or access to consumption, that should be a concern. I think we should also understand the idea that both the recipient of those programs and the farmer are benefiting from those programs. So, that is certainly something that we will continue to have that conversation and beat that drum as a specialty crop

grower who enjoys providing fresh and healthy produce to those recipients of the programs.

Mr. FIGURES. Got it. And along those same lines, I think what is often lost in the conversations that we have here around SNAP benefits is that SNAP benefits, to my understanding and I think to everyone's knowledge, they can only really be spent in one industry, right, and that is the grocery store. But in seeing cuts to programs like SNAP, can you talk about whether or not that undermines efforts to support local farmers?

Mrs. BRENNAN. Well, I mean, I think we would like to see our commodity in the grocery baskets of all Americans, regardless of whether or not they are on Federal programs. I see your point, and I would understand and agree that is concerning.

Mr. FIGURES. And we all know that USDA is undergoing a reorganization right now that is going to shift a lot of priorities in an attempt to streamline programs, but it is going to change how resources are distributed. What impacts do you guys, to the extent that you are familiar with what USDA is considering—I will start with you, Mr. Frantz, so as to not make this the Mrs. Brennan show. What impact do you see that having, particularly on rural farmers, whether it is in Alabama or other states, because we are seeing in Alabama proposals that will shift some things up to Raleigh, North Carolina, and some other things to Kansas City, which I am not sure how good your geography is. Neither one of them are close to Alabama.

Mr. FRANTZ. Yes. Thank you, Congressman. We do rely on a healthy USDA, and I would say to you that it isn't—I am agnostic about where they are located. It is important to me that the programs that we interact with them are properly staffed, and that if they do make moves and as they make moves, that the programs move successfully with them. There is one exception, and that is that we—they have repositories of trees and shrubs in the Clean Plant Network that we rely on and those plants are planted in the ground. And so, it would be important to me that if moves are made, that the trees that are important to our national security are moved along with them or protected, and they are left behind.

Mr. FIGURES. Got it, and thank you, and I will just end with a comment. We have heard some commentary about the adverse effect wages, and one thing I think that we have to keep top of mind is that the purpose of that is to protect American workers. Now, I am one that believes those wages certainly have to be reflective of the realistic conditions and also offset costs that are being absorbed by the employers, but I think it is important that we don't forget that that is why that is there through the same vein as why we want to protect American farmers in terms of import capacities, in terms of specialty crops or any other crops that are coming in, and I yield back.

The CHAIRMAN. The gentleman yields back. I now recognize the gentleman from Washington State, Mr. Newhouse, for 5 minutes.

Mr. NEWHOUSE. Thank you very much, Mr. Chairman, and also want to thank the Ranking Member Craig for this very important hearing today, and thank our panelists for being here.

Sometimes specialty crops are referred to as minor crops, and I want to make sure that people truly understand and not be con-

fused about their importance. Many times, they are high cost, labor intensive, high overhead in infrastructure, very important to our local economies, and I truly do appreciate the focus that this Committee is taking on this part of the agricultural industry. As a third-generation hop, grape, and fruit farmer myself, I think I understand some of the issues that have been brought up today, and I appreciate the full Committee's attention on the issues facing not just specialty crop growers, but agriculture in general throughout the country. We truly are at a very difficult position, and we are going to come up with some answers. We have come up with some answers, and we are looking for help from the outside for some more input on what more we can do.

I want to start with Mrs. Brennan first, and first of all, thank you for having a presence in my district. Appreciate very much your contributions to the economy there. You mentioned in your testimony the need for enhanced mechanization within the specialty crop industry. And as many of you have mentioned, the issue of labor is huge, particularly when it comes to the operation and harvest of specialty crops. And attention to detail is particularly important when it comes to things such as apples, for instance, which Washington raises one or two of. Nobody in the grocery store is going to buy an apple that is bruised. They are just not going to do it, so we have to be very thoughtful about what we do. Could you talk a little bit more about the need for potential return-on-investment when it comes to the expansion of mechanization and automation within the specialty crop industry?

Mrs. BRENNAN. Absolutely. Thank you, and, Congressman Newhouse, we appreciate the opportunity to be in your district as much as you appreciate us. But I would just add that specialty crops accounts for about $\frac{1}{3}$ of the cash receipts in U.S. crops but receives only a fraction of dollars related to research and development. So, I think anything that Congress can do for strategic investment in that area will really act as a signal to the tech world. As it stands right now, they are not going to necessarily invest in something where the market is so targeted and so small. So, if the Federal Government is willing to invest in that area, I believe we will see additional development.

Mr. NEWHOUSE. Thank you. My next question, and I am happy to open it up to others. You all have provided fantastic input on this. While we are talking about research, what role does precision agriculture play in current operations, and how can Federal research help support and expand those technologies across the specialty crop sector?

Mrs. BRENNAN. Congressman, I think you would be hard pressed to find an operation today that isn't utilizing precision ag practices every day, day in/day out, but I would add that I think they are always looking for additional research opportunities and dollars in those areas. So often we are faced with headwinds that Mr. Frantz referenced earlier, and so we are focused there and maybe not able to do the investment in other areas that maybe we want to at the time because we are so focused on the headwinds.

Mr. NEWHOUSE. Sure.

Mrs. BRENNAN. So, that would be—I don't know if Mr. Frantz has additional nuance to that, but.

Mr. FRANTZ. Congressman, I will just make a quick comment to—first of all, to thank you for your stalwart help for years on the Farm Worker Modernization Act.¹ You have been a friend to horticulture, and I appreciate it very much. On the automation question, we are so desperate for labor at times that we have thrown ROI to the wind from time to time and invested in automation just on a hope and a prayer because things are that tight labor-wise, especially over the last few years. Thank you.

Mr. NEWHOUSE. And time goes by so darn fast. I want to touch on the whole issue of trade, very important for specialty crops truly, as you mentioned in your testimony as well. I heard several of you talk about the importance of the Market Access Program, and other things that we have put in place as Congress to help specialty crops and agriculture export. We accomplished something that was—I have been working on for a long time. We doubled the amount of money invested in market access as well as the specialty crop efforts to increase exports. And so, I just want—this legislation was passed on and signed on July 4, H.R. 1, did some great things for agriculture. Could you talk about some of the potential that we could see from increasing our efforts in market development?

Mr. FRANTZ. Is there time for me to answer your question?

Mr. NEWHOUSE. Yes.

Mr. FRANTZ. Okay.

Mr. NEWHOUSE. Oh.

[Laughter.]

Mr. FRANTZ. Mr. Chairman, should I proceed?

Mr. NEWHOUSE. Yes.

Mr. FRANTZ. Okay. The first one is we are very grateful for several provisions in that Act. To your question about the market access, because we were able to attribute those dollars towards labor—I already mentioned that is our biggest expense—that funding has helped us keep our costing down this year when it otherwise would have increased more. So, first of all, it has been a direct benefit to our customers through helping to cover our labor cost. The second one I wanted to comment on is the ability to direct expense our capital expenditures. I already mentioned that times are uncertain. Being able to have tax benefits realized immediately has allowed my brother and I to feel better about making complex decisions that would otherwise have been held off. Thank you.

Mr. NEWHOUSE. Well, as you noticed—as you noted, too—my time is running out, but I just want to thank you all for being here today and being part of this very important discussion. Thank you, Mr. Chairman. I apologize for going over, but I yield back.

The CHAIRMAN. I thank the gentleman. I am pleased to recognize the gentleman from New Mexico, Mr. Vasquez, for 5 minutes.

Mr. VASQUEZ. Thank you, Mr. Chairman, thank you, Ranking Member Craig, and thank you to today's witnesses for being here today.

¹ **Editor's note:** 116th Congress: H.R. 4916, Farm Workforce Modernization Act of 2019; H.R. 5038, Farm Workforce Modernization Act of 2019; 117th Congress: H.R. 1537, Farm Workforce Modernization Act of 2021; H.R. 1603, Farm Workforce Modernization Act of 2021; 118th Congress: H.R. 4319, Farm Workforce Modernization Act of 2023; 119th Congress, H.R. 3227, Farm Workforce Modernization Act of 2025.

Specialty crops are the backbone of agriculture in my district. If you look at the map that was included in the documents, there is a little black area there in Dona Ana County and Otero County and Luna County. That is in southern New Mexico, and we have world-famous Hatch chili, we have amazing Barker yellow onions and pistachios, and these crops don't just sustain our economy. They sustain our way of life. They are who we are. It is a story of our culture, our people, our identity, and it is how families gather around the table. Last week, I convened a meeting with my agriculture advisory group that includes specialty crop producers from across my district, and their biggest frustration was that we have gone 2 years without our farm bill. They also talked about rising input costs, they talked about tariffs, and they talked about funding freezes. And for them, it wasn't just a policy debate. It was something that could make or break their family farms. And so, it is my belief that we can't keep playing politics with farmland and with specialty crop producers because we lose more than just profits in my district. We lose generations of investment. We lose family legacies. We lose productive land.

And so, those conversations I am having with producers makes it also very hard for the next generation of farmers to be able to be successful in starting their own business or taking over the family farm. And as they see that those farms around them are potentially talking about filing for bankruptcy, it is very hard to entice new young farmers to take over the family business. And so, whether it is tariffs, whether it is losing the workforce, supply chain costs that are driving up these unsustainable levels, these are just added costs that are already eating into thin margins that we know that they have. And so, in my district in particular, it is harming the pecan and the pistachio growers. They are now having to look for other markets. They have just lost their biggest market like a lot of farmers in this country have, and they are struggling to understand what is happening with this farm bill.

So, my question first is for Mr. Frantz. Mr. Frantz, do you think that this Administration's trade posture, and let's call it a trade war, is raising costs for family farmers and specialty crop producers?

Mr. FRANTZ. Thank you, Congressman, for your question. I would say to you that in my experience in my business, we have yet to experience costs that have moved our costing, material changes. What we have is an uncertainty from our customers and our vendors, and that uncertainty is causing people to trend prices up potentially prematurely because in our experience, the tariffs that directly affect us have continued to be delayed.

Mr. VASQUEZ. So, Mr. Frantz, would you say certainty then would be a good thing?

Mr. FRANTZ. We are looking for certainty, yes, sir.

Mr. VASQUEZ. Okay. And then in terms of the agricultural workforce—this question is for you as well, Mr. Frantz—what are the impacts that you are seeing within your business or other specialty crop producers in terms of the labor shortage?

Mr. FRANTZ. Congressman, that is a very good question. Thanks for asking it. The lack of sufficient labor at times has prevented us from having the quality products we wish because we can't get the

work done, and it is preventing us from growing our business and seizing opportunities that are coming our way. We urgently need a bipartisan legal ag workforce solution.

Mr. VASQUEZ. Thank you, Mr. Frantz. I really appreciate that, and I will commend Chairman Thompson because he convened a bipartisan group of Members of this Committee to work on immigration reform as it pertains to the agriculture industry and what some of our ideas were for programs like H-2A and H-2B, and we put out a report on that. And so, I would love to see my colleagues, everyone on this Committee help to push forward these types of policies that are going to support the agricultural workforce that, in the end, support family farms, rural communities, rural businesses. That is something that is desperately needed in this country, and I think the more that we hear from folks like you all today about the impact that we are having, hopefully the more that it hits home with everybody that serves in this body so that we can actually get something done.

That is really important. That is something that I encourage my colleagues to continue those conversations are—that was a bipartisan working group, and I believe we had some good results. And so, we have legislation out there, like the Farm Worker Modernization Act, that is really important. Mr. Carbajal has introduced it. We have been waiting for some action on that, so we would love to see that. We would love to make sure that those pistachio growers, those—that yellow Barker onion that make—that accounts for over 50 percent of the nation's onions in September, that we can keep those workers there, that we can keep those onions from rotting in the field, and that we can get our specialty crops, like pecans and pistachios, out to good markets and keep these families in business. Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. Thank the gentlemen yielding back. I now recognize the gentleman from Ohio, Mr. Taylor, for 5 minutes.

Mr. TAYLOR. Thank you, Chairman Thompson and Ranking Member Craig, for hosting this hearing today, and thank you to our witnesses for traveling here to provide your expertise to this Committee. You guys came a long way, and I appreciate your sacrifices. At least Dr. Boring got to get out of Michigan for a little while, which is good.

My district is in southern Ohio, which is by no means the biggest specialty crop area of the country. There is a significant presence from several farmers and companies, but nothing like other areas of the country. Therefore, when Ohioans go to the grocery store, it is almost always guaranteed that we are buying 2,000 mile lettuce that could be up to a week old. This means you are paying for transportation costs and for storage, and the produce you are buying will go bad much quicker than lettuce you could buy locally. Obviously, this is not just the case with lettuce, but with fruits and vegetables as well.

I visited one business in my area, not in my district, called 80 Acres, which is an indoor vertical farm in Ohio that I believe provides a unique model for ensuring everyone in both rural and urban areas has access to fresh fruits and vegetables. Mr. Frantz, with that in mind, how do you see greenhouses or vertical farms transforming rural America, if you think that is possible?

Mr. FRANTZ. Thank you, Mr. Congressman. AmericanHort has a lot of greenhouse customers, greenhouse members, and so, in general, we are supportive of most anything that supports greenhouse growth. And as a greenhouse owner myself, I recognize the potential to have a lot of climate controls and do things in climates that otherwise wouldn't be possible, but outside of that, I don't have any particular expertise in vertical farming.

Mr. TAYLOR. Okay. In an area like Ohio where it may not be the best climate for specialty crops, what can we do to promote more farms like that to provide fresh produce for people? Anybody have any ideas on promoting anything like—he said it is not really his area?

Dr. BORING. I would just say the recognition of the value in these investments, right, the value of greenhouse production, the value of hoop houses, the value of some of these season-extending technologies that do pose significant capital restraints in small farms looking to diversify and supply local areas with local produce, right? Having these kinds of dollars spent seen as investments in communities is really a fundamental pivot to how we view this kind of work.

Mr. TAYLOR. Thank you. Having a reliable supply of produce could not only benefit farmers, but it could also greatly help with the health of our communities across the United States. A 2024 study found that nearly three in four adults in the U.S. are now considered overweight or obese. Southern Ohio is no exception. Actually, it is worse than that there as there are several counties in our district with obesity rates. One is, in fact, in the top five counties in the country for obesity. Obviously, it is not just diet that can change these trends, but having more access to fruits and vegetables would definitely help. Dr. Boring, could you talk about how affordable and consistent access to fresh produce could help combat the obesity epidemic in this country, and specifically, has it helped address these issues in Michigan where you are serving now?

Dr. BORING. Absolutely. I think that the statement around how we modernize our outlook on agriculture is really critical here, and having agriculture seen as solutions to these bigger issues that are occurring across the country, right? Livability in communities, the pursuit of the American Dream for a lot of rural areas, how agriculture plays into the health of people, the health of people, communities, that has to be the way in which we approach this kind of work. And so, investments into specialty crops being seen as investments into our future as a country, food security, the health of people, I think that is a really fundamental position shift here that drives the kind of investments that get at what you are talking about and why this work is important for communities.

Mr. TAYLOR. Thank you. Anybody else have any ideas on that one? Thank you.

Mrs. BRENNAN. I would just add that we have—Specialty Crop Farm Bill Alliance and IFPA have been wildly supportive of increase with the Fresh Fruit and Vegetable Program in elementary schools and the potential expansion. I think we know, any of us who have children, that the earlier you expose them to fresh fruits and vegetables, the more likely they are going to eat those throughout their life, so I would add to that as well.

Mr. TAYLOR. Okay. Again, thank you all for being here today, and, Mr. Chairman, I yield back.

The CHAIRMAN. The gentleman yields back now. I now recognize the gentlelady from Maine, Ms. Pingree, for 5 minutes.

Ms. PINGREE. Thank you, Mr. Chairman. Thank you very much for having this hearing, and thank you so much to all of you for spending your time with us. I probably could spend my whole time just kind of ranting about so many of the things that my colleagues have already discussed, and first and foremost is just the very idea that we call this specialty crops. I think that most of you realize you are working in a field about vital, nutritious items or whether it is a home horticulture, really critical things to our environment. So, I apologize that for so long we have called this a specialty item when it really is essential nutrition in the very fruits and vegetables we depend on every day, and thank you for working in that industry.

I am particularly worried about the budget cuts and the cuts that have already been done, whether it is at the USDA or some of the other programs that I know in my state, our specialty crop growers particularly depend on. In these challenging times, whether it is in relation to the tariffs or the extreme weather that we have been having in our state—we had a very wet spring, so our pollinators couldn't do their jobs in the blueberry fields, and now we haven't had much rain since July. So, we are in an extreme drought, and we really need that assistance from the Federal Government, particularly when it comes to the local offices, the NRCS and other places, that are understaffed. We have lost most of our engineers. So, if you are looking for drought planning assistance, how to do more irrigation, the help just isn't there.

And one of the cuts that has been mentioned before, but I was really disappointed to see, was that last March, USDA canceled the billion dollars that went in the Local Food Purchase Assistance and Local Food for School Programs. Combined, that was over \$2 million to my state. It might not sound like a lot in a smaller state, but 1.3 million people, not that many farmers, this was a really good, guaranteed source of income. And as so many of you have already mentioned, this is fresh fruits and vegetables that go into food pantries and to school lunch programs where we really want to make sure those are accessible and available.

