Prepared Statement
of
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Agriculture Committee
Subcommittee on Horticulture, Research, Biotechnology and Foreign Agriculture

U.S. House of Representatives

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Chairman Scott, Ranking Member Schrader and members of the Subcommittee on Horticulture, thank you for holding this hearing to focus on specialty crop needs in the upcoming reauthorization of the Farm Bill. Thank you also for the opportunity to share my perspective on these issues.

My name is Sarah Frey-Talley and I am the President and CEO of Frey Farms. Frey Farms is a multi-state grower of fresh produce and is headquartered in rural Wayne County, IL. We specialize in growing, packing, and shipping fresh market produce including cantaloupes, watermelons, sweet corn and various other fresh market commodities. We are best known as the nation's top producer of fresh market pumpkins. Our farms and facilities are strategically located in Florida, Georgia, Missouri, Arkansas, Indiana, West Virginia, and Illinois.

Frey Farms is a certified woman owned company. Since 1996 we have grown to meet the demands of our national retail partners by becoming geographically diverse in our operations and bringing the local farmer approach to the marketing of specialty crops on a national level. Our retail partners have recognized Frey Farms as an industry leader in food safety, sustainability, and as an ethical sourcing partner.

In addition to my role at Frey Farms, I am a member of the United Fresh Produce Association and serve on United Fresh's Government Relations Council and Grower Shipper Board. United Fresh is the only produce trade association that represents all segments of the fresh fruit and vegetable production chain nationwide. United Fresh and it's counterparts in the Specialty Crop Farm Bill Alliance (SCFBA), a coalition of nearly 120 organizations in the specialty crop sector, undertook a concentrated effort during the 2008 Farm Bill deliberations to ensure that specialty crops received the dedicated funding and policy focus this sector deserves. With Congress's support, the 2008 Farm Bill contained nearly $3 billion in specialty crop funding, which has been used to enhance the competitiveness of specialty crops. I am glad to provide comments on the issues facing specialty crop providers today and how Congress can build on the momentum of the 2008 Farm Bill.

As deliberations began in 2012 on the reauthorization of the Farm Bill, the SCFBA provided Congress with a set of recommendations on how to maintain the progress from the 2008 Farm Bill. Key areas of focus included Block Grants, Specialty Crop Research, trade, nutrition and pest and plant disease mitigation. The Alliance's 2012 Farm Bill recommendations acknowledged the difficult budgetary environment that Congress must contend with and urged that funding for these and related programs be maintained. In the version of the Farm Bill that this committee passed in July of 2012, much of the Alliance's recommendations were incorporated, allowing the important work of these programs to continue.

Unfortunately, in spite of a great deal of hard work by the members of this committee and the Agriculture Committee leadership, the 2012 Farm Bill Reauthorization was not passed and now the work must begin all over again. While the current Farm Bill has been extended, the lack of a formal reauthorization creates a great deal of confusion and uncertainties among producers who either rely on Farm Bill programs or who take Farm Bill

programs into consideration as they make plans for their operations. United Fresh joined virtually every other sector of the agriculture in calling for the passage of the 2012 Farm Bill reauthorization. It was disappointing to see Congress fail to complete the tremendous amount of work that had already been done to get the 2012 reauthorization to the President's desk for his signature. My comments will elaborate on some of our sector's Farm Bill priorities as well as other challenges facing the produce industry.

Specialty Crop Block Grants

As I mentioned previously, the Specialty Crop Block Grant (SCBG) program is among the most prominent Farm Bill program focused on specialty crops and provides assistance to producers who are seeking to enhance their ability to be competitive, meet marketplace demands, as well as consumers' nutritional needs. In the years since the 2008 Farm Bill, hundreds of projects nationwide, many with areas of focus such as improving food safety or risk management; have been awarded funds from this program. The specialty crop industry was pleased with the funding level of $70 million annually for this program in the House Ag Committee-passed version of the 2012 Farm Bill and urges you to maintain that level. In addition, there are a few policy changes that would help the program's effectiveness. Examples of policy improvements include: Congress should encourage states to further expand or prioritize grower-level needs, and also ensure that notice of funds available (NOFA) are released in a timely manner. In addition, the SCFBA recommends that Congress take action to encourage states to require applicants to provide appropriate justification for how a project enhances the competitiveness of specialty crops and include language to encourage multi-state projects.

