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February 14, 2023

House Committee on Agriculture
United States House of Representative
1301 Longworth House Office Building
Washington, D.C. 20515

Re: 2023 Farm Bill

Dear Members:

The California Fresh Fruit Association (CFFA) appreciates the opportunity to provide input on the 2023 Farm Bill. CFFA represents growers and shippers of 13 permanent fresh fruit commodities, which include table grapes, peaches, plums, nectarines, apricots, cherries, apples, pears, persimmons, pomegranates, blueberries, figs, and kiwi.

The Farm Bill is an important piece of legislation for our members, and each re-authorization brings renewed hope and expectations for our specialty crop industry. At a minimum, Congress should approach this re-authorization with a goal of maintaining baseline funding, but in all truth, U.S. growers, and California specialty crop producers specifically, deserve a bolstering of resources that can help propel our industry towards a sustainable and competitive future.

Global consumers rely on and trust the U.S. agriculture industry more than any other producing region in the world. The production of food and fiber is not only a national security issue but also a global security issue. We can fortify that security with this re-authorization, and CFFA hopes that Congress will be bold enough to make the meaningful investments necessary to meet this moment.

Priority #1: Title 3 – Trade: Double funding for Market Access Program (MAP) from \$200 million to \$400 million.

U.S. exports of fresh fruits, vegetables, and tree nuts saw a reduction of \$4.8 billion, from \$47.7 billion in 2018 to \$42.9 billion in 2021. In addition, U.S. Department of Agriculture's (USDA) Office of the Chief Economist forecasted lower farm income for specialty crops by another \$780 million in 2022 from 2021. With high production costs, inflation, and shrinking incomes, the specialty crop sector is arguably one of the hardest hit segments of the farm economy.

CFFA members produce commodities that are in high demand globally. Consumers across the world have immense trust in our growing practices and have become accustomed to our high-quality product. In turn, they are willing to pay a premium price, *if we are able to deliver it*. The ongoing China Trade Dispute, ongoing impacts related to the COVID-19 pandemic, slowdowns at ports, and arduous negotiations related to access with our trading partners have all been impediments to our ability to deliver our in-demand product.

The current Market Access Program is heavily over-prescribed. Private funding from industry exceeds 70% of the total annual investment in the MAP program. Applications for cost-share funding consistently exceed federal allocation amounts. Econometric studies consistently indicate the export market development programs are underfunded.

Establishing a fair and level playing field for American specialty crop producers includes assisting American producers with unfair foreign competition, promoting American specialty crops in foreign markets, and eliminating trade barriers that discriminate against American exports.

Priority #2: Title 1 – Commodities

CFFA is a proponent for the creation of a permanent disaster relief program that considers the full breadth and depth of climate-related impacts on our commodities is needed and timely.

With an ever-changing climate, California growers have become far more susceptible to extreme weather-related events, such as drought and fire. CFFA was pleased to see the inclusion of fire and smoke exposure in the 2020 and 2021 re-authorization for an expanded Wildfire and Hurricane Indemnity Program (WHIP+). Fire and smoke exposure continue to be a major threat to California growers. It is a risk that does not always directly impact our vines or trees but can also severely impact our employees and their communities and the ability to harvest our crop. If we cannot operate in a safe working environment, our employees lose out on their livelihood, and businesses can potentially suffer crop loss due to the perishability of our commodities.

Priority #3: Title 10 - Horticulture: Direct USDA Agricultural Marketing Service (AMS) to develop and field a domestic generic promotion program structured around competitive grants with a goal of creating and increasing consumer demand for U.S. specialty crops.

Similar to the challenges our producers face in international markets, there are obstacles currently in the U.S. domestic market that prevent expanding or even threaten consumer demand. A secure and prosperous agricultural sector, especially for the specialty crop industry in more populous states, will ensure vibrant rural communities.