So, do any of you want to comment on the importance of programs like that or what you are also doing? I know in Michigan, you have some of your own programs going on, the GusNIP program, so many of the things that allow people to access healthy fruits and vegetables and give our farmers that guaranteed income that helps make them assured that they have funding on the bottom line. I will just go through whoever wants to discuss that.

Dr. BORING. I will just briefly reiterate our Farm to Family Program, of investments in that work being seen as investments in the future of our state, right? It is economic opportunities for farms, certainly, but one of the greatest concerns I hear from farmers time and time again is the health of their communities and what the economic outlook for rural areas needs to, and what can it be. We have to be providing solutions to communities and framing our work as investments beyond just agriculture and farms, but into

communities so we have an ecosystem of success. That kind of work is really critical starting at those early, early levels.

Ms. PINGREE. Thanks.

Mrs. BRENNAN. I mean, I think I have said it before and I will say it again, I think anything that increases consumption and access in those programs and the recipients, we are supportive. Of course, we are having open and IFPA is having open conversations with the Administration and Congress, both sides of the aisle, of the importance of those programs, and we will continue to do so.

Ms. PINGREE. Thank you, and I do want to say we have a bipartisan bill going on, largely growing out of this Committee, and the dissatisfaction with those funds being cut and looking for ways to make sure that on a bipartisan basis—this isn't a partisan issue—making sure our farmers in rural areas have that support.

Let me just jump to crop insurance. You have brought that up before, but all of you have given really good examples. Same thing. We are experiencing this extreme weather, and New England has not been exempt from that. I already mentioned the rain in the spring, the drought now, and just the challenges that *specialty* crop—I just hate saying the word—but that farmers face. So many successes have grown in our state because of the interest in purchasing locally, belonging to a CSA, farmers' markets, all those things, but these are the very farmers that aren't commodity farmers, and it is almost impossible to use this system, as many of you have mentioned. So, before I talk for too long, do you want to just talk about it a little bit more and why—or any ideas that you have about how we could fix this finally so it works.

Mr. FRANTZ. Yes. Thank you, Congresswoman. I understand you are an organic farmer yourself, so congratulations.

Ms. PINGREE. That is true. Spent many years—might even have a little dirt there right now from the weekend.

Mr. FRANTZ. We have something in common. Thank you. I just appreciate you acknowledging that the specialty crop industry really does need help in the insurance area. Rather than get too far in the weeds, I would just say that there are pilot programs running at USDA, and I am grateful for that. But I hope we can change them around to where they are actually effective, whether it is this Controlled Environment (CE) program that I am particularly interested in but isn't helpful, or the Nursery Value Select, NVS, which is a catastrophic program that just doesn't ever reach the trigger to be helpful. So, there are specific issues that need fixing, and I appreciate your attention to it. Thank you.

Ms. PINGREE. I ran out of time, and I will be respectful of everyone else's time, but I do want to just note that you mentioned a couple of times your worries about inflation and the impact that could have on people using ornamentals. And I know how important the horticulture industry is and just what a great benefit it was during the pandemic that so many more people decided to plant that garden and have sort of the therapeutic and family-based experience of doing that outside, and I would hate to see that go away. So, thank you all for your work. Really great to have you here today.

Mr. FRANTZ. Thank you, Congresswoman. Thank you very much for your comments.

The CHAIRMAN. I thank the gentlelady and now recognize the gentleman from Iowa, Mr. Feenstra, for 5 minutes.

Mr. FEENSTRA. Thank you, Mr. Chairman, and thank you, Ranking Member, for holding this hearing today, and thank you to our witnesses. Thank you for coming. I read your testimonies. Very impressive.

I look at specialty crops, and they are so important to our agricultural community and feeding the world, in essence, what you do. And there are so many pieces and parts that go into specialty crops when you start thinking about it, whether it be policy, regulatory, environment, transportation, tax provisions. I want to talk briefly about tax provisions, all these things sort of go bump in the night that they affect you.

When we start thinking of tax provisions, you think of what we passed in this—the last bill, the reconciliation bill, whether it be the death tax so you can move that family farm to the next generation, 199A, if you are a pass-through, you get a 25 percent qualified business income, whether it be section 179 depreciation, buying a piece of equipment, these are all very important pieces, and, Mr. Frantz, I would love for you to talk about what I just said. How is it important to you, and can you talk about some of these changes that might affect a family farm?

Mr. FRANTZ. Yes. Thank you, Congressman. The provisions in your recently-passed budget bill are extremely helpful, and we are very grateful for them. So, thank you.

I will speak first to the estate tax. My brother, Keith, and I were blessed to have parents that transitioned ownership of our farm 25 years ago, and now, here we are, looking at the blessing, really, of the opportunity of passing the farm to our children in the next decade. And were it not for the increase to \$15 million per individual of the lifetime exemption and the permanency that you have brought to the law, it likely wouldn't be able to be possible in California where farm real estate is so expensive, so very grateful for that. I have already touched on bonus depreciation, in a little way, but R&D tax credits as well, that is something we take advantage of and we are very grateful for, so thank you very much.

Mr. FEENSTRA. Yes. Well, thank you, and I am glad you addressed that. I mean, again, it is about passing that family farm to the next generation, and we see that all over the agricultural landscape, the great concern of how do you—instead of having corporate farmers buy the land, how do we get it to the next generation, and the death tax is a big part of that.

I want to talk a little bit about another issue when it comes to transportation of goods, and if you start looking around the world, how do we open new markets, especially for specialty crops? A lot of specialty crops need refrigeration, and how do we move into countries like Africa and other warmer climates when we don't have refrigeration? And I want to talk to Dr. Boring about this. Can you talk about the importance of cold chain capacity and the markets, and especially the specialty crops when it comes to exporting and trying to expand these horizons?

Dr. BORING. Yes, I appreciate that question. Constraints on cold storage capacity are something we continually hear in Michigan as well, those being barriers to growers adding capacity, adding addi-

tional market access, and that even extends into the infrastructure investments of how we ship that product, right, as you talk about here. Having those kind of investments seen as greater good of how we raise the tide in specialty crops is really critical. I would also hit on two of—it reinforces the need for a continued investment into research around how we have alternate storage capacity and preservation techniques for our crops so that we can take some of these fresh market products, potentially put them into a stable format, dried otherwise, so that we can access some of these markets with acknowledgements of one of some of the constraints that are going to occur in those specific geographies.

Mr. FEENSTRA. Yes. Dr. Boring, I think you are right. I mean, you think about research that is so critical, and it is exciting to see what we are going to do in the next farm bill when it comes to research. It is the key. I mean, if we want to continue to be exports to the global world, we have to do a lot more research, and obviously cold chain storage is part of this, but we have a lot of work to do. So, thank you for your comments.

We have already talked about specialty crop insurance. I am not going to get into that. It is so important. I heard some of your comments. To me, it is invaluable to make sure that we have some backing when we have catastrophic events, and we have that periodically. I am from Iowa, second-largest ag district in the country. When we have derechos or drought or whatever it might be, we have to have protection. So, with that, I thank you for your witnesses, and I yield back.

The CHAIRMAN. I thank the gentleman, who yields back. I now recognize the gentlelady from Illinois, Ms. Budzinski, for 5 minutes.

Ms. BUDZINSKI. Thank you, Mr. Chairman, and thank you, Ranking Member Craig, for calling this hearing today. I want to say thank you to the witnesses as well for traveling here to be a part of this. I appreciate it.

My district in Illinois is home to over 1 million acres of farmland. In fact, farms make up over 70 percent of the total land in my district. And while my district, like most of central and southern Illinois, is home to some of the highest-yielding corn and soybean farms in the country, it is also home to a huge variety of specialty crop production as well. Collinsville, Illinois is the horseradish capital of the world, if you didn't know that. In fact, Collinsville supplies about $\frac{2}{3}$ of the entire world's horseradish. I have heard from those farmers, and I am sure many of you have as well, that specialty crop operations face unique challenges with access to labor, and of course those needs have only gotten more complicated in the wake of the Administration's immigration policies.

Beyond horseradish production, across my district, there are fruit and vegetable operations that supply our local communities with a variety of fresh, healthy local food. I have had the privilege to visit Sola Gratia Farm in Urbana, Illinois several times now, and I have heard directly from them as well as the organizations that they supply with their food. One serious concern they brought to me that I am sure everyone has heard about is the cancellation of the Local Food Purchase Assistance Cooperative Agreement and the Local Foods for Schools programs. Not only has this been a prob-

lem for the farmers and the people they feed, but the University of Illinois Extension, Illinois Eats Program, in my district administered these programs across the State of Illinois. I was proud to join Congressman Bresnahan and a great team of lawmakers to introduce the Local Farmers Feeding Our Communities Act (H.R. 4782) earlier this summer to reinvest in these vital programs that I mentioned. But I think the heart of this is that farmers need market access for their products, whether domestically or internationally. I know Congressman Feenstra just spoke to that. A healthy farm economy relies on farmers having somewhere to sell.

Director Boring, I am excited to see the success that Michigan's Farm to Family Program has had in connecting specialty crop producers to local consumers. Can you elaborate a little bit on the impact of this program that it has had in both improving market access for farmers and increasing food security on a regional scale?

Dr. BORING. Well, certainly, and I appreciate the question there. I can highlight a few specific examples of work we have been able to do, knowing this is, really, a new program that we are looking to stand up here. We have specifically worked on creating opportunities for local grocery access in different places. We are replicating success of Farm Stop models that have been really pioneered in Ann Arbor, Michigan, but the ability to put into smaller communities consignment-based grocery access, in essence, brick and mortar farmers' markets where local farmers are supplying products into those areas, but they don't have the hassle necessarily of manning a farmers' market in the evening and weekends. It really provides an avenue of how communities can have farm produce and food access in new and different ways and have that viewed as a community asset to the livability of downtowns and an economic way for small farms to diversify in different ways. So, the collaboration with other states, including Illinois, of how we kind of push those new models, I think is really exciting of where we might go with that work.

Ms. BUDZINSKI. So, you think that model could be replicated maybe in other places as well?

Dr. BORING. Yes, certainly.

Ms. BUDZINSKI. And have you thought at all about what in the farm bill we would need to be prioritizing in order to see those types of programs be replicated?

Dr. BORING. Absolutely. I think some of the creations of new and unique pilot programs that recognize some of the work that is occurring in dynamic ways in states that is utilizing some creativity, and that is how we come up with a good policy, right?

Ms. BUDZINSKI. Yes.

Dr. BORING. We take local ideas, we might replicate them and build them up at the state level, and hopefully some of those find their way to a Federal level so we can replicate examples of success.

Ms. BUDZINSKI. Okay. Thank you. I will yield back. Thank you.

The CHAIRMAN. The gentlelady yields back. I now recognize the gentleman from North Carolina, Mr. Harris, for 5 minutes.

Mr. HARRIS. Thank you, Mr. Chairman, and thanks to all of you on the panel for your time and perseverance and hanging throughout this time.

As we have listened today, obviously specialty crops play a vital role in the American agriculture industry. In fact, in my home State of North Carolina, farmers produce a wide range of specialty crops, like sweet potatoes, strawberries, cucumbers, and peanuts, that feed our communities and provide thousands of jobs to hard-working North Carolinians. But too often, I hear from constituents in my district that they consistently have to deal with excessive government regulations that hinder their ability to meet demand. Mrs. Brennan, you mentioned similar concerns in your written testimony, saying the specialty crop industry is under siege from regulatory overreach and outdated policies. I want to ask you, if I can, in a few moments this afternoon, in your view, what specific regulations do you believe Congress could address to ease the burdens affecting farmers in the specialty crop industry?

Mrs. BRENNAN. Thank you for the question, Congressman. I appreciate it. I think there are any number of issues. The thing that comes to mind immediately for a number of us who maybe don't qualify for some of the programs are the AGI limits and things that are very tangible, boots-on-the-ground issues that we could address in the long run that could assist us in qualifying for programs that maybe Mr. Frantz and I wouldn't necessarily qualify for is the first thing that comes to mind.

Mr. HARRIS. Gotcha.

Mrs. BRENNAN. But I am happy to send a long list to you, sir, after this hearing.

Mr. HARRIS. Well, and that would be helpful.

Mrs. BRENNAN. Absolutely.

Mr. HARRIS. When we are talking about moving forward and we are talking about legislation, that would be important.

And kind of going off that, Dr. Boring, I will turn to you. In your role as a state-level agriculture policymaker, how does your agency balance state regulations while, at the same time, not overburdening producers with excess regulations that hinder their operation?

Dr. BORING. Well, I think you hit on a really critical element, and it is a fundamental piece of our department kind of ethos, is the fact that we are partners with farms and agribusinesses across the state, right? Our mission here is to ensure compliance, provide clear, consistent rules by which businesses operate, and then help farms and agribusinesses on how they comply with these sorts of things. So, our preeminent focus here is making sure that folks clearly understand things and us working as educational partners and resources of how we all get to where we need to go together.

Mr. HARRIS. Gotcha. Well, from your conversations with other state officials, how can reducing Federal red tape empower the specialty crop producers to operate more efficiently and compete more effectively?

Mr. HARRIS. I think there is a lot of opportunity of just clarifying different regulatory roles, right? And we hear from growers a lot of times of how state-based regulation and requirements are often-times not well coordinated with Federal. Addressing those kinds of issues there, it is the small little things like that that, ultimately, do add up and make a difference for growers.

Mr. HARRIS. Well, thank you for that insight. I believe that rather than micromanaging farmers, Washington should instead lower barriers and focus on building an environment that allows them to grow, innovate, and thrive, because that is what all of us want for our farmers. Mr. Frantz, in your testimony, you spoke to how the nursery industry is actually impacted by the inflationary pressures, many of which were exasperated by irresponsible government under the previous Administration. I want to give you a moment, if you can, to elaborate on how these challenges have actually impacted your operations.

Mr. FRANTZ. Yes. Thank you, Congressman. I want to first just acknowledge your prior comment, and that is that I do believe that the American farmer and what they have done productivity-wise is nothing short of awesome, and largely that has happened when the government has stayed out of the way, so I completely appreciate your philosophy. As far as the question to direct impacts of inflation, our product is demonstrably more expensive today than it was 5 years ago. And as I alluded to previously, no one really has to buy a flower, and so when costs go up, and they have broadly gone up as a macro picture, we have no choice but to pass those costs on the American consumer, and we want to see prices come down to put our product back inside the budget of the average shopper at stores across America. Thank you.

Mr. HARRIS. Gotcha. Well, thank you, and, Mr. Chairman, with that, I will yield back.

The CHAIRMAN. The gentleman yields back. I now recognize the gentleman from California, Mr. Carbajal, for 5 minutes.

Mr. CARBAJAL. Thank you very much, Mr. Chairman, and thank you to all the speakers that are here today.

Mrs. Brennan, as you know, I represent California's Central Coast where agriculture is the number one industry. Specialty crops account for a significant portion of agriculture grown in our state, which is the number one agriculture state in the nation as well as in my district, including Grimmway Farms in Cuyama. Growers require an adequate workforce in order to maintain crop production. Congress can assure our growers have enough labor by advancing bills like the Farm Workforce Modernization Act, which I am a cosponsor of. Currently, the Trump Administration's intensified deportation efforts have created significant uncertainty within California's agricultural labor force. Between March and August, the U.S. agriculture industry has lost an estimated 155,000 workers. Local stakeholders in my district have voiced their concerns over the impacts of these actions. Given the uncertainty of this immigration climate, what impacts have you seen on your farms, Mrs. Brennan, and what steps do you think Congress should take to best address and support specialty crop growers and their workforce?

Mrs. BRENNAN. Congressman, I appreciate the question, and we also, as with Congressman Newhouse, appreciate being in your district as well. I think it goes without saying that that topic has obviously been top of mind for many of our industry. We have long advocated for and asked for a reliable legal workforce and the ability via your efforts with the Farm Workforce Modernization Act, and have asked Congress to act in order to step up for our industry. I

think I can speak for all of us to say it is not just our industry being affected by these issues, and yet we are, of course, at the forefront of where we feel it first, so I appreciate your leadership in that area. I would ask that you continue to lead, and as you can imagine, it is certainly a topic that is top of mind for all of us.

Mr. CARBAJAL. Thank you. Mrs. Brennan, in your testimony, you mentioned the need for greater Federal investment in research and development for agriculture technology. Can you expand on how the Federal Government can support research and increase innovation within the specialty crop sector, and help producers like Grimmway Farms?

Mrs. BRENNAN. Absolutely. I mentioned it earlier, but specialty crops make up $\frac{1}{3}$ of crop receipts in the U.S., and yet we see such a small percentage of the R&D dollars. We believe as a coalition that strategic Federal investment will lead to additional private-sector investment as well, and we see that as a net positive for the industry.

Mr. CARBAJAL. Thank you. Continuing with you, you noted that unlike commodity crops, specialty crop growers currently lack access to affordable and effective crop insurance, yet are still subject to market price fluctuations and vulnerable to natural disasters. When considering updates to insurance policy, what options do you believe are the most needed to better help manage production risk and protect specialty crop businesses?

