Testimony

on the behalf of

Beginning Farmers and Ranchers

with regard to

Reviewing U.S. agriculture policy in advance of the 2012 Farm Bill submitted to the

United States House of Representatives

Committee on Agriculture

The Honorable Collin Peterson, Chairman

submitted by

Matthew J. Wolle

May 18, 2010

Sioux Falls, South Dakota

Chairman Peterson, Congressman Walz, and House Agriculture Committee Members, thank you for inviting me to testify today about my experiences as a Beginning Farmer and Rancher utilizing the 2008 Farm Bill.

My name is Matthew Wolle and I farm primarily corn and soybeans in Watonwan County, Minnesota (South Central MN). I rent approximately 800 acres from my family that includes the land that my ancestor's homesteaded in 1883. My primary business partner is my father and I am in the process of developing a farm transfer plan for his operation into mine. I am also in the process of acquiring my Grandfather's farm land. My wife and I live in the house that my Grandfather built. We are every bit a family farm with two prior generation's operations transitioning into the third.

The first crop that I planted was in 2004. I am Beginning Farmer and Rancher by the FSA's definition (I have not farmed more than 10 consecutive years and I materially and substantially participate in the operation of my farm). Using this lens, I will share my experiences with the committee about how the 2008 Farm Bill has worked for me. There are plenty of experts that can provide technical data and statistics on Beginning Farmers and Ranchers, I will provide you with a "View from the Cab" testimony.

CONSERVATION

I am a past participant in the EQIP program. I was enrolled in the areas of residue management, nutrient management, and integrated pest management. This program not only motivated me to be a better steward of the land, agriculture's primary resource, but also provided me an avenue for the education of how to best raise a crop while conserving natural resources. 2010 will be my first year for being enrolled in CSP. I appreciate the incentives that this program provides and look forward to practicing new farming methods because of what I learn. It is important beginning farmers and ranchers are given some preferential treatment in the selection process for USDA programs as they have the most to learn from these programs and will return the benefits to environment over a longer period of time. According to my district conservationist I was selected to participate in CSP due to my Beginning Farmer and Rancher status.

RISK MANAGEMENT

I chose last year to enroll my whole farm in the ACRE program. While this is the first version of the ACRE program and questions about its responsiveness to localized catastrophes have some

validity, I still feel that an extra method of risk management is vital for beginning producers who have limited resources and net worth compared to established farmers and ranchers. I liked the revenue aspect of the ACRE program and the use of 5 year Olympic yields versus the straight 10 year yield average utilized by the crop insurance industry. I do feel that the state wide trigger for an indemnity payment is too large and possibly sub state areas would provide more localized protection. I do believe that the federal crop insurance subsidies need to remain at current levels to keep crop insurance affordable for beginning farmers and ranchers. As I stated earlier – beginning producers need to be able to utilize all the risk management methods that are available to them.

FARM TRANSITION

While I have not used the FSA's Beginning Farmer and Rancher loan programs yet, I do anticipate utilizing them some day. I have done some research on the programs and feel that they are in general quite adequate except for that the loans limits need to be adjusted upwards to constantly reflect the price of farmland that beginning producers want to acquire. In order to be valid and useful these loan amount limits must somehow be related to the cost of land as farmland values escalate.

For the 2012 Farm Bill, I feel more needs to be done to aid young people to get into production agriculture. Our farming population is aging at an alarming rate. I am always scanning and consistently in the lower 10% age bracket at every farmer meeting or agricultural event that I attend. This observation is reaffirmed by the MN Department of Agriculture's figure that the average age of the Minnesota farmer is 53 years old. We need to act now to get young agriculturalists into production agriculture. The capital requirements for starting up a farm are next to impossible to manage for someone with zero net worth. That issue, along with access to land, puts young people with an interest to farm in a "no go" situation. It is my hope that we can build on the strengths of the 2008 farm bill and make the 2012 farm bill better for Beginning Farmers and Ranchers. Thank You.

- Matthew J. Wolle -

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| Education University of Minnesota - Twin Cities, MN; Masters of Ed. in Agri. Education Specialization in H.R.D & Adult Education and Grades 5-12 Teacher Licensus | |
| University of Minnesota - Twin Cities, MN; B.S. in Agricultural Education Leadership, Training, & Development, with an Applied Economics minor. | n - 09/96 - 05/01 |
| Work Experience | |
| Seed Technology Advisor; Channel Bio Corporation; Madelia, MN ◆ Position products with dealers, farmers, and consultants. ◆ Determine agronomic needs for product placement. | 08/06 – pres. |
| Farm Partner; The Grogan Ranch; St. James, MN ◆ Market crops and mitigate risk to ensure profits. ◆ Manage input purchases and maintain machinery. | 01/04 - pres. |
| Conference Services Coordinator; Continuing Education Center; St. Paul, M ◆ Supervised undergraduate student workers. ◆ Assisted in scheduling and evaluating programs. | IN 09/02 – 06/05 |
| Graduate Assistant; University of Minnesota; St. Paul, MN ◆ Supported Dept. Chair with scheduling of meetings and appointments. ◆ Created agendas and generated correspondence. ◆ Consulted on curriculum and program development. | 08/02 – 06/05 |
| Sales Representative; Dow AgroSciences; Freeport, IL ◆ Developed strong relationships with dealers and a large number of influential growers translating into increased sales. ◆ Created and implemented a sales territory action plan to increase sales and market penetration. | 05/01 - 06/02 |
| Public Relations Assistant; University of Minnesota; St. Paul, MN ◆ Represented M.A.E.L.C. at special events and conventions. ◆ Prepared correspondence and implemented marketing. | 01/99 - 05/01 |
| Professional Associations Minnesota FFA & FFA Alumni – Judge/Coordinator at Regional and State Eve Minnesota State Fair – Dairy Cattle Barn Supervisor, Moo Booth P.R. Minnesota Association of Agricultural Educators – Member South West Farm Business Management Association – Member Minnesota Farm Bureau – County Young Farmers and Ranchers Chair Minnesota Corn Growers Association – County Director Minnesota Soybean Growers Association – County Director Minnesota Pork Producers Association – Member | 1991-pres. 1999-pres. 2002-pres. 2004-pres. 2005-pres. 2006-pres. 2006-pres. 2008-pres. |

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, 2007.

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| Address: | 36796 840th Ave., Madelia, MN 560 | 62 |
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| Organizat | tion you represent (if any): | |
| eac to | ease list any federal grants or contracts (including uhave received since October 1, 2007, as well as the grant or contract. House Rules do NOT requiringly individuals, such as Social Security or Medicare by ments, or assistance to agricultural producers: | e source and the amount of edisclosure of federal payments |
| Source: N | I/A | Amount: 0 |
| Source: | | Amount: |
| CO | you are appearing on behalf of an organization, pl ntracts (including subgrants and subcontracts) <u>the</u> ctober 1, 2007, as well as the source and the amoun | organization has received since |
| Source: N | | Amount: 0 |
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* Rule XI, clause 2(g)(4) 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.

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