Priority #4: Title 4 – Nutrition

CFFA is a proponent of investments in the competitiveness and sustainability of the U.S. specialty crop industry that will produce a strong return for *all* Americans. Expanding access and availability to safe, wholesome, healthy, and affordable foods, will encourage life-long healthy eating habits and help address national priorities such as obesity, heart disease, and food and nutrition insecurity.

Specifically, CFFA would like to see the permanent strengthening of Supplemental Nutrition Assistance Program (SNAP) by basing benefit allotments on the Low-Cost Food Plan, removing the cap on the shelter deduction, increasing the minimum benefit level, and better accounting for medical expenses incurred by SNAP participants who are older and/or have disabilities.

With regards to The Emergency Food Assistance Program (TEFAP), we believe the Farm Bill should include additional mandatory funding for TEFAP food in recognition of the sustained high need for food assistance at food banks nationwide. TEFAP mandatory funds should be authorized for at least \$450 million per year in the next Farm Bill. TEFAP Storage and Distribution Funds should increase to reflect the actual distribution costs needed to \$200 million per year, and TEFAP Infrastructure Grants should remain at \$15 million per year.

Congress should also ensure that USDA retains the authority to purchase bonus commodities in times of high need for emergency food relief in addition to times of low commodity prices, so the program is responsive to excess supply and demand. This authority should be bolstered by both TEFAP and Section 32 purchases. USDA should conduct Section 32 purchases using all three original points of intent: (1) encouraging the export of farm products through producer payment *or* other means; (2) encouraging the domestic consumption of farm products by diverting surpluses from normal channels *or* increasing their use by low-income groups; (3) re-establishing farmers' purchasing power. CFFA is also a proponent of changing the bid assessment from a "low cost" bid to a system that assesses "best value."

The Farm Bill should streamline barriers for vendors including but not limited to accepting food safety certification beyond USDA Good Agricultural Practices.

Lastly, our partners in food distribution are impacted by rising costs of food and inflation. Continued investments in federal programs, like TEFAP and SNAP, are vital to ensure neighbors in Central California and throughout our country can continue to have access to the food they need to thrive.

Priority #5: Title 7 – Research: Develop a reimbursement-based cost share program within USDA AMS as an incentive to specialty crop producer purchase of automated and/or mechanized tools or systems that increase efficiency.

A sustained federal investment into research and innovation must be of meaningful scale to catalyze opportunities for the industry, alleviate existing challenges, and propel U.S. specialty crop industry to a new level of global competitiveness.

CFFA supports funding for research that can lead to scientific breakthroughs, technological innovation and data-enabled decision making that will continue to drive long-term sustainability and profitability of the specialty crop industry. This support will be important, as American agriculture adapts to labor, climate and environmental challenges, pests and diseases, rising global competitiveness, shifting consumer preferences, supply chain disruptions, and other challenges.

Funding should also be made available for technologies that already exist but, due to high cost, might not be affordable enough for widescale adoption. We must create and fund programs that incentivize industry towards more efficient, safe, and sustainable operations.

Priority #6: Title 11 – Crop Insurance

CFFA supports increased program funding and the opportunity for expanded commodity insurance coverage.

For many of our growers, federal crop insurance is the most important component of the farm safety net, given the breadth of commodity coverage and the capability to reimburse producers for crop losses. The federal crop insurance program is an extremely important policy that helps farmers manage risk associated with natural disasters, including drought, excess moisture, and other perils.

Additional Point:

Congress should address the critical market challenges that exists with the seasonal and perishable nature of specialty fruit and vegetable producers who face surging and unfairly priced imports during the short marketing windows in which many such producers have to sell their products. Competitiveness would be enhanced by providing regulatory or legislative solutions.

Conclusion

CFFA appreciates the opportunity to submit comments and stands ready to support a Farm Bill that maximizes benefit to California farmers and our communities.

Sincerely,



Ian LeMay
President
California Fresh Fruit Association