Mrs. BRENNAN. Congressman, I appreciate that. I would point to the Specialty Crop Farm Bill Alliance—that is a mouthful—recommendations that house a long laundry list of things we would appreciate. Obviously, a lot of our specialty crop growers are operating without a federally-subsidized safety net, so anything to add to that program would be incredibly helpful. So, I will follow up with a that full list as well for you, if you would like it.

Mr. CARBAJAL. Thank you.

Mr. Frantz, you mentioned that certain exemptions on the tariffs have saved your industry millions. However, there are other inputs still subject to tariffs that are currently impacting your business. Can you share what inputs are still impacted and how they are affecting your farms, as well as how those tariffs might be impacting other nurseries like those in my district?

Mr. FRANTZ. Yes, Congressman. Thank you for your questions, and thank you for highlighting the labor issue and for your leadership in that area. Certainly, your comments highlight the need for labor reform.

To your question, I will give you an example. A lot of nurseries across the country dig trees out of the ground, and they wrap them in burlap to protect the root ball and keep them secure until they can get planted in the ground. Burlap comes from India off the jute tree. It is the only place you can buy burlap, is off the jute tree, which doesn't grow in America. So, there is an example of an item that must be sourced internationally that we would like to see exempt from tariffs. Thank you.

Mr. CARBAJAL. Thank you. In closing, let me say, my colleague, Ms. Pingree, mentioned therapeutic gardens during this pandemic. I tell you, having worked in the farms and the fields with my father, I did not do a therapeutic garden.

[Laughter.]

Mr. CARBAJAL. I have a lot of PTSD from that work, but I think for those that were able to appreciate and do that, I think it is a great idea. Mr. Chairman, I yield back.

Mrs. MILLER [presiding.] The chair recognizes the gentleman from Arkansas, Mr. Crawford, for 5 minutes.

Mr. CRAWFORD. Thank you, Madam Chair. I appreciate it. I know this has already been brought up by several of the Members already, and I kind of came late to the game, but I appreciate the topic. I am not going to ask our witnesses to answer, but I do want to add my voice to the chorus of people raising the alarm about H-2A.

In the last Congress, and you may have been made aware of this, but in the last Congress, we actually stood up in—under GT—Chairman Thompson's direction and under his leadership, we stood up in Ag Labor Working Group, a bipartisan group, and spent about a year or so meeting with various stakeholders across the country representing a diverse mix of crops and production and all of that. And at the end of that effort, like I said, about a year-long effort, we came up with 21 recommendations to the committees of jurisdiction, 15 of which were unanimous in their adoption. All 21 recommendations were certainly bipartisan, but 15 were unanimous. And so, this was definitely solid work done by the participants, the panel on the Ag Labor Working Group under this Committee.

The sad part about this is that the Agriculture Committee, where the bulk of the subject matter expertise resides, is a Committee that has no jurisdiction, so we are relying on five other committees to, essentially, do the work to address the needs of the H-2A workforce. The bigger problem here, as you know, the things that we can't control, for example, commodity markets, we can't necessarily control prices of commodities. We certainly can't control the weather, but things that we can control, and that is policy here in Washington and how that is having a negative impact on the workforce.

And, we can have a conversation about outsourcing our labor, which we have done and which is a separate conversation of why we are so heavily reliant on an H-2A workforce. But the fact remains that we are, and as such, we don't need to further penalize our farmers when they are already farming below cost of production as it is. And so, we are adding insult to injury by making it that much more difficult to manage the workforce that they rely on to get the job done. So, I know this is impacting across the spectrum of ag production, whether you are a specialty crop producer growing berries somewhere, or whether you are a large-scale row crop producer anywhere in the country. It could be livestock production, you name it. Across the spectrum of ag production, this is a problem.

So, we have gotten the support of the Chairman and the Ranking Member on this issue. It is my hope that we will make those referrals to the appropriate committees of jurisdiction, but recognizing, of course, that these recommendations didn't come in a vacuum. I mean, it was a result of a year-long effort dealing with producers of virtually every commodity, people who rely on a migrant workforce to be able to get the job done, to feed and clothe America. So,

I appreciate you being here today, and I appreciate the Members who spoke earlier raising this issue, and your answers to those questions will help inform this Committee on the direction that we ought to go in terms of making recommendations to the other committees.

And one of the recommendations I would make, in addition to the 21 that we are making, is maybe the Agriculture Committee have more jurisdiction in that role because it is a difficult problem set, and without the appropriate subject matter expertise, it is that much more difficult to legislate the appropriate solutions. And with that, Madam Chair, I will yield back.

Mrs. MILLER. Thank you. The chair recognizes the gentlewoman from Oregon, Ms. Salinas, for 5 minutes.

Ms. SALINAS. Thank you, Madam Chair, and I want to thank Chairman Thompson and Ranking Member Craig for holding this hearing today. I appreciate that both of you really follow through on your commitment to ensure this Committee focuses on the importance of specialty crop industry to our entire agriculture community, and thank you to our witnesses for making the time today to be with us.

So, I don't want to beat a dead horse, but I want to give one final opportunity as we start to close out this hearing on crop insurance. For Oregon, the nursery greenhouse industry represents the leading agricultural commodity, and Oregon's conifers, shade, Christmas, and flowering trees are number one in U.S. sales. Unfortunately, I have consistently heard from our nurseries and other multi-crop producers that they simply can't find crop insurance that works for them, and for any witnesses who would like to jump in again, just one final time. And, Mrs. Brennan, Mr. Frantz, thank you for the testimony that you have already provided; but, why is it that crop insurance offerings, including Whole-Farm Revenue Protection, fail to meet the needs of these diversified operations, and are there any additional suggestions you might make that we can alter to meet the needs of these producers?

Mr. FRANTZ. Thank you, Congresswoman. I will take a crack at it. The first one is to your specific question around the Whole-Farm Program, it, again, has a 50 percent threshold of loss, and for us small growers with diversified crops, that is just an unacceptable standard to be met. It is just we will be bankrupt before we hit that number. To try address your specific question, there is a program right now at USDA called Controlled Environment, which I know is important to you. There are a lot of greenhouses in Oregon. The Controlled Environment is a program that addresses quarantine risk when USDA or any government agency quarantines a crop in a greenhouse or any controlled environment nursery anywhere in America because of a quarantine that is outside the control of the grower, no risk or no fault of the grower, and the crop has to be destroyed, that grower is compensated for the crop.

Our problem is that USDA doesn't order us to destroy our citrus. They just take away market access. And so, to give you a metaphor to—an example would be as—if a potato grower in Idaho was told you can keep selling your potatoes, but only in Idaho, and so it is not possible to move all your potatoes out inside the State of Idaho. And so, that is an example where the program is well intended, but

we have yet to have a situation where USDA has ever in the country ordered a destruction order for citrus that have been quarantined inside of a controlled environment. So, it needs help, and that is just a real specific example of how the Controlled Environment greenhouse program could be broadened to where a quarantine would be viewed more generally. If you lose market access, that is a triggering event to where the producer could be paid. Thank you.

Ms. SALINAS. Understandable. Thank you. Mrs. Brennan, did you want to add anything, and thank you for offering your 21 points. I will take a look when you send them over. Would anybody else like to weigh in?

[No response.]

Ms. SALINAS. All right. Thank you. So, this hearing serves as a reminder of the unique and varied needs of specialty crop producers. It is why it is so critical that this Committee continues to increase investment and improve research programs specific to specialty crops, like the Specialty Crop Research Initiative. So, Dr. Sagili, thank you so much for being here. I am honored to have Oregon State represented here again. What suggestions do you have, given you have so much experience with this grant process, to improve the SCRI grant, especially as we increase investment?

Dr. SAGILI. Thank you, Congressman Salinas. So, I would say—I have five things, but I will go with the important ones here. So, the timely release of request for proposals is really important because as researchers, we are always busy with applying for different programs, and if we don't have any certainty in the RFPs, then probably we are not planning well, so you may not receive quality proposals, so that is an important thing. So, I would expect a timely release of proposals from the SCRI program. The second one is adequate time between release of proposals and the submission as well because this year, we have seen with some programs, there is only a month or maybe 2 months to apply. I am not talking about SCRI, with other AFRI programs, so that is a limitation for us as well in applying and providing some good proposals.

And the other one is I would say waive the matching requirements. There is one catch there for matching funds, and not all universities and all researchers are able to provide matching funds. I think we have been graciously waived for the last 5 years for matching, but I think that language still exists in the SCRI program. So, I would say if we can look into that and see that is waived, that would be really beneficial for researchers that apply for these type of grants. And I would want to add one more thing into this is also seek constructive feedback. The program officers or managers, whatever we call them, they need to seek some good input from the reviewers as well because sometimes the review process becomes more cumbersome if the applicant is not able to understand the process, how it has gone through. So, we need some more constructive feedback from the reviewers as well.

Ms. SALINAS. So, essentially, technical assistance as you are going through the process itself?

Dr. SAGILI. Yes. Yes.

Ms. SALINAS. Thank you. My time has expired. I yield back.

The CHAIRMAN [presiding.] I thank the gentlelady. I now recognize the gentlelady from Illinois, Mrs. Miller, for 5 minutes.

Mrs. MILLER. Thank you, Mr. Chairman, and thank you to our witnesses for being here today.

Illinois is proud to be a national leader in specialty crops. We grow more pumpkins than any other state: 11,000 acres for jack-o-lanterns, 15,000 acres for processing, and another 10,000 acres that grow a variety of a different pumpkin species. We produce $\frac{2}{3}$ of America's horseradish worth over \$10 million a year, and we rank third in popcorn production. Altogether, specialty crops in Illinois cover over 83,000 acres and generate nearly \$ $\frac{1}{2}$ billion annually for our family farmers. But these farmers are being squeezed by skyrocketing input costs, labor shortages, pests and disease, and unfair foreign competition. Too often, Washington's policies ignore our specialty crop producers. Our farmers don't want handouts. They want Washington to get out of the way, they want a fair shake in the marketplace, and they want the tools to keep producing the safest, healthiest food in the world right here at home. As we start having more farm bill discussions, we must ensure it reflects America First agriculture: supporting our growers, strengthening our food security, and keeping our family farms and business for the next generation.

So, my first question is for Dr. Boring. The Specialty Crop Block Grant Program provides critical research and resources for farmers. How can we strengthen this program so Illinois growers have the tools that they need to succeed?

Dr. BORING. Appreciate that question. I would say a big step has already been taken of increasing the funding capacity within the program.

Mrs. MILLER. Yes.

Dr. BORING. That certainly helps. I think those steps that have been implemented over time of increasing the program flexibility of state determining priorities, that regional work that is often so fundamental for how universities put adequate resources into a problem, I think those have been reflective and are positive steps here that the industry has articulated here. I would say, really, that continued view of the relative importance of these is the cultural identity of places increased predictability around what that funding is going to look like into the future so that researchers, commodity organizations can build long-term strategic approaches about how we are developing solutions.

Mrs. MILLER. Yes.

Dr. BORING. It is the nimbleness of how we respond to these ongoing threats, but at the same time, the ability to invest in a comprehensive strategy on a multiyear basis of how we develop markets more broadly and address some of these broader concerns is really critical, and it represents a new area of investment that the program could pursue.

Mrs. MILLER. Thank you. Mrs. Brennan, labor shortages and rising crop costs are squeezing family farms. What improvements to crop insurance and support for mechanization would help U.S. producers compete fairly against cheap foreign labor?

Mrs. BRENNAN. Yes. I think to your point about mechanization and automation, I think any additional Federal strategic invest-

ments in those areas will help tremendously for the family farmer, or for any farmer of specialty crops, so I would be supportive of that and I can pass along additional feedback.

Mrs. MILLER. Yes.

Mrs. BRENNAN. But again, the Specialty Crop Farm Bill Alliance priorities details that pretty specifically, and I think will act as a resource.

Mrs. MILLER. Thank you, and, Mr. Frantz, combining high input costs and foreign imports, it has been undercutting our growers. What changes to crop insurance would give American specialty crop producers a fair shot instead of pricing them out of the market?

Mr. FRANTZ. Thank you, Congresswoman, for your question. First of all, as a person born on Halloween, I thank you for those pumpkins that your state is growing.

[Laughter.]

Mr. FRANTZ. To your question about automation, to my colleague, I would ask that you would work to get tariffs removed from automation machinery that comes, in the nursery industry's case, often from Western Europe, nations like Holland. The Netherlands lead the world in nursery automation, and it would be extremely helpful to us as growers to have tariffs removed on specific pieces of machinery that cannot be sourced domestically. To your question, Congresswoman, on insurance, as I have stated previously, this specialty crop industry, especially nurseries where we have so much diversity on farm crop diversity, it is very challenging for the programs to be effective. And so, I would ask for an opportunity to brief you in more detail where we could explain what we think is a better path forward to make nurseries be more eligible for specialty crop insurance. Thank you.

Mrs. MILLER. Great. And we do want free and fair trade, which is the purpose of the tariffs, and we do want to be producing our own equipment here. So, thank you very much, and I yield back.

The CHAIRMAN. The gentlelady yields back. I now recognize the gentlelady from Maryland, Mrs. McClain Delaney, for 5 minutes.

Mrs. MCCLAIN DELANEY. Thank you, Mr. Chairman, and thank you all for being here today. I think you are almost at the tail end, and I appreciate you pushing through.

So, I represent Maryland's 6th District, where specialty agriculture is both a key driver of our local economy and an essential part, really, of our farming cultural identity, from the Ag Reserve to the mountains of western Maryland to our Chesapeake Bay. And our region has a diverse climate which supports a wide range of crops, including my visits to Lewis Orchards, Butler Orchard, and Linganore Winery, and this incredible richness and diversity really informs a lot of my questions. As we discuss the challenges and opportunities facing this sector, I look forward to hearing your insights. And I do have a few questions, but I do have to say I really appreciated your testimonies related to the need for a stable legal workforce, really focusing on increasing inflationary pressures, including tariffs and items that can't be procured here, like peat moss and burlap, which I didn't know about, and the dire need for affordable, tailored crop insurance. And, Mr. Frantz, I am an Idaho potato farmer's daughter, so I liked those comments.

So, my first about risk mitigation. Mr. Frantz, farming has always been risky, but with unpredictable weather, rising costs, and changing markets, it is getting even riskier. And recent flooding in my district shows how hard natural disasters can hit farming and rural communities, and I often hear that the insurance really doesn't properly reflect the actual losses. For instance, in western Maryland, a late frost can turn fresh fruit into processing fruit overnight. You grow over 700 plant varieties, and with that kind of diversity, the reporting requirements on acreage and production and history could be overwhelming. Could you tell me a little about what changes would help with reporting requirements and insurance, which would make it more workable for farmers?

Mr. FRANTZ. Thank you, Congresswoman, for your question, and I appreciate your interest in horticulture very much. We do have a tremendous number of crops, and it is a pretty intense place to be keeping track of everything. We have full-time people that all they do is drive the farm and update our inventory in order to ensure that we are able to meet the reporting requirements that we have in place to be compliant, and for our sales team to be able to know what plants look like at any given time. I also appreciate your comment about the urgent need for a legal workforce. If I think about what I hope everyone here remembers when we leave this hearing, it is the urgency around the need for a labor workforce solution.

Mrs. MCCLAIN DELANEY. Exactly.

Mr. FRANTZ. Thank you.

Mrs. MCCLAIN DELANEY. So, Dr. Sagili, I have really been impressed by your research on honeybees and nutrition and pollination, really critical work for agriculture, and many of our bureaus and research institutes in Maryland have focused on a lot of that. We are proud to host USDA's Bee Research Lab at the Beltsville Agricultural Center, BARC, and which really has been a center of innovation for over a century. USDA's recent proposed plan of reorganization includes closing BARC, which is very sad to many of us within Maryland, and while I am deeply grateful for Secretary Rollins' focus on data and open communications and collaboration, I am also very concerned about the long-term effects of USDA's research capacity and the loss of decades-long institutional expertise due to the relocations. I would really value your thoughts on why continued investments in USDA research and institutions like BARC matters for the field, and if time, if some of the others could comment as well.

Dr. SAGILI. Yes. Thank you, Congresswoman. So, the Beltsville Bee Lab is really critical. It is a historical lab, and they have a lot of specimens as well from a long time, and I think it is a really critical we keep those labs there because it is strategically located as well. It is not about whether it will serve in a different location because they are strategically located to serve the Northeast as well as all the regions in the country.

Mrs. MCCLAIN DELANEY. Exactly.

Dr. SAGILI. So, we have—I think I have signed a petition as well for that to request that the Beltsville Lab should stay there because all researchers across the nation that do honeybee research,

they all appreciate how valuable this Beltsville Lab is in the D.C. area.

Mrs. MCCLAIN DELANEY. God bless you.

Dr. SAGILI. So, appreciate your input on that as well.

Mrs. MCCLAIN DELANEY. Does anyone else have any comments on USDA and research and location?

Mr. FRANTZ. I will just—thank you for the question. I will just reiterate there—come in behind and say that the Beltsville Lab is the location where some of those trees are located that are very permanently rooted into the ground.

Mrs. MCCLAIN DELANEY. Yes. Yes. Thank you. I am running out of time and I yield back, but I will be submitting questions for the record. Thank you.