Specialty Crop Research Initiative (SCRI)

Another top priority of the specialty crop industry is the Specialty Crop Research Initiative (SCRI). The work that is done in SCRI will yield benefits for producers across the country as projects address challenging issues such as improving production efficiency, improving crop characteristics, addressing pest and plant disease, response to food safety hazards and innovation and technology. The specialty crop industry appreciated the 50 million dollars a year allocated to this program in the committee-passed version of the 2012 Farm Bill. In addition, the Alliance believes that making changes to the program such as expanding research priorities for specialty crops for crop characteristics, pest and disease threats, as well as handling and processing would enhance the effectiveness and integrity of the program even more. Adjusting the process for reviewing grant applications to ensure that projects reflect industry priorities would also be beneficial. As you know, SCRI is one the programs that did not have mandatory authority or "baseline" so when the Farm Bill was not reauthorized, only extended, SCRI ran out of funding authority. I'm sure the members of this committee realize that research projects can take extended periods of time to yield results; they cannot be turned off and then restarted at some arbitrary time in the future. Furthermore, the work of the SCRI is work that providers do not have the resources to do themselves. That is why it is so important to keep this program and its work going and Congress should address the need for continuing authority for SCRI.

Nutrition

In addition to these programs, we support specialty crop priorities in other areas such as nutrition, particularly, the Fresh Fruit and Vegetable Program (FFVP) which provides a fresh fruit and vegetable snack to 4 million low-income schoolchildren across the country. As the members of the subcommittee may be aware, FFVP was recently evaluated by outside experts and found to be highly effective at increasing students' fresh fruit and vegetable consumption. We support the funding of FFVP at $150 million per year. The specialty crop industry appreciates the committee's support for this program which helps kids who might not otherwise have access to fresh fruit and vegetables get started with healthy eating habits.

Trade

The committee also supported or closely followed the Alliance's recommendations on other programs like the Market Access Program (MAP) which helps to support international marketing opportunities for U.S. entities. The House Ag Committee-passed version of the Farm Bill provided $200 million a year for MAP, which is what the Alliance supports. The work that is done through MAP to develop and expand international markets has been very useful for the significant number of specialty crop interests that participate in the program.

Plant Pest and Disease Management

As the members of the subcommittee know, the hard work and thorough planning of a fruit and vegetable provider can be destroyed if his or her crop is attacked by a plant disease or pest. These threats can easily spread from state to state and region to region, so a broader approach to these evolving issues is needed. That is why the specialty crop industry was particularly pleased to see the full House Agriculture Committee allocate $71.5 million per year for pest and disease mitigation, which was an increase over the Senate-passed version of the 2012 Farm Bill and urge you to maintain that funding level.

Food Safety

Certainly, reauthorization of the Farm Bill is a crucial policy development that the specialty crop industry strongly urges Congress to pursue and achieve as quickly as possible. However, the lack of a Farm Bill reauthorization is definitely not the only policy challenge facing our industry.

The produce industry is currently addressing implementation of the Food Safety Modernization Act (FSMA). Two of the five rules for implementing FSMA have been issued; FDA is receiving comments and has just extended the comment period for another 120 days; which is a positive development.

Produce providers realize that a food safety incident can truly destroy a business. Members of the produce industry have a heightened sense of awareness with regard to food-safety and are committed to bringing the safest product possible to the consumer. Food Safety is a critical priority for those involved in the production and handling of fresh fruits and vegetables and requires a time and monetary commitment. Quality fruit and vegetable producers such as Frey Farms have made considerable investments in implementing food

safety practices. Frey Farms employs a Director of Food Safety who manages the food safety system for all of our operations. In addition, we offer Food Safety consultation services to our contract growers. Frey Farms holds Global Food Safety Initiative Certification (GFSI) as the standard and has third-party audits conducted on all farm and packing facility operations annually. GFSI certification covers the supply chain from pre- to post-farm gate production in an integrated supply chain approach. In 2012 Frey Farms received superior ratings through GFSI third-party audits at all of our operations and is currently preparing for and expecting the same results for 2013 growing season. This level of commitment will be necessary for all produce growers packers and shippers as FSMA rules are implemented. I, along with the rest of our industry, have consistently supported strong mandatory, enforceable, commodity-specific food safety practices based on the best available science, applicable to both domestic and foreign produce. However, it is important to take the time necessary to allow for thoughtful comments and continued careful analysis of the proposed rules.

Immigration

While the Agriculture Committee may not have formal jurisdiction over immigration policy, the stability of the specialty crop sector and the programs that I just described are seriously impacted by our ability to attract a stable, reliable, skilled workforce. As those of you on the subcommittee know, fresh fruit and vegetable providers have tried repeatedly to attract and retain domestic workers for the very labor intensive jobs necessary to bring fresh produce to consumers. However, those efforts are rarely successful in finding domestic workers who can do the jobs well and will stay on the job. Our operations are seasonal and although regionally diverse they are primarily located in very rural areas of the country. Attracting the appropriate number of domestic workers for short work timeframes is impossible.