The CHAIRMAN. I thank the gentlelady. I now recognize the gentleman from Wisconsin, Mr. Wied, for 5 minutes.

Mr. WIED. Thank you, Mr. Chairman, and thank you to all of you for being here today. As eating healthier becomes an increasingly popular topic for the American people, I think this discussion today is especially pertinent. I do believe that encouraging the American people to eat healthier is important for a strong nation and, ultimately, for our national security. It should go without saying, of course, that meeting the demand to do just that depends on having a specialty crop industry.

Wisconsin is obviously known for its famous dairy products. However, the state is also a leader in a multitude of specialty crops. Door County in my district is globally renowned for its cherry industry. Additionally, many people do not know that Wisconsin produces 60 percent of the country's cranberry crop. Other specialty crops Wisconsin leads in are snap peas, ginseng, potatoes, carrots, and green peas. Additionally, Wisconsin ranks third in the country for the number of organic farms. I look forward to continuing the discussion here on how we can better support and enhance the specialty crop industry in the upcoming farm bill and have appreciated what we have learned thus far.

So, this question can go to any of you. As the national conversation, which, again, is a very, very good thing that the American people overwhelmingly are talking about—eating healthy, and being healthy, and living a healthy lifestyle—can we expect that specialty crop producers as well as those who may want to begin to produce specialty crops, are we able to meet that demand with the current state of specialty crop programs?

Mr. FRANTZ. Congressman, I will just make a quick comment and pass it on to my colleagues, but I just want to say to you, thank you for your support of the farm bill. And I am the farmer on the panel, so I don't have a lot of technical expertise, but I can tell you that AmericanHort, who I represent today, was supportive of the last version, and we just want to see something along the lines of what was passed last time or what was proposed last year moved forward. In other words, if I can just be so direct, we would be super happy to pass what is in front of you. Thank you.

Mr. WIED. Dr. Boring?

Dr. BORING. I would certainly say that the nation and the Upper Midwest, in particular, has the capacity for the production to be meeting this challenge ahead of us, right, of how we are feeding

ourselves in a more wholesome manner. I would say the way in which we go about that is very important as well, and running parallel with the theme that food security is national security, of certainly putting in place the structures and the mechanisms and the policies to not only be eating healthier, but caring and investing in where we grow those sorts of products.

Mrs. BRENNAN. If you wouldn't mind, I would add this. Obviously, we take our job very seriously to bring fresh and healthy produce to tables across the world, but I would add that, to the extent that Congress can reaffirm the USDA's authority to drive domestic consumption and promotion, we would appreciate greatly, because I think there is certainly no shortage of a desire to grow more for folks, but that is certainly a need that I think USDA can fill.

Mr. WIED. Great. Well, Mrs. Brennan, how do you specifically expect organic production to fit into this discussion?

Mrs. BRENNAN. I thought you would never ask. Thank you, Congressman. I appreciate it. As you may be aware, organic sales, specifically in crops, led by fruit and vegetables, accounts for about 58 percent of the organic market. We see that driving about \$9 billion in sales, which is a huge economic driver. We have seen consumption go up and interest go up. So, we do see it as something that can drive market advantages for us as growers, but also for anyone interested in getting organics as well, so exciting times ahead.

Mr. WIED. Can you elaborate on the growing importance in organic crops in our make in our agriculture?

Mrs. BRENNAN. Oh, absolutely.

Yes. I mean, overall, we are looking at that becoming the economic driver around pricing, availability. I don't know if you want me to touch on something specifically, but, I mean, I am happy to chat further outside of this, but something we are very proud of as a large organic grower.

Mr. WIED. Well, yes, we definitely would be open to that outside of this. So, how should the upcoming farm bill better support and address this growing sector, in your opinion?

Mrs. BRENNAN. Absolutely. I believe we have at least one recommendation I referenced earlier, which is looking at the transparency with which NOSB is looking at policies every 5 years. The farm bill can address some of that to bring stakeholders to the table so that every 5 years we are looking at the NOSB policies. They are allowing tech and the latest information to inform what that looks like going forward.

Mr. WIED. Great. Well, thank you for this great discussion as we all continue to make America healthy again, and it is very important, so I appreciate it. Mr. Chairman, I yield back.

The CHAIRMAN. The gentleman yields back. I thank the gentleman. I now recognize the gentleman from New York, Mr. Mannion, for 5 minutes.

Mr. MANNION. Thank you, Mr. Chairman. Thank you to the witnesses who are here today.

Today's farm economy is flashing red due to too many variables that are creating a lack of predictability, increasing high input costs, volatile trade policy, uncertainty around immigration and farm labor rules that are shifting week to week. So, this Adminis-

tration's approach has created a lot of whiplash and not enough predictability. Shifting away from specialty crops—my heart goes out to all of you—but also to corn and soybean farmers across the country who have seen once-reliable export and aid markets stall, leaving them with plentiful harvest but too few customers because of the tariffs. I appreciate the comments from some of my colleagues today on both sides of the aisle as we had a discussion about automation and farm machinery that is not produced domestically. And my guess would be that there is very little expectation—realistic expectation that that farm machinery and automation would quickly be made domestically, and, therefore, our farmers need help now.

“ . . . Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises to pay the Debts and provide for the common Defense and the general Welfare . . . ”² I am a team player. My team is the House of Representatives. Trade policy is our job, but just yesterday in the Rules Committee, a rule was passed to prevent privileged floor motions related to tariffs from hitting the floor, so we have ceded our power. Why? Why have we done that? It is an easy thing that we can fix. All we have to do is our jobs.

In central New York, the pain of the multitude of variables are showing up in our specialty crops. New York is the number two apple-producing state with roughly 30.5 million bushels projected this season. Our grapes and wine support thousands of jobs from the Finger Lakes to the Mohawk Valley, on farms and in packing houses, tasting rooms, and small businesses throughout our communities. When trade relationships are fickle and labor rules change week to week, we are not serving our farmers well. We need to fix that. We need to fix it together, and we can fix it because it is our job to fix it.

In the midst of these challenges, it is important to highlight what is working. Through the Specialty Crop Block Grant Program and Specialty Crop Research Initiative, New York universities and growers are leveraging Federal support to deliver practical solutions, like tackling spotted lantern fly and fire blight and helping producers access new markets. Recent increases for these programs were the right call. Now USDA must keep those funding opportunities predictable and on time so growers can plan ahead. The bottom line is that New York farmers need open markets, a committed and legal labor force, and science-driven resources that keep their farms resilient, and I am ready to work with all of my colleagues to deliver solutions to keep our ag economy strong.

As a former biology and chemistry teacher, Dr. Sagili, I am going to ask you a question in your expert opinion, using the research that is available. In my conversations with local farmers, neonicotinoid seed coating is an essential tool that they need to be able to assure their crop yields. In your opinion, is there a significant negative impact on the honeybee population as a result of the use of neonicotinoids?

Dr. SAGILI. Yes. Thank you, Congressman. So, there has been a lot of research in the last 15 years on neonicotinoids, and what we

² **Editor's note:** Article 1, Section 8 of the U.S. Constitution, the latest publishing of the pocket edition, S. Doc. 116-3, *Constitution of the United States and the Declaration of Independence*, <https://www.govinfo.gov/content/pkg/CDOC-116sdoc3/pdf/CDOC-116sdoc3.pdf>.

have seen is it is still mixed results we are seeing or conclusions. So, there is no conclusive evidence at this point that just the neonics are causing it, but I think they are contributing to some degree to the decline in bee populations, but I don't think they are the primary cause for declines at this point of time.

Mr. MANNION. Thank you. I appreciate it. Thank you, Mr. Chairman. I yield back.

[No response.]

Mr. MANNION. I yield back.

The CHAIRMAN. The gentleman yields back. I apologize. I was distracted but for a good reason with the baby. I now recognize the gentleman from Pennsylvania, Mr. Bresnahan, for 5 minutes.

Mr. BRESNAHAN. Thank you, Mr. Chairman, and thank you to the Ranking Member for holding this hearing.

As you know well, Mr. Chairman, specialty crops are one of the cornerstones of Pennsylvania's agriculture economy, especially in northeastern Pennsylvania, where over $\frac{2}{3}$ of the crops grown in my district are specialty crops. Because of their complexities and unique challenges, I know the specialty crop industry often gets overlooked, even though these are products that Americans see most when they walk into the grocery store or a farmers' market. Reminding Americans about exactly who and where their food comes from has been the emphasis of my work in this Committee. Just last month, I had the chance to visit and tour Brace's Orchard right in my backyard in Dallas, Pennsylvania. This ninth generation orchard is the staple of the Back Mountain community. The Brace family grows everything from apples to peaches to fresh flowers, and shared how they were able to provide 55,000 pounds of fresh fruit to local food banks for distribution. These types of stories are exactly why I introduced my bill, the Local Farmers Feeding Our Communities Act (H.R. 4782), which will help boost the purchasing of locally-grown food by farmers and growers like the Braces, and ensure it is distributed to those in need inside of their communities.

My first question is for Dr. Boring. First off, thank you to the NASDA for your support on the Local Farmers Feeding Our Communities Act and excited to work together to get that across the finish line. But I also wanted to ask you to expand on the Michigan Farm to Family Program you mentioned in your testimony and shine some light on any lessons that Congress could take away from this program.

Dr. BORING. Well, really, I appreciate the question on that. I would say that the continued investment in these kinds of areas seen as, just more broadly, advancing the public good here, the long-term best interest of communities. Creating meaningful ways for farms to diversify and have additional profitability is really essential here. It speaks to the continued investment in areas that we need to be building the connective tissue around agrifood systems, right, of making sure that we have capacity from institutions to have staffing capacity, funding capacity to be valuing local production, but also making sure that we are making investments in distribution and transportation aggregation so that we have pathways for small and diversified farms to be able to access markets for the betterment of local economies.

Mr. BRESNAHAN. Well, thank you for that. I also noticed that most of the specialty crop farms in my district are family operated, small- or mid-sized, or run by beginning farmers, and, in many cases, all three. I would welcome any feedback from the witnesses to answer this, but I am curious about what unique challenges these types of farmers face and how this Committee and Congress can best support them and help set them up for long-term success. I will continue with you, Dr. Boring.

Dr. BORING. Well, I would say the recognition of building resiliency and diversity into our systems is for our long-term best interest here, right? Making sure that we have the capacity there for farms of all kinds to access markets. And again, it is distribution, it is transportation, it is aggregation about bringing sufficient quantities of produce together so that we can access into markets, but the recognition of the fact that it is going to take farms of all kinds, sometimes with unique challenges of each individual type of operation so we have, ultimately, resilient systems here for the betterment of our ag economy.

Mr. BRESNAHAN. I appreciate that. Mr. Frantz, how about you?

Mr. FRANTZ. My comment is—thank you, Congressman for the question. I appreciate your passion for this. In specialty crops, we do highlight our size, and often, we overemphasize how small we are and how insignificant any one given sector crop is, but I would highlight that the sum of the parts is we are pretty mighty. Just the horticulture sector alone, we contribute \$348 billion to the economy across the country, and that is—that is an outdated survey from Texas A&M. So, collectively, us specialty crop growers are—have a substantial contribution to the economy. Thank you.

Mr. BRESNAHAN. Any other witnesses? No, thanks? Okay. Doctor?

Dr. SAGILI. Yes, I can just say something about it. So, as I think Dr. Boring mentioned, so there are unique challenges with—we grow more than 300 different specialty crops here in the United States, and each one comes with a different—like for blueberries, for example, like for harvesting, we are looking for some technology where we can have mechanized harvesting, and it is not that easy because they are very soft and you have to be very careful how you harvest. So, coming back to your question, I think because of this uniqueness, probably we need more funding to support these kind of specialty crop industries, not just with SCRI, which I am representing today, but for other things with crop insurance and other things that my colleagues have spoken here.

Mr. BRESNAHAN. I appreciate that. Mr. Chairman, I yield back.

The CHAIRMAN. The gentleman yields back. I now recognize the gentleman from California, Mr. Costa, for 5 minutes.

Mr. COSTA. Thank you very much, Mr. Chairman and Members of the Committee here. I think it is appropriate that we take this time, and I want to thank the panel, to discuss the challenges of specialty crops in America. And not only to the witnesses, but the two that are from California, obviously I have some familiarity with your efforts, a third-generation farmer myself and having represented nine out of the ten counties in the Valley over the years in Sacramento and now in Washington.

We are very proud in California of our specialty crops, although when I go to the grocery store as a person who likes to cook and so forth, I never see any signs directing you to the specialty crop section of the grocery store. Clearly, food is national security, and the crops that we are talking about today are essential to a healthy diet and nutrition daily, and food is a national security issue. We don't treat it that way often. In California, the farmers, ranchers, dairymen and -women produce half the nation's fruits, nuts, and vegetables, 20 percent of the dairy production. The list goes on and on. Last year it was \$61 billion at the farmgate. Forty-four percent of our agriculture is exported, and I want to center a little bit on research and the issue of tariffs because I think they are critical.

Right now, this issue of mass deportation, which has brought fear in the agricultural labor market that I have not seen in my entire life, 70 percent of our workforce, unfortunately, is undocumented, and it is a problem. But tariffs create uncertainty, and they are attacks on not only American consumers, but also American producers, agricultural producers, as well as manufacturers. The impact of trade, let's start there, and I want to find out from Mrs. Brennan and Mr. Frantz, the uncertainty that has been created over the last 6 to 8 months on these tariff wars, what does that do to your ability to market as Grimmway Farms does so successfully, Mrs. Brennan?

Mrs. BRENNAN. Yes.

Mr. COSTA. And I am glad you talked about the organic production.

Mrs. BRENNAN. Yes, absolutely. Thank you for your question, and thank you for your leadership in the Valley. I will just say, personally, I have appreciated your time in Congress very much and your representation of our industry. I would say that we haven't seen a direct—necessarily a direct impact for us. However, the uncertainty is absolutely something that the industry and specialty crop industry speaks of quite often. I think to the extent that Congress can step in to ensure that we have market access domestically and internationally to compete globally is incredibly important and will continue to be important.

Mr. COSTA. Because you are price takers and not price makers.

Mrs. BRENNAN. Correct.

Mr. COSTA. And so, the world markets for all of the different commodities that you grow, and the same with you, Mr. Frantz, is depending upon what the world market is. Mr. Frantz, you want to comment?

Mr. FRANTZ. Yes, Congressman. Good to see you, a fellow Central Valley resident. Thank you for your support over the years for our various issues, especially around the—

Mr. COSTA. Mr. Gray wanted to be here. He is under the weather, but he said to give you his regards.

Mr. FRANTZ. Thank you. Thank you. I will just highlight that our industry largely is not much of an exporter, but we are absolutely very discretionary. People buy our products on impulse, and if they are feeling uncertain, they are less inclined to buy discretionary items like flowers.

Mr. COSTA. Let me move over to the issue of research and development because there has been a lot of cuts that took place with

DOGE originally, resulting in over 1,600 employees being reduced in the USDA alone. I am a big believer in public-private partnerships, and the University of California ag research facilities throughout the state, both at the Kearney Ag Station and the Parlier Station, provides a lot of innovation in terms of plant development and the plant sciences issue. Have you found that to be an impact, Mr. Frantz? Are you concerned about that public-private partnership, the muscle that has really developed as a result of all that research that takes place?

Mr. FRANTZ. Congressman, thank you for the question. I don't have expertise in that area.

Mr. COSTA. Dr. Sagili?

Dr. SAGILI. Yes. Congressman, yes, we do have some concerns because we do, as universities, work with USDA as partners, and sometimes there have been long-term relationships we have developed for doing research with USDA partners. And if we lose workforce at the USDA, probably that is going to impact in a big way what we have been doing for the last 20, 30 years.

Mr. COSTA. And obviously, that research has led to so many innovations in ag sciences that we appreciate today, and there is obviously a lot more to be learned and gained with artificial intelligence and other developments and the whole issue of agriculture, would you say?

Dr. SAGILI. Absolutely. Yes, I agree with that.

Mr. COSTA. Mrs. Brennan, your Grimmway Farms is obviously a leading developer of ag products. Do you have any partnerships that you would like to talk about?

Mrs. BRENNAN. I don't today, sir, but I certainly am happy to talk to you at another time.

Mr. COSTA. Okay. My time has expired. I thank the Chairman, and we will continue this effort and move along. Thank you.

The CHAIRMAN. I thank the gentleman, and now I recognize the—also the gentleman from California, Mr. LaMalfa, for 5 minutes.

Mr. LAMALFA. Thank you, Mr. Chairman. Thank you for having this important Committee on our specialty crops. I wanted to ask Mrs. Brennan there of Grimmway, well, first of all, where do you get the seeds for those little carrots? I can't find those.

VOICE. They are little seeds.

[Laughter.]

Mrs. BRENNAN. Very special place.

Mr. LAMALFA. Huh?

Mrs. BRENNAN. Very special place.

Mr. LAMALFA. Very special place.

Mrs. BRENNAN. I am sure we can get you some special carrot seeds.

Mr. LAMALFA. All right. All right, because all I get is those big old long one, so all right. Thank you. That is not the real question. So, I wanted to cover with you a little bit—it is a bit of a—it is a big deal, the H-2A. We have had a skyrocketing in the number of positions that were requested and certified in just the last 20 years or so. And this isn't necessarily in our Committee's jurisdiction, but would you talk to us a moment about how important it is that we reform H-2A and get the labor we need here, and just

how difficult it is right now, or how do you see it? What do you see as the future of the whole industry if it continues to be this difficult?

Mrs. BRENNAN. Yes. I think, sir, we have talked a little bit earlier on about the need for reform of H-2A. I think we have all said something akin to that. I think I am happy to supply with some recommendations from IFPA, who have been very vocal with the Administration and Congress on the need to reform that program. I think, at a minimum, Congress, regardless of which program we are talking about, needs to step up and step in to look at bipartisan reform because something has got to give, frankly.

Mr. LAMALFA. Well, we took a couple good swings at it around here before.

Mrs. BRENNAN. Yes, you did. We appreciate it very much.

Mr. LAMALFA. I hope we can get that momentum once again. Mr. Frantz, again, both two fellow farming operations. In California, I grow a little bit of rice up north of both of you, and, indeed, California has its challenges. But, Mr. Frantz, on crop insurance, and something we have fought really hard to improve and have more strong in the last two farm bills here especially, as a specialty crop grower, tell me what do you see as it—for a diversified farm and a specialty crop how well the insurance policies, the availability, *et cetera*, is working for you with, in your line as well as we know there are a lot of tree nut crops, vineyards, things like that all have to try and deal with this. Tell me a little bit about how this works out for you or if they even pencil out.

Mr. FRANTZ. Yes. Congressman LaMalfa, good to see you. Good to see another Californian. Thank you for your question, and thank you for your support for our industry over the years. As I previously shared in my testimony, the specialty crop growers like myself, who have a large diversity of crops on farm at any given time, find that the current insurance programs are just not workable. The threshold to trigger a payable event are, essentially, unattainable, and so we would love to work with you. We have mentioned the Specialty Crop Farm Bill Alliance, AmericanHort, we have recommendations to bring the table, and we would hope you would consider moving them forward. Thank you.

Mr. LAMALFA. Okay. Do you see the work so far in the farm bill as a step in the direction towards that, or does it still need improvement?

Mr. FRANTZ. I believe it still needs improvement, but we certainly see the farm bill as a step in the right direction, and we hope it gets passed.

Mr. LAMALFA. Yes, certainly. Okay. And for anybody on the panel that cares to, I mean, disasters just seem like they are inevitable in this country, so it is not with—it is not when—it is going to be when, right, of either on price or, certainly, on what nature does. So, how much can any individual farmer endure? Are you going to be even close to being made whole? I think we know the answer to that. It is just a matter of can you scrape by, but the feedback I am getting is that specialty crop folks especially are getting the leftovers. They are on the bottom of the pot year after year in these issues. And again, Federal Government can't do everything for everybody. That is a reality as well, but would you on this panel

give me a perspective of how disaster funding rollouts have actually worked out in the areas of specialty crops, and also offer maybe can Congress and the USDA take notes to make future process of work a little bit better for not just the Title I's at the top, for specialty crop as well, and I will give you 30 seconds to do it.

Mrs. BRENNAN. Yes. I mean, I would just speak directly to our recommendations, which include the establishment of an industry-led advisory committee at RMA; additionally, greater flexibility in the development of the policies around specialty crops in that area; and then enhance data collection for specialty crops. But then I would also turn to the real need for Congress to remove or clarify that all revenue insurance policies should be agnostic to what causes the loss.

Mr. LAMALFA. Yes.

Mrs. BRENNAN. Those are some very specific items.

Mr. LAMALFA. Okay. Thank you. Anybody else for a few seconds?

Mr. FRANTZ. I was just going to thank you for your highlighting of change of weather. Certainly, in California, we see more heat, we see more cold, we see more dry, we see more rain, and so certainly climate variability is real as it pertains to crop insurance.

Mr. LAMALFA. Okay. Thank you. That underlines why I need to have more water storage to catch the water before it runs away instead of being snow sitting up there on the mountain all year, so let's build some dams, and I will yield back, Mr. Chairman. Thank you much.

The CHAIRMAN. I thank the gentleman. I will now recognize the gentleman from North Carolina, Mr. Davis, for 5 minutes.

Mr. DAVIS of North Carolina. Thank you so much, Mr. Chairman and to the Ranking Member, and to our witnesses who are here today.

North Carolina's 1st District is well known for different row crops grown in the district. There are many that may not know, but we tend to rank number one with sweet potato production, and I am really proud of that. In addition, the district produces countless berries, vegetables, cultivated trees. With this increased production level comes the need for a stable and affordable agricultural workforce. So, I would like to focus my attention and question briefly on the H-2A program. For any of the witnesses, what specific challenges, especially related to cost and harvesting, do specialty crop producers face compared to those when using the H-2A program?

Mr. FRANTZ. Congressman, thank you for your question. I personally am not an H-2A user, but a large number of nurseries, especially on the East Coast, South and Northeast, are, and it is an indispensable program for them. Their consistent voice is, A, the high cost of the program, the difficulty and the challenging neighborhood environment to navigate to get employees on your farm. They would ask that there be a single electronic application process to be able to streamline getting people onto farm. And the last one is just the variability of cost, even inside the same contract year. So, it is very challenging to budget if you end up paying different wages halfway through your contract than what you thought you were signing up for. So, again, it is indispensable. We don't want

to see it go away, but it could absolutely—as you have heard us previously testify, could use some help. Thank you.

Mr. DAVIS of North Carolina. Thank you for that. As I said earlier, sweet potatoes are huge for us in North Carolina. North Carolina farmers produce over 60 percent of the total U.S. market. In 2024, these exports totaled over \$129 million, so access to foreign markets is a top priority for NC-1 sweet potato farmers. Mrs. Brennan, given your role as the Chair of the International Fresh Produce Association's Public Policy Committee, can you speak on the challenges that specialty crop producers and consumers have faced this year with so much trade uncertainty?

Mrs. BRENNAN. Thank you, Congressman. I appreciate the question. I think our members see a lot of benefit in programs like Market Access and Technical Assistance for Specialty Crops, TASC. I think they see that as critical in opening new foreign markets. I think I would also add that there is a real need, and we have referenced it earlier in the hearing, for some trade enforcement to protect the growers here and resources to ensure that they can compete fairly in the global market.

Mr. DAVIS of North Carolina. Well, thank you so much for that as well. The Minor Crop Pests Management Program, or the IR-4 program, has been essential for specialty crop growers in their fight against different pests. The program allows the crop protection industry to provide safe, effective, and economical crop production products for growers of specialty crops. For all of the witnesses, anyone who would like to weigh in here, what specific ways has the IR-4 program benefited the specialty crop industry?

Mr. FRANTZ. Congressman, thank you for the question. IR-4 is especially important for the nursery industry because many of our crops are so small that our pesticide or fungicide needs—the usage—the quantities usage is so small that private chemical companies don't wish to invest in pursuing that particular market. So, we can use the Federal funds to help leverage research in continuing to develop additional crop protection tools that are vital for our crops. Thank you.

Mr. DAVIS of North Carolina. Anyone else?

Mrs. BRENNAN. I would add just one additional thing. I think there is a very direct ask from the industry that Congress would provide no less than \$25 million annually to that program to—and more. We will take more, believe me, to ensure that we have the crop protection tools necessary.

Mr. DAVIS of North Carolina. Okay. Well, let me say, Mr. Chairman, to the Ranking Member, thank you so much for this panel today, and to all of our witnesses, thank you for being with us today. I yield back.

The CHAIRMAN. The gentleman yields back. I now recognize the gentlelady from Texas, Ms. De La Cruz, for 5 minutes.

Ms. DE LA CRUZ. Thank you so much to all of our witnesses for being here, and thank you, Mr. Chairman and Ranking Member, for holding this very important meeting. My name is Congresswoman Monica De La Cruz, and I have the honor of representing deep south Texas, including the McAllen-Edinburg area, which we are known for our citrus and for our specialty crops. So, this was

very important that not only that I attend, but that we hear from those specialists in the area and what we can do better.

In my district, my constituents, my farmers and ranchers have complained about two things, one being the 1944 water treaty (Treaty Series 994, *Utilization of Waters of the Colorado and Tijuana Rivers and of the Rio Grande*) and how the Mexican Government has failed to abide by the treaty, thus, not giving our farmers and ranchers the water that we have desperately needed. This is not a new problem. It has been a problem for over 80 years, and, sadly, previous to me becoming the Congresswoman for south Texas, there was nothing done about it, and even more sad because of the lack of effort that was done by the former Congressman in this area, sadly we lost the only existing sugar mill in Texas. And what a devastation for our economy, for the loss of jobs, and those farmers and ranchers who just—those farmers who just worked years doing something that they loved.

Thankfully, earlier this year, under a Trump presidency, we were able to do two things. The first is hold the Mexican Government accountable and force them to give us the water that they owe us, and the second is to give them the economic relief so that they could keep their farms and keep farming because we were very, very close to losing our citrus industry. So, I am very glad that I was able to work with the Chairman here of the Agriculture Committee, as well as Secretary Rollins and Secretary Rubio, and, of course, the White House, having their support.

But the fight is not over, and, in fact, when I have been listening here in this hearing, I am hearing things that I have heard over and over again. Number one, from the H-2A Working Group that the Chairman put together, and, actually, Congressman Gabe Vasquez mentioned it, and it was simple process and simple changes that we could make to the H-2A program that would make significant difference. That is why I proudly introduced something called the Bracero Program 2.0 Act (H.R. 4367) because it has common sense, and I see Michael writing it down. Thank you. That is the Bracero Program 2.0. A lot of people know this Bracero Program was in the 1960s. It was widely successful, and what it did was it helped our farmers bring over the labor that they needed to help them farm. This is hard work, and we want to make sure that we have a process in place to get the labor market that we need, and what this will do is ultimately drive down prices and also save farms because, right now, they are having such a hard time finding labor.

So, what does the Bracero Program do? This legislation will streamline the application process, which I heard earlier—just a second ago. Someone was saying we need to streamline the process so that there are not so many applications to do, but we have one process. We also expand the H-2A access to greenhouses and, what we have heard over and over today, make a fair wage calculation. The current AEWR calculation is complex, and what we want to do is we want to make it a regional calculation, which we heard over and over again over these last several hours, allow for a 12 month contract instead of a 10 month contract, have regional labor permitting, and single petition for staggering needs, and then, of course, streamline recruiting. Does that sound like something that

would help our ag community? Is that a yes? Is anybody a no? Go ahead, Michael.

Mr. FRANTZ. Congresswoman, thank you for your comments. I just want to start by saying some of my best friends in life would—only are citizens and present in my world because of the Bracero Program, so I am very familiar with it and very supportive. As far as your bill, I haven't seen it, but I know the association I am representing today look forward to reading it and getting involved, so thank you for what you are doing.

Ms. DE LA CRUZ. Well, I will leave you with this. We have over 20 organizations and associations, everybody from the Texas Farm Bureau to the Watermelon Association, the Pecan Association, that is backing this important Act. So, I ask my colleagues on both sides of the aisle to look for this piece of legislation and get on it so that we can help our farmers and ranchers today. Thank you. I yield back.

Mrs. CAMMACK [presiding.] The gentlewoman yields back. The chair now recognizes the gentlelady from Connecticut, Mrs. Hayes.

Mrs. HAYES. Thank you, and thank you to our witnesses for being here today and for your testimony.

Specialty crops account for a large portion of the farm economy in Connecticut. According to the 2022 Census of Agriculture, over \$362 million of farm sales in Connecticut came from nursery, greenhouse, floriculture, and sod growers. You probably guessed I am from Connecticut. I am sorry. I should have said that. An additional \$89 million in sales comes from farms producing vegetables, fruits, or nuts. Unfortunately, the number of farms has declined in recent years with the total farmland area in Connecticut declining by about 2,000 acres between 2022 and 2024. This reflects a nationwide trend. A combination of high land prices and limited safety net options makes it extremely difficult for Connecticut farmers to recover from a poor harvest or an economic downturn. I reintroduced the Save Our Small Farms Act of 2025 (H.R. 2435), legislation that would help farmers with limited access to crop insurance receive more accurate pay-outs from the Noninsured Disaster Assistance Program, while creating an onramp to a Whole-Farm Revenue Protection Program, which can better serve small, diversified operations like the ones I represent in my home State of Connecticut.

Mr. Frantz, your testimony mentioned the need for crop insurance reforms, and your materials included a recommendation that the Whole-Farm Revenue Protection Program be updated. Can you talk a little bit about why traditional crop insurance offerings are insufficient for the horticulture industry and the types of growers that I just described?

Mr. FRANTZ. Thank you, Congresswoman. I appreciate the question. The Whole-Farm Program requires, at a minimum, 50 percent loss before a payout can occur. And so, for us nursery folks across the country who have a broad diversity of crops on our farm at any given time, it is essentially impossible to have half of them die because of any one given event. Anything can happen. For example, where I am from in California, a freezing kill is our biggest single risk. Well, at any given time, at least half of the plants we grow are—they don't freeze. They are for cold markets, and so, even if

we had a killing frost that took out $\frac{1}{3}$ of our citrus production, it still wouldn't be a payable event. So, that is our concern around the Whole-Farm Program.

Mrs. HAYES. Thank you. That is a great example because I know we encourage these small farmers to diversify so that they are not in these situations, but by doing that, they are basically pricing themselves out of these programs. The cost of insurance is only one barrier that producers face when trying to gain coverage. In parts of the country, like New England, there are no viable insurance policies for farmers to purchase in the first place. The agents have no incentive to create new products. For those who cannot access insurance, USDA offers limited resources. Producers face delays and burdensome paperwork for payments that do not cover the value of their assets, while extreme weather, which threatens their livelihood, is becoming more frequent. Mr. Brennan, in your testimony, you said USDA must be empowered to develop a better safety net for specialty crop growers. Can you tell us what Congress can do to create practical and competitive insurance coverings—offerings in places like New England and similar regions? I am sorry, Mrs.

Mrs. BRENNAN. That is okay.

[Laughter.]

Mrs. BRENNAN. You can call me whatever you would like. It is okay.

Mrs. HAYES. No, no, no.

Mrs. BRENNAN. Thank you for the question. I appreciate the sentiment in your comments. I think the Specialty Crop Farm Bill Alliance has a pretty hefty list of recommendations that includes a number of items. One thing that comes to mind, and just to sort of riff off of what Mr. Frantz said, is that there is a real call to create an advisory committee at RMA that would inform what that crop insurance could look like from the perspective of a producer and specialty crop grower. So, bringing that voice to the table would go a great deal of a way to where we need to be tomorrow.

Mrs. HAYES. Thank you. On this Committee, I really try to amplify the voices of small farmers because the only way our ag ecosystem works is if everybody feels represented and included. And while much of the work that we do really can be—is to the benefit of large farmers and people who are single-industry producers, there are lots of other farmers who, either by design or default, end up not being able to access these programs. And we really have an opportunity on this Committee, based on the testimony of people like you, to really think about the nuances that our farmers face and our ag producers face, and make sure that we are doing the most good across the entire industry. And with that, I yield back.

Mrs. CAMMACK. The gentlelady yields back. The chair now recognizes herself for 5 minutes.

I would like to thank our witnesses for appearing before us today, and as a Floridian and the lone Floridian on this Committee, I am particularly excited about this topic. Obviously, home to over 300 specialty crops, Florida is a leader in this space, and so it is an honor to not only serve on this Committee, but to be the voice on behalf of the thousands of producers that call the Sunshine State home. The latest Census of Agriculture proves the robust na-

ture of Florida's specialty crop industry. In 2022, the state sold over \$1.4 billion, with a B, dollars of fruits, tree nuts, and berries, \$3.4 billion in nursery greenhouse floriculture and sod, and over \$1.9 billion in vegetables, melons, potatoes, and sweet potatoes. These specialty crops represent more than half of the total value in agriculture sold this year.

Now, I know it is not the purview or jurisdiction of this Committee, but I would be remiss if I did not mention the importance of labor in today's hearing as we all know that specialty crops require a tremendous amount of labor. And as I speak to our producers around the state and, quite frankly, around the country, we all recognize that there is a dire need for reliable and affordable labor, but we have a challenge in this country. I am hopeful that one day we can have a conversation about the need for reforms, and the specialty crop research also that is so dire for this industry, I am hopeful that we can have a different conversation about keeping the industry resilient and well-funded.

So, I am going to begin with you, Mr. Frantz. You had mentioned, talking to my colleague from California, that the farm bill was a step in the right direction. Now, as you know, Florida's nursery and ornamental industry is one of the largest in the United States, yet it faces hurricane risk, pest threats, and supply chain disruptions. Specifically, what improvements could be made to crop insurance and disaster relief programs to better serve our nursery and specialty crop producers? And I know that we know the shortcomings broadly, but if you could speak to specific fixes that Congress could undertake, that would be appreciated.

Mr. FRANTZ. Congresswoman, if you will indulge me, I am going to answer your question because you said hurricanes, slightly different. You have a booming citrus industry in Florida. You are the most important—one of the most important industries you have in your state. There is a particular request I have of this Committee—

Mrs. CAMMACK. I am all ears.