Frey Farms has participated in the H2A Guest worker program since 2002. While produce providers like Frey Farms have had varying levels of success with procuring a stable workforce under the current federal Ag guest worker program, known as H-2A, far too many providers have found this program to be too slow, unresponsive, expensive, and laden with bureaucratic inefficiencies. The produce industry's continued growth and the creation of domestic jobs such as facility managers, shipping and receiving clerks, and administration personal is directly affected by our ability to obtain a sufficient number of harvest employees. At a time when over 47 million Americans rely on government support for nutrition it is incomprehensible that in several states growers have been forced to walk away from abundant fields and destroy millions of dollars worth of fresh fruits and vegetables simply because they could not gain access to an adequate harvest workforce. It is imperative for Congress to address overdue reform policies affecting the availability of Ag workers.

There has been an agreement reached between Ag labor and Ag employers on a framework for a new federal Ag worker program. This framework contains many of the elements first proposed by the Agriculture Workforce Coalition (AWC) of which United Fresh is a founding partner, along with many other agriculture stakeholders. Like any policy compromise, this one is definitely not perfect and will need further refinement. However, on a national basis,

it is better than the status quo and moves us closer toward a reliable, effective program that provides employers in the Agriculture industry to a stable legal workforce and upholds worker rights. I urge Congress to act on immigration reform with a strong Ag guest worker component included as soon as possible.

We in the specialty crop industry are grateful for the commitment Congress has made to our industry by supporting programs that promote specialty crops. Produce providers know that they have to be innovative and aggressive in pursuing opportunities and we know it is our responsibility to do everything we can to meet consumers' demands and needs. The programs directed toward specialty crops in the Farm Bill have shown results in helping providers help themselves in being competitive in the marketplace. We in the industry believe they will continue to show results, but only if Congress passes a full reauthorization of the Farm Bill and addresses the other critical challenges such as Immigration Reform.

Again, thank you for the opportunity to testify and I am happy to take questions.

Sarah Frey-Talley BIO

Sarah Frey-Talley founded her first company in the early 90s when she was only 17 years old, and since then she has grown several businesses into thriving enterprises, including specialty crop farming, property management, and a transportation and logistics company. Sarah is the President and CEO of Frey Farms; a multi-state grower of fresh produce headquartered in rural Wayne County, IL. A certified Women Owned Business, her company Frey Farms Produce specializes in growing, packing, and shipping fresh market produce including cantaloupes, watermelons, sweet corn and various other fresh market commodities. Frey Farms is best known as the nation's top producer of fresh market pumpkins.

In addition to her role at Frey Farms, she serves on United Fresh's Government Relations Council and Grower Shipper Board. Her commitment to the produce industry and retail partnerships has earned her and her companies several industry awards. In 2003, Frey Farms was recognized as the Walmart Co-managed Supplier of the Year. In 2004 she was the recipient of the Frieda Rapoport Caplan Family Business Scholarship, and her company gained recognition as the Illinois Specialty Crop Producer of the Year. In 2005 the Harvard School of business conducted a case study regarding her business techniques and negotiating strategies. In 2006 she was named the Frontier College "Alumnus of the Year", and she was honored by Produce Business Magazine as one of the produce industry's top "40 Under 40" leaders. In 2008, Sarah was a recipient of the Woman on the Rise award from Illinois Treasurer, Alexi Giannoulias, presented to "outstanding woman who have made significant contributions in their fields or have inspired and empowered other women to pursue financial or business careers".

A key supporter of immigration reform and a consensus seeker when challenged by divergent agendas, Sarah continues her efforts to educate lawmakers about the importance of an adequate labor supply for agriculture.

Committee on Agriculture
U.S. House of Representatives
Required Witness Disclosure Form

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2010.

Name: Sarah Frey-Talley

Organization you represent (if any): Frey Farms Produce

1. **Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2010, as well as the source and the amount of each grant or contract. House Rules do NOT require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:**

Source: NA **Amount:** Ø

Source: **Amount:** Ø

2. **If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2010, as well as the source and the amount of each grant or contract:**

Source: NA **Amount:** Ø

Source: **Amount:** Ø

Please check here if this form is NOT applicable to you: _____

Signature: Sarah M Frey-Talley

* Rule XI, clause 2(g)(5) of the U.S. House of Representatives provides: *Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.*

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.