Mr. FRANTZ.—and that is that there are challenges in the citrus protocol, the citrus regulations that deal with what to do with breaches. We grow our citrus inside USDA-certified houses that exclude pests in order to prevent your citrus orchards from the continued spread of HLB. When hurricanes come or even small breaches, but, certainly, hurricanes are a significant factor in a big one, it is very difficult, if not impossible, for the nursery growers in your state to get recertified, and in some cases, the lack of recertification is more impactful to their business than the hurricane itself. And so, it would be enormously helpful if we could see some sort of help getting an update to a decade-old regulation that is still waiting for improvements from industry to make the breach protocol be more effective on our nurseries and farms.

Mrs. CAMMACK. That is very helpful. Thank you.

Mr. FRANTZ. Thank you.

Mrs. CAMMACK. Thank you, and I want to echo, I mean, the citrus industry, as we know, you can't really talk about Florida without talking about citrus. And I am fearful that with every grove that goes under and another housing development replaces it—that just breaks my heart—that could be the final crop. So, that is

something very, very tangible that I believe we can undertake, and I will follow up with you to see if we can get that addressed immediately.

Mr. FRANTZ. Thank you. I appreciate it.

Mrs. CAMMACK. Thank you. Dr. Boring, based on your experience, can you share the uncertainty around the farm bill reauthorization, specifically, how that impacts investment decisions and planning for the following season?

Dr. BORING. Certainly. I think you really touch on that as one of the more significant barriers that growers, I know, in Michigan and across the country continue to experience is the uncertainty. There are certainly ramifications around trade, of what that looks like moving forward, but the standing up of some of these more significant, more comprehensive risk management strategies. I will additionally highlight some of the concerns and the pressures of uncertainty on permanent crops of how growers need to forecast far into the future of what return-on-investment is going to be. So, oftentimes, when we are establishing asparagus, apples, cherries, there is a delayed payoff there before those crops become fruit bearing, that we can start gathering investments.

Mrs. CAMMACK. Yes.

Dr. BORING. So, growers in those industries, in particular, are really plagued by the uncertainty that is currently out there with some of the uncertainties, certainly, around the farm bill about how we make long-term bets on the futures of these industries when there is so much hanging out there that we are just not sure about it this time.

Mrs. CAMMACK. No, thank you. I agree wholeheartedly. The uncertainty is absolutely something that has plagued the industry, and we need to do a better job here in Congress in delivering. So, my time has expired. At this time I wish to recognize the gentleman from Michigan, Mr. Thanedar.

Mr. THANEDAR. Thank you, Madam Chair, and thank you, Ranking Member, for organizing this hearing, and, certainly, welcome to all of our esteemed panelist here. Particularly, I want to welcome Dr. Tim Boring, a fellow Michigander. Good to see you, sir, here. My name is Sri Thanedar. I proudly represent Michigan's 13th Congressional District, including the great City of Detroit, and I want to particularly talk about Detroit, and I understand, Dr. Boring, as you said, Michigan is a leading specialty crop state with over 300 different crops.

I want to focus a little bit on Detroit, which is a big part of my district, 35 percent at or below poverty level. During COVID, our city indiscriminately suffered. Lack of nutritional products is a huge issue. Now with the SNAP cuts, that is just going to go into a huge disadvantage, many food desserts in my district at—in Romulus and parts of Detroit, and I have first time seen constituents, the only access to food is gas stations. With lack of public transportation, there is no other place they could go receive food. We do have a lot of blight and a lot of empty spaces. I see homes, and then I see another block empty. What can we do to encourage urban farming? I know there are some good efforts in Detroit, but not enough to provide the good nutrition my constituents need and deserve, and with the lack of SNAP funding, this is going to be a

critical issue. How can the farm bill that is coming up—how can that make a difference for urban farming? How can we get good, nutritious food in the hands of people?

Dr. BORING. Well, I will say that Detroit has really been a pioneer in the urban ag effort across the country, and I will commend the city for making investments, of standing up an office of sustainability and funding positions within city government that recognize the importance of urban agriculture. Visiting so many of the farms in the Detroit area, it has really struck me of the power of food as culture, as social connectedness, of economic opportunities in places that don't often have enough of those.

So, one of the big emphases in our department of how we have sought to increase economic opportunity in the livability of places, certainly I think it is an important pathway in rural America that has got a number of challenges. But the same kind of power of those programs to urban areas as well, to increase livability of places, to increase economic opportunities, to build social culture, to invest in a meaningful way into the future of communities, and a lot of that is food, right? So, it has really struck me as the power of this kind of work to transcend geographies and particular demographic areas. The recognition of agriculture as a way that moves all of us ahead is really critical how we frame this issue as an approach to the work.

Mr. THANEDAR. Thank you. Thank you, and I want to particularly honor our former U.S. Senator, Debbie Stabenow, and her great work in the agriculture area. I want to go back to the climate vulnerabilities, and anyone on the panel, how can the farm bill help mitigate some of the climate vulnerabilities for small farmers?

Dr. BORING. I will talk very briefly. The pieces of how we potentially link conservation programs with risk mitigation and the recognition of investments in the soil capacity to weather drought, to weather too much rain, those have demonstrable benefits of how we build in resiliency. And it becomes hard sometimes of how we bring together siloed programs in different areas, but I think there is a lot of power there about how we more effectively use taxpayer dollars to achieve goals on multiple different fronts.

Mr. THANEDAR. Thank you, Dr. Boring, and my time is up, so I yield back, Mr. Chairman.

The CHAIRMAN [presiding.] I thank the gentleman, and before we adjourn today, I invite the Ranking Member to share any closing comments that she might have.

Ms. CRAIG. Thank you, Mr. Chairman. I so appreciate the opportunity to listen and to learn from our witnesses here today. It is no surprise that America's specialty crops are valued at over \$115 billion annually, and that our fruits, vegetables, tree nuts, spices, and decorative plants are enjoyed worldwide. We have heard from a wide range of stakeholders that interact with the farm bill's specialty crop programs and have shed light on these programs' successes and opportunities for improvement. As we wrap up this examination of the state of the specialty crop industry, it is clear that folks across this industry face unique challenges that make it even more difficult to navigate, farm bill uncertainty, labor shortages, disaster recovery, and the ever-changing tariffs. I would like to thank our witnesses again for their time and expertise here today,

and I remain committed to continuing this conversation and working on tailored and permanent legislative solutions to make sure that the specialty crop industry is adequately supported by the Congress. Thank you again, and I yield back.

The CHAIRMAN. I thank the Ranking Member. I also want to lend my thank you to our witnesses for bringing your expertise to the table here and helping us shape future policy that we will see here. Thank you to all the staff that have worked so hard to make sure that we were prepared for and, quite frankly, were able to conduct this without a glitch. It was much appreciated.

While the specific number of specialty crops grown in the United States is not fixed due to ongoing innovation and variety, the total number of varieties grown is somewhere well over 1,000 in our country. H.R. 1 not only recognizes the importance of specialty crops, but delivered significant support for specialty crops. Whole-Farm Revenue coverage is increased to 90 percent to expand access for specialty crops. The AGI limitation waiver, if a producer's income has 75 percent or more income from the farming or ranching, will allow them to take advantage of programs like NAP and TAP, which will create more data for RMA to create more insurance policies for specialty crops; the doubling of Market Access Program and the Foreign Market Development Program; \$95 million a year increase to the Specialty Crop Research Initiative; \$15 million increase in Specialty Crop Block Grant Program; \$15 million increase in Plant Pest and Disease Management and Disaster Prevention Program.

And I will say this was—these were things that are now law as of July 4, 2025, when we included Farm Bill 1.0 in the H.R. 1, but these are all initiatives that we really developed in a bipartisan way under the Farm, Food, and National Security Act of 2024 (H.R. 8467), and we did that working with you all. You all have been at the table. Whether it has been here in Washington or, quite frankly, those farm bill listening sessions in about—I do not know where we are—42 different states, one territory, you all have been at the table and helped us to shape those—what we were able to achieve using the vehicle that was presented to us, which was the Budget Reconciliation Act, but there is more that remains to be done. That was very clear from your presentations, your written testimony, your oral testimony, and the interactions with all the Members here on the Committee.

We need workforce certainty. Without it, we have food insecurity, which leads to national insecurity. We need new trade wins that benefit specialty crops. We need the opening of the humanitarian aid pipeline that includes specialty crops so that it is another market for us as we serve people in other countries that are living in conditions of famine and starvation. We need fixes to other things that, as we go forward, we know that we need to do with Farm Bill 2.0, is fixes to the research programs, carve-outs for mechanization and automation. We need to improve Specialty Crop Block Grant to enhance producer collaboration with states, reauthorize the market access programs for specialty crops with further improvement to crop insurance. My prediction is until we are done with adding what we have accomplished with Farm Bill 1.0 with what we know and we need to do in 2.0, and your testimony has been very in-

structive of what we need to do, we will have probably the strongest and the best farm bill for specialty crops that we have ever seen. And so, thank you for being at the table to help to shape that.

So, under the Rules of the Committee, the record of today's hearing will remain open for 10 calendar days to receive additional material and supplementary written responses from the witnesses to any question posed by a Member.

This hearing of the Committee on Agriculture is adjourned.

[Whereupon, at 1:35 p.m., the Committee was adjourned.]

[Material submitted for inclusion in the record follows:]

SUBMITTED REPORT BY HON. DAVID ROUZER, A REPRESENTATIVE IN CONGRESS FROM
NORTH CAROLINA



Prepared by the NC Chamber

A Broken Baseline: The Flawed Economics Behind AEW R Calculations

BLAKE BROWN, *Hugh C Kiger Professor Emeritus*, NC State University

June 16, 2025

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Introduction

Over the past decade, rising labor costs—driven largely by the method used to set wage rates in the H-2A visa program—have reshaped the economics of U.S. fruit and vegetable production. While intended to protect American jobs, the Adverse Effect Wage Rate (AEWR) has increased at a pace disconnected from broader economic benchmarks, unintentionally accelerating offshoring of produce production, raising food prices, and hurting rural economies.

For business leaders, this means growing instability in domestic supplychains and increased reliance on imported perishables. For policymakers, the trend raises critical questions about food security, public health, and the sustainability of U.S. agricultural labor programs.

As part of its commitment to strengthening North Carolina's business climate and rural economies, the NC Chamber commissioned this research to highlight the economic impact of current AEWR policy on U.S. fruit and vegetable production, farmers, and rural communities. In partnership with the NC Chamber, Dr. Blake Brown's research explores an alternative economic reality if AEWR had been indexed to cost-of-living adjustments instead of a compounding methodology, and the significant upside in terms of jobs, production, and economic growth that could result from reform.

Partners



Executive Summary

The U.S. fruit and vegetable sector is facing significant headwinds, largely due to rising labor costs associated with the H-2A visa program. This white paper explores the economic consequences of tying H-2A wages to the current Adverse Effect Wage Rate (AEWR) methodology, which has led to compounding wage increases disconnected from broader wage trends or inflation.

To assess the potential impact of a more stable wage-setting mechanism, this paper models an alternative policy scenario in which H-2A wages grew in line with the Employment Cost Index (ECI)—a standard measure of U.S. wage growth—rather than the existing AEWR formula. The report then estimates how this alternative would have influenced domestic fruit and vegetable production, employment, and import levels between 2010 and 2023.

Key takeaways for 2022 under an alternative AEWR policy framework include:

- **518 million** and **823 million** pounds in additional domestic fruit and vegetable output.
- **\$1.073 billion** in total economic impact, with **25,744 jobs** created.
- **290 million** pounds in reduced fruit imports and **474 million** pounds in reduced vegetable imports.

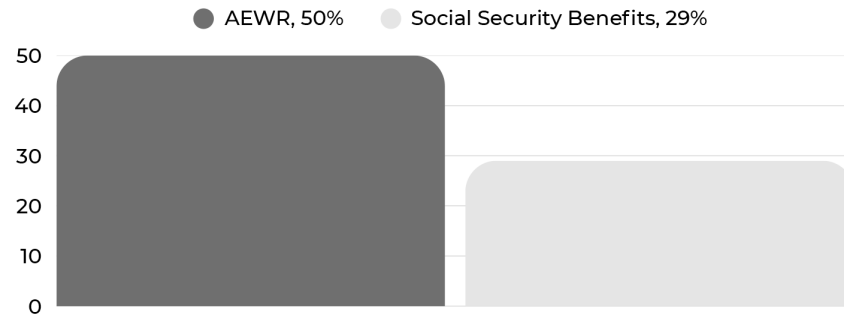
These findings suggest that rethinking the AEWR methodology could strengthen the competitiveness of U.S. agriculture, bolster rural employment, and reduce reliance on foreign produce—all without compromising wage standards when indexed responsibly. As policymakers and industry leaders consider reforms to modernize the H-2A program, aligning wage growth with widely accepted economic indicators like the ECI may offer a more sustainable path forward.

The Issue

The minimum wage for the H-2A agricultural visa program, termed the Adverse Effect Wage Rate (AEWR), increased over 50% from 2012 to 2022, from a national average of \$10.36 to \$15.56 per hour.¹ Social Security benefits only increased by 29% in the same period.² If the AEWR had increased by the cost of living over this period, it would have increased to \$12.77 per hour. Rutledge, *et al.*⁵ provides statistical evidence that using the current method for setting the AEWR results in higher domestic wages which in turn cause the next year's AEWR to rise; a self-perpetuating upward spiral.

Published studies by USDA show that rapidly rising farm labor wage rates have negatively impacted U.S. fruit and vegetable production, contributing to increased imports.³ This study examines the impact of the actual increases in farm labor wage rates *versus* if the AEWR had been based on the average annual cost-of-living increases.

Percent Increase in AEWR vs. Social Security Benefits 2012 to 2022



Impacts on Fruit and Vegetable Consumption, Production and Imports

If AEWR increases followed U.S. cost of living increases, then the AEWR would have been \$12.77 per hour in 2022 instead of \$15.56; 17.9% lower than the 2022 rate.

Because labor is such a large share of fruit and vegetable production expense lower wage rates have a substantial impact on fruit and vegetable prices. In 2012, fresh fruit grown on U.S. farms comprised 54% of U.S. fruit consumption. Consumption of U.S. grown fruit has been declining. The country reached a tipping point in 2017—the first year that U.S. consumed more imported fruit than U.S. grown. In 2022, imported fruit made up 53% of U.S. consumption. The data is not quite as dramatic for fresh vegetables, but in 2022 imported vegetables made up 37% of U.S. consumption. However, U.S. vegetable production continues to decline.

Labor Share of Total Cash Expenses by Crop Or Livestock Specialization, 2022



USDA Economic Research Service
U.S. DEPARTMENT OF AGRICULTURE

CHARTS of NOTE

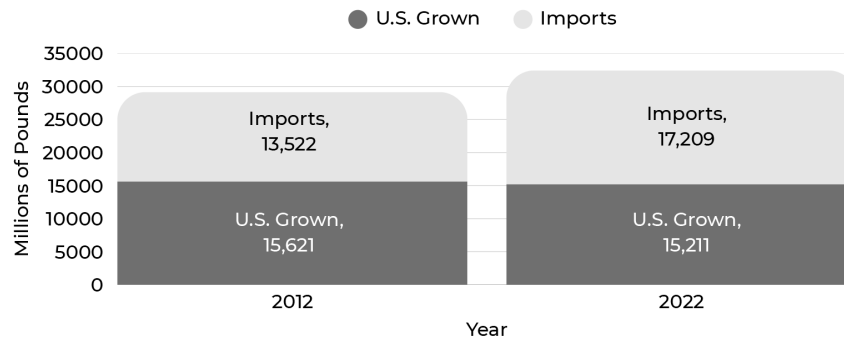
[<https://www.ers.usda.gov/data-products/charts-of-note/chart-detail?chartId=110172>]

Note: Labor expenses include the sum of fringe benefits (cash only), hired labor, and contract labor. A farm's commodity specialization is determined by the one commodity or related group if commodities make up at least 50 percent of the farm's total value of production. The **specialty crops** category includes fruits, vegetables, and nursery. **General cash grains** include oilseeds, dry beans, and dry peas. **Other field crops** include Christmas trees, other crops, and hay. **All other livestock** includes sheep, goats, aquaculture, and other animals.

Source: USDA, Economic Research Service (ERS) using data from the ERS and USDA, National Agricultural Statistics Service 2022 Agricultural Resource Management Survey (ARMS).

An AEWR 17.9% lower in 2022 would have resulted in lower U.S. fruit and vegetable prices: -1.07% for fruit and -1.28% for vegetables. While these reductions may not sound large, the consequent changes in fresh fruit and fresh vegetable consumption are significant. **U.S. fresh fruit and vegetable consumption would be 108 million and 251 million pounds higher, respectively, at the lower labor costs. While fruit and vegetable prices decline, the lower labor costs would have resulted in increased U.S. production of 518 million and 823 million pounds for fruit and vegetables, respectively. Imported fruit and vegetables would decline by 290 million and 474 million pounds, respectively. Exports of U.S. grown fruit and vegetables also increase.**

U.S. Fresh Fruit Consumption: Imported vs. U.S. Grown 2012 & 2022



Economic Impacts

The direct impacts of increased fruit and vegetable production are over 19,000 more farm jobs and increased farm output of \$584 million in U.S. fresh produce production (*Table 1*). Increased production on U.S. farms impacts the supply chain for U.S. farming with an indirect output increase of \$734 million.

Table 1. Total Economic Impacts

Impact	Employment	Output
Direct	22,853	\$584,256,643
Indirect	4,087	\$734,174,972
Induced	-1,195	(\$245,861,811)
Totals	25,744	\$1,072,569,804

More employment is created in farming but total employee compensation on farms is lower with lower wage rates resulting in lower employee spending (induced impacts). **The total annual economic impact is \$1.073 billion with 25,744 jobs created.**

Not surprisingly, California is the largest beneficiary of the lower wage rates with 10,530 jobs created and an increase in farm output of \$281 million. The top ten states in terms of impact on employment and farm output are given in *Table 2*.

The top ten industries impacted by the reduction in wage rates are given in *Table 3*. The impact on economic output for various sectors is greatest in Vegetable and melon farming, \$310 million, followed by Fruit farming, \$291 million. These are followed by other industries with support activities for agriculture and forestry having an increase in output of \$119 million. Other agricultural sectors are also among the top ten impacted, and a number of non-agricultural industries such as real estate, petroleum refineries and insurance carriers are among the top ten most impacted.

Table 2. Total Impacts on Employment and Output Top Ten States

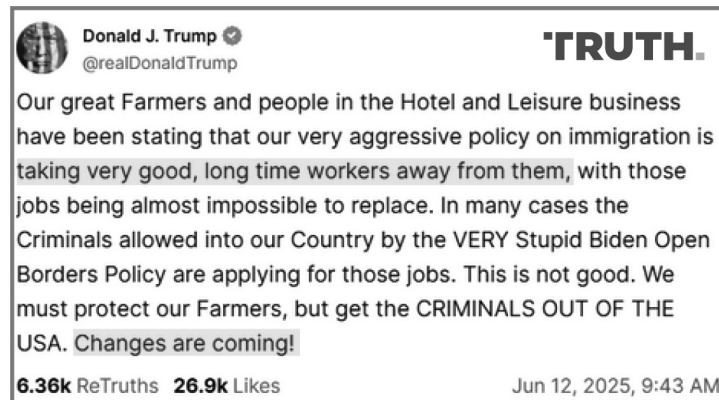
States	Employment	Output
California	10,530	\$281,327,159

Table 2. Total Impacts on Employment and Output Top Ten States—Continued

States	Employment	Output
Washington	2,953	\$75,151,450
Florida	1,087	\$26,456,228
Oregon	622	\$15,672,317
Michigan	694	\$15,500,725
Arizona	574	\$15,373,968
North Carolina	554	\$15,334,998
Wisconsin	593	\$13,988,534
Georgia	433	\$12,070,454
New York	514	\$11,758,932

Table 3. Top Ten Industries Ranked by Impact on Output

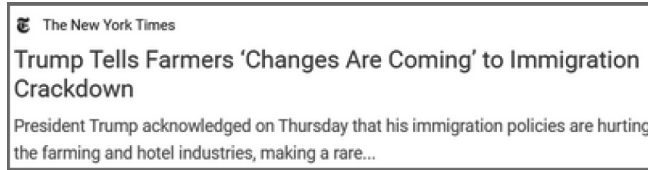
Industry	Impact on Output
Vegetable and melon farming	\$310,341,075
Fruit farming	\$291,131,876
Support activities for agriculture and forestry	\$119,478,054
Other real estate	\$64,966,701
Pesticide and other agricultural chemical manufacturing	\$59,481,557
Wholesale—Other nondurable goods merchant wholesalers	\$48,481,629
Nitrogenous fertilizer manufacturing	\$19,734,565
Petroleum refineries	\$16,978,075
Insurance carriers, except direct life	\$14,607,989
Other basic organic chemical manufacturing	\$10,227,947

Labor Tensions in Agriculture

Social media post from Donald J. Trump referencing the impact of immigration policy on the agriculture and hospitality industries.¹⁰



News headline from MSNBC.¹¹



News headline from *The New York Times*.¹²



News headline from *The Washington Post*.¹³



News headline from *USA Today*.¹⁴

Conclusion

A more reasonable way of setting the AEWR (*e.g.*, indexing it to cost of living increases) will result in more jobs for both domestic workers and legally vetted farm workers holding government-issued temporary visas, more economic growth in rural farming communities and more consumption of fresh produce by U.S. consumers.

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SUPPLEMENTARY MATERIAL SUBMITTED BY DANA BRENNAN, VICE PRESIDENT, CORPORATE AFFAIRS, GRIMMWAY FARMS; ON BEHALF OF INTERNATIONAL FRESH PRODUCE ASSOCIATION

Specialty Crop Farm Bill Alliance Farm Bill Policy Recommendations

119th Congress

August 5, 2025

All Programs

A Single Definition of Specialty Crops for USDA Programs

The Specialty Crop Competitiveness Act of 2004 established new programs at USDA to meet the unique needs of specialty crops in critical areas such as research, trade, and regional market development and expansion. Subsequent farm bills have continued to improve and refine these programs to meet the unique needs of specialty crops.

These initiatives are chronically under-funded and oversubscribed. Although the OBBBA allocated significant new resources to these programs, those investments continue to be a small fraction of overall farm bill spending allocated to specialty crops. It is imperative that what resources are dedicated to specialty crops not be redirected to other crops or commodities by expanding or misinterpreting the definition of specialty crop.

Policy Recommendation—The SCFBA opposes any attempt to expand or misinterpret the definition of specialty crops beyond the commonly understood meaning set forth in the 2004 Act.

The Specialty Crop Competitiveness Act of 2004 defines specialty crop as fruits, vegetables, tree nuts, dried fruits, and nursery crops (including floriculture), and Congress should reaffirm that, whenever practicable, the Secretary should use this definition of specialty crops for USDA's programs and the delivery of services to specialty crop growers.

Title I Commodity Programs

Permanent Structure for Delivering Economic Assistance to Specialty Crop Growers

Although the SCFBA has chosen federally subsidized crop insurance to become the primary safety net for our growers in the United States (more details below), and reforming the crop insurance program to work better for specialty crops is a top priority for the SCFBA, there are times when USDA or Congress need to deliver economic assistance to broad categories of agricultural producers quickly. USDA offers a variety of programs to help farmers, ranchers, communities, and businesses that have been hard hit by natural disaster events and other economic challenges. Over time USDA and Congress have adjusted and refined how this economic aid is delivered to specialty crop growers.

Policy Recommendation—Congress should statutorily establish a default method for delivering direct economic assistance to specialty crop growers that includes the following elements:

- Payment limitations of not less than \$900,000.
- Exempt growers from AGI limitation if at least 75 percent of their income is derived from farming activities (*i.e.*, the OBBBA version).
- Payments calculated based on a grower's individual aggregate specialty crop receipts.
- Allow growers to select the base year for calculating their payments from a predetermined selection of not less than 3 years.
- Require minimal paperwork and permit growers to self-attest under penalty of perjury (subject to potential future audit).

Tree Assistance Program (TAP)

The Tree Assistance Program (TAP) provides financial assistance to eligible orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes, and vines lost by natural disasters. TAP is administered by the Farm Service Agency (FSA). Eligible trees, bushes, and vines are those from which an annual crop is produced for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees produced for commercial sale. Trees used for pulp or timber are not eligible for TAP assistance.

The Bipartisan Budget Act of 2018 made several changes to TAP, including removing the per person and legal entity program year payment limitation ceiling of \$125,000. It also increased the acreage cap, and growers are eligible to be partly reimbursed for losses on up to 1,000 acres per program year, double the previous acreage. The 2018 Farm Bill increased the reimbursement amount for applicants who meet the definition of a beginning or veteran farmer or rancher, and the OBBBA increased coverage levels to 65 percent and adjusted the mortality threshold.

Policy Recommendation—Congress should provide additional flexibility for completing TAP-funded rehabilitation by extending the period of time from the

existing 12 months to 24 months or as soon thereafter as is indicated to avoid risk of reinfection in the case of plant diseases.

Policy Recommendation—Cumulative total quantity of acres that can receive TAP payments for eligible participants may not exceed 1,000 acres annually. Congress should provide USDA with the authority to modify or waive the annual acreage cap under exigent circumstances, such as a natural disaster.

Policy Recommendation—Reset high-density stand after loss. TAP only permits producers to reset to their original amount and not the updated high-density planting that they put in after the original planting that TAP is based on. Producers need the ability to update stand to high-density planting after loss.

Policy Recommendation—The definition of “eligible orchardists” should be amended to state, “a person who produces annual or biennial crops from trees for commercial purposes.”

Policy Recommendation—Rules should be adjusted to account for perennial crop plants with biennial production cycles, and reimbursable costs should be broadly defined to account for any costs incurred in the process of reestablishing, rehabilitating, and/or nurturing plants suffering from natural disasters back to a productive condition.

Policy Recommendation—Congress should permit FSA to extend replanting assistance for eligible trees, bushes, and vines that although still alive are no longer commercially viable—e.g., they no longer produce fruit.

Noninsured Crop Disaster Assistance Program (NAP)

NAP provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters. Since specialty crops continue to have limited access to risk management tools NAP has been a stopgap for many in our industry to have some type of coverage when disasters may occur. Until the full extent of crop insurance reform proposals have been implemented and specialty crop growers have meaningful access to affordable and effective crop insurance, NAP will remain an important tool for those growers and should be enhanced.

Policy Recommendation—Establish additional NAP coverage options addressing shallower losses, as well as optional units.

Title II Conservation

Working Lands Programs

The specialty crop industry produces hundreds of diverse crops in all regions of the country, each with their own unique production methods, structures, and markets. The diversity of specialty crop production in the United States presents many challenges when administering new conservation initiatives. However, specialty crop growers need additional tools to help them adapt and develop greater resiliency in their operations. Considering the wide diversity of needs across all specialty crop commodities, the SCFBA has focused on two resource needs that affect the greatest number of our growers: flood and drought.

Policy Recommendation—NRCS working lands programs should include the prevention of flood and drought as a priority, where appropriate.

NRCS Paperwork Burden

Producers find excessive paperwork a barrier to participation in NRCS programs. Efforts were made in the last two farm bills to reduce the paperwork burden on producers. Although these efforts have resulted in physical paper being reduced, the paperwork has been replaced by numerous electronic screens.

Policy Recommendation—Allow trade associations representing producers to undertake the paperwork functions (electronic screens) for their producers on a watershed or regional project basis.

Title III Agriculture Trade and Food Assistance Program

Increasing the competitiveness of the U.S. specialty crop industry is a founding principle of the SCFBA. U.S. specialty crop growers adhere to strict U.S. regulatory requirements and buyer's standards designed to protect the environment, provide consumers nutritious and healthy food, and safeguard workers. Maintaining these high U.S. standards is extremely costly. In addition, U.S. specialty crop producers pay some of the highest agricultural labor costs in the world. However, these investments are undermined globally when our foreign competitors benefit from lower levels of regulatory compliance and other associated costs and an overall significantly lower costs of production. Farm bill programs must recognize this imbalance and provide non-distorting support in the areas of market development, research, inno-

vation, and technology. This support should assist specialty crop producers to maintain competitiveness, offset the cost of production advantages in other countries, and ensure the continued existence of domestic food production.

Technical Assistance for Specialty Crops (TASC)

The Technical Assistance for Specialty Crops (TASC) program funds projects that address sanitary, phytosanitary, and technical barriers that prohibit or threaten the export of U.S. specialty crops. Eligible activities include seminars and workshops, study tours, field surveys, pest and disease research, and preclearance programs. Eligible crops include all cultivated plants and their products produced in the United States except wheat, feed grains, oilseeds, cotton, rice, peanuts, sugar, and tobacco. Awards are for a maximum of \$500,000 per year and for projects of up to 5 years.

The TASC program is intended to benefit an entire industry or commodity rather than a specific company or brand. U.S. nonprofit, for-profit, and government entities are eligible to apply. Proposals may target individual countries or reasonable regional groupings of countries.

Policy Recommendation—Congress should provide not less than \$9 million annually to TASC.

Policy Recommendation—Congress should clarify that the TASC program should align with and use the definition of “specialty crops” from the Specialty Crop Competitiveness Act of 2004, *i.e.*, fruits, vegetables, tree nuts, dried fruits, and nursery crops (including floriculture).

Specialty Crop Competitiveness

Exports play a critical role in maintaining the competitiveness of those specialty crop sectors that are fortunate to produce more than can be consumed in the U.S. For those export-dependent commodities, the USDA Foreign Agricultural Service (FAS) and the Animal and Plant Health Inspection Service (APHIS) are critical to advancing the foreign market competitiveness of U.S. growers, as is the Office of the U.S. Trade Representative. It is these government agencies and their professional staff that represent the interests of U.S. growers, open markets and defend that access internationally. It is critical that USDA and USTR prioritize the competitiveness of U.S. specialty crop growers and that Congress utilize its oversight role to reinforce that mandate.

Policy Recommendation—Congress should require USDA and USTR to issue a report on the export competitiveness of specialty crops. In this report, special emphasis should be placed on those barriers to trade that limit the export competitiveness in specific markets and what steps USDA and USTR will take in cooperation with specialty crop producers to successfully remove those barriers to trade, including timelines for action. A special call for comment, both public and from the Agricultural Trade Advisory Committee for Trade in Fruits and Vegetables, should be a condition of the report. (Note: Sens. Crapo and Wyden introduced a bill on this topic during the 118th Congress.)

Market Access Program (MAP)

Through the Market Access Program (MAP), FAS partners with U.S. agricultural trade associations, cooperatives, state regional trade groups and small businesses to share the costs of overseas marketing and promotional activities that help build commercial export markets for U.S. agricultural products and commodities.

MAP reaches virtually every corner of the globe, helping build markets for a wide variety of U.S. farm and food products. FAS provides cost-share assistance to eligible U.S. organizations for activities such as consumer advertising, public relations, point-of-sale demonstrations, participation in trade fairs and exhibits, market research, and technical assistance. When MAP funds are used for generic marketing and promotion, participants must contribute a minimum ten percent match. For the promotion of branded products, a dollar-for-dollar match is required.

Members of the SCFBA receive approximately 25–30 percent of MAP funding allocated by the USDA, with the majority 70–75 percent going to non-specialty crops. Each year, more than 37 specialty crop organizations from around the country receive more than \$50 million of the \$200 million currently from this oversubscribed market development program. The OBBBA allocated a significant amount of new funding for USDA to carry out activities to encourage the accessibility, development, maintenance and expansion of commercial export markets for U.S. agricultural commodities.

Policy Recommendation—Congress should provide not less than \$400 million annually to MAP.

Title IV Nutrition Programs

Nine in ten Americans do not consume fruits and vegetables in the amounts recommended by the *2020–2025 Dietary Guidelines for Americans* (DGA). Congress has an opportunity to structure farm bill nutrition programs to address diet-related disease by increasing consumption of fruits, vegetables, and tree nuts. Bolstering these programs both supports the nutritional needs of Americans and improves market opportunities for growers.

Procurement and Food Box Programs

USDA has a series of direct purchasing programs that aim to support market prices in and out of emergencies and provide domestically grown fruits and vegetables to food banks, schools and childcare centers, Tribal governments, and other feeding sites. These programs include section 32; the Food Purchase and Distribution Program (FPDP); the USDA DOD Fresh Fruit and Vegetable Program; and USDA Foods, which provides food to the Emergency Feeding Assistance Program (TEFAP), the Food Distribution Program for Indian Reservations (FDIPR), the Commodity Supplemental Food Program, and some schools and childcare centers. USDA also implemented the Local Food Procurement Agreements, Local Food for Schools, and the Farmers to Families Program, all of which were popular programs that were terminated for various reasons.

Policy Recommendation—In general, USDA purchasing programs should support grower resiliency, ensure recipients have access to a wide variety of specialty crops consistent with the *Dietary Guidelines for Americans* (DGA), and proactively address fruit and vegetable consumption shortfalls.

Policy Recommendation—For all of USDA’s nutrition procurement programs, Congress should direct USDA to:

1. Conduct Solicitations using factors other than lowest-cost bid in solicitations, including best value trade-off and cost-plus.
2. Purchase a greater amount and wider variety of specialty crops to address the under-consumption of fruits, vegetables and tree nuts as recognized by the Center for Disease Control (CDC) and cited in the DGA.
3. Streamline barriers for vendors including, but not limited to, inspection at shipping and accepting food safety certifications beyond USDA Good Agricultural Practices (GAP).
4. Extend USDA food distribution programs to reputable nonprofits beyond the TEFAP system to ensure that hard-to-reach areas, including rural areas, have access to nutritious foods, including fruits, vegetables, and tree nuts.
5. USDA has broad authority to make purchases under Section 32, which has been underutilized, and USDA should conduct Section 32 purchases using all three original points of intent, consistent with current U.S. international trade policy: (a) encouraging the export of farm products through producer payments or other means; (b) encouraging the domestic consumption of farm products by diverting surpluses from normal channels or increasing their use by low-income groups; and (c) re-establishing farmers’ purchasing power.

Policy Recommendation—Congress should allow states to reserve up to 20 percent of their TEFAP allocation for use within the USDA Department of Defense Fresh (DOD Fresh) Program to access a wide variety of U.S.-grown fresh produce of their choosing.

Policy Recommendation—Existing USDA procurement and distribution programs often inadvertently exclude a wide variety of U.S. grown fruits and vegetables, given their perishability and the technical nature of their supply chains. Any food box program must ensure a standalone option for fresh produce. (Additional commodities like dairy and meat could also enjoy a dedicated box which would ensure appropriate temperature controls and a more seamless experience for farmers, distributing agencies, and the end-user.)

The Supplemental Nutrition Assistance Program (SNAP)

SNAP is the largest Federal Government program to address food insecurity and presents a significant opportunity to improve dietary quality for low-income Americans by increasing fruit, vegetable, and tree nut consumption.

To date, the Gus Schumacher Nutrition Incentive Program (GusNIP) is the only dedicated program to increase the buying power of SNAP participants for fruits and vegetables. First included in the 2014 Farm Bill to test whether providing incentives increased fruit and vegetable purchases and consumption, GusNIP has shown that

SNAP incentive participants eat more fruits and vegetables than not only non-participating SNAP consumers, but all Americans. However, today, fewer than two percent of SNAP retailers offer SNAP incentives, falling short of our nation's goals to improve dietary quality.

Policy Recommendation—Congress should continue to invest in the GusNIP program, which pilots strategies to improve access to and consumption of fruits and vegetables, including the ten percent set-aside for Produce Prescriptions.

Further innovations are needed to create a dedicated fruit and vegetable benefit for SNAP participants modeled after the successful cash value benefit (CVB) in the WIC program. Operating as a fixed dollar amount set by the National Academy of Sciences, participants can select the fruit and vegetable of their choice, proving to be a flexible option across diverse cultures, seasons, and supply chain disruptions.

Policy Recommendation—Congress should direct USDA to explore innovative ways to promote consumption of fruits, vegetables, and tree nuts through online retail, including the integration with existing programs like GusNIP. With the elimination of SNAP-Ed, additional innovation will be needed to achieve consumption goals at the local level.

Fresh Fruit and Vegetable Program

The Fresh Fruit and Vegetable Program (FFVP) was originally piloted in the 2002 Farm Bill and quickly expanded to all states and territories due to its success and popularity. A USDA evaluation found that FFVP increases consumption among low-income students, helps reduce plate waste at school meals, and, most notably, can reduce obesity rates. The program is oversubscribed, with many more districts (all low-income) applying each year than funding made available (funded through a reservation of Section 32). With the additional awareness of the impact of diet on children through Make America Healthy Again efforts, the FFVP offers a turn-key and evidence-based solution to achieve the goal of reducing diet-related disease.

Policy Recommendation—Congress should make FFVP automatically available to any elementary school that has fifty percent or more of its students qualifying for free or reduced-price lunch.

Title VII Research

Advancing research and development activities to overcome existing and upcoming research challenges in specialty crop agriculture will require acceleration of novel, early-stage innovative agricultural research with promising technology applications and products. Below represents the SCFBA focus for research in the next farm bill.

Specialty Crop Research Initiative (SCRI)

The purpose of the Specialty Crop Research Initiative (SCRI) program is to address the critical needs of the specialty crop industry by awarding grants to support research and extension that address key challenges of national, regional, and multi-state importance in sustaining all components of food and agriculture, including conventional and organic food production systems.

Policy Recommendation—Congress should reinstate the Secretary's authority to waive the matching funds requirement.

SCRI Mechanization and Automation Fund

The availability and rising cost of labor are major limiting factors for specialty crop producers nationwide. Demographic and generational shifts have reduced the availability of agricultural labor, driving a dire need for more mechanization and automation within specialty crop agriculture. Developing these new forms of technology is therefore increasingly important with respect to successfully growing, harvesting, and handling specialty crops.

Policy Recommendation—Of the funds made available to SCRI in the OBBBA, Congress should allocate \$40 million in annual mandatory spending to the research and development of mechanized and automated tools and systems for specialty crops, provided that any unobligated funds set aside for this purpose return to SCRI for general use at the end of each fiscal year.

The new SCRI fund should include the following funding priorities:

1. Projects that increase the competitiveness of specialty crops.
2. Projects that create or improve cost-effective technologies to reduce a specialty crop grower's manual labor requirements and increase the efficiency of crop production, resource management, harvesting, processing,

- post-harvest technologies, and packaging through mechanization, automation, and other innovations and technologies.
3. Projects that increase adoption of mechanization and automation technologies by:
 - Emphasizing adoption drivers that could include but are not limited to connectivity, autonomy, reliability, durability, in-field validation, and cost-effectiveness.
 - Investing and developing human capital to increase the specialty crop sector's capacity to work with new technologies, and to manage a more tech-focused farm workforce. (Innovations resulting from projects will significantly increase the resilience, economic sustainability, and impact on state and local economies of a specialty crop sector or sectors.)
 4. Projects that accelerate automation and mechanization through prototype development, in-field trial testing, ongoing industry engagement, and rapid commercialization.

IR-4 Project

The IR-4 Project serves a critically important role for agriculture by facilitating the availability of needed pest management solutions for specialty crops. The private crop protection industry often focuses its product development efforts and resources on large acreage, major row crops where potential sales are significant. As a result, specialty crops can be left with few tools for effectively managing pests and the tools that are made available to specialty crops can lag as to the latest advances in crop protection. The IR-4 project aims to combat these market inefficiencies by advancing crop protection product registrations for the specialty crop sector.

Policy Recommendation—Congress should provide not less than \$25 million annually in mandatory funding for the IR-4 Project.

Title X Horticulture Organics, AMS, APHIS

Specialty Crop Block Grant Program

The Specialty Crop Block Grant Program (SCBGP) was created to provide greater Federal assistance to specialty crop producers by providing grants to state departments of agriculture to enhance the competitiveness of those crops. SCBGP funds can support a wide array of projects.

Policy Recommendation—Of the funds provided for the SCBGP in the OBBBA, not less than \$5 million should be reserved for multi-state projects each year.

Organics

In 2019, 58 percent of organic sales came from crops, led by vegetables and fruits (including berries and tree nuts) and represents \$9 billion in sales. With the growing importance of the organic production sector in specialty crops and increasing participation throughout the supply chain, the SCFBA continues to work with other stakeholders on a range of initiatives to improve the National Organic Program.

Policy Recommendation—Congress should establish a transparent process by which USDA solicits input directly from stakeholders every 5 years on what, if any, organic standards need updating. The agency should then publish a list of priorities for regulatory action and follow its existing process and procedures to execute on that plan.

Policy Recommendation—Both USDA and the National Organic Standards Board (NOSB) should consider the best available information—including scientific, consumer, and market data—when making organic policy decisions.

Domestic Promotion Activities

While individual producers may be successful at moving their product into the marketplace, creating the dynamic that expands the marketplace and encourages consumer commodity consumption is difficult given the fragmented nature of specialty crop production. Many domestic specialty crop products increasingly face competition from both less expensive imports and branded, highly refined manufactured products that can serve as “like” substitutes. Some have questioned whether USDA has statutory authority to create and operate a domestic promotion program to address these challenges.

Policy Recommendation—Congress should reaffirm that USDA has the statutory authority to conduct domestic promotion activities.

Mechanization and Automation Technology Deployment

Dependence on manual and hand labor in the specialty crop sector continues to be the predominate method to plant, monitor, harvest, and even package specialty crops. In fact, of the 20 most widely consumed fruits and vegetables in the United States, 17 still require hand harvesting. In almost all cases, hand harvesting results in higher grower production costs resulting in higher food prices for consumers compared to other food categories. In addition, domestic labor is increasingly limited due to an aging work.

When mechanized and automated solutions do arrive in the marketplace, they are often not adopted quickly as industry best practices because they are expensive, unproven or under-tested, and require significant grower investment.

Policy Recommendation—Congress should direct USDA to utilize existing programs and authorities to assist specialty crop growers with the purchase of mechanized or automated solutions.

Title XI Crop Insurance

Some specialty crop growers have utilized crop insurance effectively for many years, and for those growers, the SCFBA focused its efforts on enhancements that would make existing policies more effective. Unfortunately, the vast majority of specialty crop growers in the United States cannot utilize crop insurance in a meaningful way. As a result, a large cross section of specialty crop growers operates without any federally supported safety net. Reforming crop insurance to work more effectively and affordably for *all* specialty crops has been the focus of the SCFBA's effort to provide our growers with an affordable and effective safety net.

Systemic Enhancements

The following three proposed recommendations work together to establish a more fertile environment for producing crop insurance policies that are uniquely suited to the needs of specialty crop growers. (1) The establishment of an industry led advisory committee, (2) greater flexibility in the development of new policies for specialty crops, and (3) enhanced data collection regarding specialty crops.

Policy Recommendation—Establish a Specialty Crop Advisory Committee for Crop Insurance.

- The Specialty Crop Advisory Committee for Crop Insurance would supplement the expertise at Risk Management Agency (RMA), including for enhancing and improving existing crop insurance policies available to specialty crops, conducting outreach to specialty crop growers and affiliated groups, and having a formal role in the development of new crop insurance policies for specialty crops.
- Details of the Specialty Crop Advisory Committee for Crop Insurance should include:
 - Membership should represent a diversity of specialty crop commodities and the regions in which they're grown and include individuals with expertise in crop insurance for specialty crops. Membership on the Committee should include producers with experience with crop insurance and crop insurance professionals such as agents and underwriters familiar with specialty crop production.
 - The Committee would have direct influence over the development of new insurance policies for specialty crops, amendments to existing insurance policies for specialty crops, as well as RMA's outreach to and engagement with specialty crop growers.
 - The chair of Specialty Crop Advisory Committee would automatically serve on the Federal Crop Insurance Corporation's Board of Directors.
 - USDA's existing Specialty Crops Coordinator would serve as the RMA staff liaison to the Advisory Committee.

Policy Recommendation—Require enhanced flexibility in the application of 508(h) standards required to create new insurance policies for specialty crops.

- The application of statutory requirements related to data, actuarial soundness, and marketability, among others, can be subjective. RMA and the FCIC are accustomed to working with row crops, which have more uniform and transparent markets and a longer history of participation in the Federal Crop Insurance Program than specialty crops.
- Congress should require RMA and FCIC to exercise greater discretion and flexibility when evaluating the merits of newly proposed specialty crop in-

urance policies, guided by the Specialty Crop Advisor Committee for Crop Insurance.

Policy Recommendation—Enhance USDA’s capacity to collect data that would be useful to the creation and administration of crop insurance policies for specialty crops.

- In addition to establishing an Advisory Committee and the enhanced flexibility for specialty crop insurance policy development, requiring USDA to acquire more and better data relevant to the creation and administration of specialty crop insurance policies should result in greater availability for a greater number of individual specialty crop commodities.
- Conduct a pilot program to create a pricing library for agents and insurance providers using data from—AMS, NAP, existing insurance policies approved by the FCIC Board, land-grant colleges or universities and other institutions of higher education, grower boards or commissions, and other relevant sources.
- Establish a presumption that requires USDA RMA to use available data whenever possible when considering a new or expanded crop insurance policy for specialty crops. (Under current practice, RMA does not use data from neighboring counties, NAP, or even other existing comparable crop insurance policies.) The Specialty Crop Advisory Committee for Crop Insurance should have a formal role in evaluating and determining when and how to use existing data.
 - Under current practice, RMA will not use data from neighboring counties, NAP, or even other existing crop insurance policies.
 - Allow prices and yields used to establish coverage in other Federal crop insurance policies or from neighboring counties (when relevant) to be used as prices and yields for new or expanded policies.
 - Establish a process for records and acreage reports submitted by producers for NAP must be accepted as documentation for the requisite actual production history for other policies.

Whole Farm Revenue Insurance Program

Although often cited as the default revenue insurance plan for specialty crops, the existing program has limited utility for many specialty crop operations. The following enhancements would make the WFRP more affordable and effective for a wider range of specialty crop growers.

Policy Recommendation—Utilizing the language from H.R. 8467 (118th), clarify that WFRP is agnostic to what causes a coverable loss in revenue (other than one directly caused by the producer).

Policy Recommendation—Require the Secretary to review annually the merits of the revenue cap in the WFRP with the goal of its ultimate elimination. (This approach to eliminating the revenue cap should address concerns regarding the programs actuarial soundness and avoid CBO scoring a cost.)

Policy Recommendation—Allow WFRP to satisfy the requirement that a grower have an underlying policy for endorsements for things like Hurricane Insurance Protection-Wind Index (HIP-WI). (Current practice requires growers to have additional Catastrophic or Multi-Peril coverage in addition to WFRP.)

Policy Recommendation—Restrict the ability of Approved Insurance Providers (AIPs) to alter the revenue guarantee.

Policy Recommendation—Increase the existing 35 percent year-over-year limit on growth in covered acreage. (Note: this limits how many acres a grower can insure each year. If WFRP is expected to be the default safety net for most specialty crop growers, the growth of its use should not be constrained.)

Policy Recommendation—Clarify diversification requirements by requiring the RMA and approved insurance providers to treat different cultivation cycles of a single crop, such as peppers, as separate crops to recognize the difference in perils at different periods of the year for purposes of calculating the diversification premium discount.

Policy Recommendation—Provide additional educational and training opportunities to approved insurance providers and insurance agents.

Policy Recommendation—Congress should codify recent enhancements to WFRP that were made administratively by USDA, including:

- Allowing producers to purchase catastrophic coverage level policies for individual crops with WFRP.

- Expanding yield history to a 10 year maximum (from 4 years) for all crops not covered by another Federal crop insurance policy.
- Making the policy more affordable for single commodity producers.
- Allowing producers to customize their coverage by choosing whether WFRP will consider other Federal crop insurance policies as primary insurance when calculating premium and revenue to count during claim time.

Other Revenue Insurance Policies

Policy Recommendation—Congress should clarify that **all** revenue insurance policies should be agnostic to what causes a loss in revenue (other than one directly caused by the producer), Congress should clarify that all revenue insurance plans are likewise agnostic on the cause of loss.

Prevented Planting

Few specialty crops currently have access to prevented planting crop insurance coverage, and what prevented planting coverage is available does not account for the significant capital expenditures necessary for the production of many specialty crops that's incurred prior to the crop being planted.

Policy Recommendation—Congress should require RMA to make “Prevented Planting” coverage to include more specialty crops, including the cost of temporary infrastructure installed in the field prior to a crop being planted (e.g., plastics and certain types of temporary hoop houses).

Enhancements to Existing Insurance Products

Many specialty crop producers have experience crop insurance policies with high premium costs with coverage levels and corresponding pay-outs that are too low. As coverage levels increase so too do premium rates, at some point producers decide to self-insure. Pricing accuracy needs to be improved, and varietal development needs to be accelerated.

Policy Recommendation—Allow for Optional Units to section out fields and account for different weather events in different field locations.

Policy Recommendation—Remove harvest costs from the payment, which should help lower premium costs. (As an example, while the Strawberry Production and Revenue History program is not perfect, one useful feature to replicate elsewhere is that harvest costs are removed.)

Policy Recommendation—Prices should be county-specific for RMA programs to account for the differences in seasons and marketing windows.

Policy Recommendation—Higher levels of buy-up coverage for existing products are needed as well as encouraging RMA to be quicker to price policies for emerging varieties.

Research and Development Directives

Policy Recommendation—Mandate that USDA RMA initiate “research and development directives” for specific endorsements and index programs, including:

- Abnormal amounts of rainfall, extreme heat, wildfire, hail, drought, hurricanes (standalone HIP-WI), and other events, and
- An index policy to insure crops during the growing season against losses due to frost, freeze, or cold weather events.

RMA Outreach to Specialty Crop Growers

RMA was mandated in the 2018 Farm Bill to engage in greater outreach to specialty crop growers to develop a greater number of policies covering specialty crop production. Outreach efforts have been uneven and insufficient resulting in no meaningful increased availability of crop insurance policies to specialty crop producers. RMA relies on crop insurance agents to “sell” crop insurance policies and engage with growers, but this model only works if there are crop insurance policies to sell.

Policy Recommendation—Require RMA, working with the Specialty Crop Advisory Committee for Crop Insurance, to conduct better outreach to specialty crop growers in all regions of the country, including an equitable outreach program in all states that engages specialty crop producers, so producers understand how to currently access and use new and existing program.

SUBMITTED QUESTION

Question Submitted by Hon. Jill N. Tokuda, a Representative in Congress from Hawaii

Response from Ramesh Sagili, Ph.D., Professor, Department of Horticulture, Oregon State University

Question. Dr. Sagili, what impact do you expect staffing cuts at USDA will have on the effectiveness of the Specialty Crop Research Initiative?

Answer. Thank you for the question. As a university research scientist and stakeholder to the USDA SCRI and other NIFA research programs important to pollinator health and specialty crops, program effectiveness and efficiencies are important for enabling research activity that can support a resilient and diverse specialty crop sector. Regarding your question, I currently don't have sufficient information on USDA staffing plans to comment on possible impacts to the SCRI program and its functions.

