National Association of Wheat Growers
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Testimony of Nicole Berg
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Before the Conservation and Forestry Subcommittee of the House Agriculture Committee
A 2022 Review of the Farm Bill: Stakeholder Perspectives on Title II Conservation Programs
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Chair Spanberger and Ranking Member LaMalfa, thank you for the opportunity to testify today before the Conservation and Forestry Subcommittee of the House Agriculture Committee on behalf of the National Association of Wheat Growers (NAWG). I am Nicole Berg, President of the National Association of Wheat Growers and a fourth-generation farmer, working in partnership with my father and brothers on our family farm in Paterson, Washington. This year my nephews returned to the farm and are joining us in working on the family farm. On our operation, we grow dryland and irrigated winter wheat, blue grass seed, field corn, sweet corn, sweet peas, green beans, and alfalfa. I just recently ended my time on the Benton County conservation district, after over 10 years of serving on the board. In 2020, I was appointed to the Federal Crop Insurance Corporation Board of Directors, and I also serve on the Community First Bank Board of Directors.

NAWG is a federation of 20 state wheat grower associations and industry partners that work to represent the needs and interests of wheat producers before Congress and federal agencies. Based in Washington, D.C., NAWG is grower governed and works in areas as diverse as federal farm policy, environmental regulation, the future commercialization of emerging technologies in wheat, and uniting the wheat industry around common goals. Our members feel it is important to provide testimony before the Conservation Subcommittee of the House Agriculture Committee today as we reflect on the programs authorized under Title II of the Farm Bill. The conservation title of the Farm Bill plays an important role in establishing and funding voluntary, incentive-based conservation programs.

Conservation is essential to our farming operation. Living and farming in the driest area in the world that grows cereal grains – with only six inches of rainfall a year – conservation farming helps us maintain soil moisture and efficiently use our natural resources. Our farm used several different conservation programs over the years and while we see the benefits of participating in the programs, there are also challenges. The Environmental Quality Incentives Program (EQIP) helped us put in a containment fertilizer tank on the farm. This helps us protect the environment in case of any accidental spill which would be contained based on the design of the tank. The extra storage has also allowed us to manage through the high fertilizer prices and supply chain issues over the past two years. We also utilized the program to install irrigation water management equipment on our irrigated farmland. This new equipment allows us to have a more targeted water application and only use water where it is needed by managing water application in real time, mapping the soils and assessing the water needed. Prior to

installation of this technology, we were only able to measure water capacity once a week. Real time water application assessment is, much more efficient, resulting in water savings. In my area of Washington State, we have hurricane to tropical storm force winds that blow across the farm, and we take multiple actions to protect our soil from erosion. We utilize the Conservation Reserve Program (CRP) on our dryland acres to create strip or contour farming with strips of CRP in the field, protecting the soils from wind erosion. We also practice no till farming on our dryland and irrigated operations.

Wheat Growers' Use of Conservation Programs.

The 2018 Farm Bill maintained the strong commitment to voluntary, incentive-based conservation programs. The Enviornemtnal Quality Incentives Program (EQIP), the Conservation Stewardship Program (CSP), the Conservation Reserve Program (CRP), and the Regional Conservation Partnership Program (RCPP) have been utilized by wheat growers across the county. Reviewing wheat growers' use of the Natural Resources Conservation Service (NRCS) delivered programs over the last few years, we found that wheat growers predominantly use the EQIP and the CSP, with a few growers working through RCPP projects. Between 2018 and 2021, wheat farmers entered over 7500 contracts with NRCS through these conservation programs. Looking at the use of these programs across all states, several of the top conservation practices wheat growers are adopting through the programs include cover crops, pest management, nutrient management, tillage management, terraces and grassed waterways. The flexibility and local decision making included in the Farm Bill conservation programs is vital to their success. The specific actions that individual wheat farmers take under those practices can very across their specific operations. The way I manage my farm in Washington state, the crops in the rotation, the timing of planting, the weather conditions, the crop protection tools, and nutrient management strategies will vary from wheat farmers along the east coast in Virginia, or Texas or South Dakota.

Wheat farmers transitioned from traditional tillage to no till by using CSP which provides support for growers to be able to purchase specialized drills for no till wheat planting. Growers can also transition to different spray nozzles to reduce spray drift during pesticide applications. Conservation programs aid in the transition to new technologies, GPS aided precision technology that allows us to be more efficient in our farming operations.

The EQIP continues to be popular with wheat growers by allowing growers to undertake specific conservation practices, develop management plans or utilize the new longer term incentive payments. EQIP has been the most flexible program, allowing growers to utilize one or multiple practices that make sense for their operation.

The CRP is an important option for growers in Washington State, but within our Association, can be controversial depending on the area of the country. Farmers do not want to compete with the Federal Government when renting land, and we must make sure that beginning farmers and ranchers have access to affordable land and CRP is often cited as competition for these new farmers. Focusing on enrolling environmentally sensitive, highly erodible land in CRP should allow for the protection of fragile lands at risk of erosion and allowing other lands to be farmed. The changes made in the 2018 Farm Bill lowered rental rates, capped cost share for seed and eliminated financial assistance for mid contract management. Each of these changes added costs to farmers to participate and with all these costs going up, the program is not getting the same interest from farmers it once did.

The benefits of the Farm Bill conservation programs are significant. The technical assistance, planning and engineering and financial assistance in the form of cost share or incentives, provide farmers with the knowledge and economic incentive to be able to make a change in their operation or maintain a conservation practice. Some conservation practices have an unknown impact on the farming operation or are too costly to undertake without financial assistance. The programs also provide substantial environmental benefits, helping to mitigate the impacts of climate change, providing healthier soil, clean air, clean water and improved habitat.

Some of the challenges for wheat growers in utilizing conservation programs is typically the diversity of the crops grown, low rainfall, complexity of programs and transparency of the program requirements (or changes from year to year). Growers are diversifying their farming operations and that diversity of crops and management systems can make implementing a conservation practice on an entire operation difficult. The low rainfall areas and dryland operations have limited options when participating in conservation programs. The diversity of small grains planted in northern regions and conservation crop rotations should be reviewed to make sure growers have continued access to conservation programs.

Many wheat farmers undertook the switch to no till many years ago, investing in new equipment and managing their operations to protect the soil from wind and water erosion. Today, some of those same growers are seeing herbicide resistant weeds on their operation that could require different management strategies that may include tillage to eradicate the weeds. Growers must have continued access to a variety of herbicides and other crop protection tools to help maintain long term conservation practices.

Conservation programs also getting increasingly complex. The 2018 Farm Bill included significant changes to CRP and the changes to the program have not been transparent during the implementation. Additional outreach and education on the program changes and opportunities for growers is needed to aid in program enrollment. In addition to outreach for growers, we encourage USDA to ensure that Farm Service Agency (FSA) and NRCS have full understanding of the programs and any changes that are made to the program prior to sign-up. Some program changes are happening on an annual basis, making it difficult for both staff and growers to keep up with the changes.

The Farm Bill Conservation programs continue to be popular, with less than half of all applications receiving NRCS funding. Wheat growers are no exception, with more wheat growers seeking assistance through the Farm Bill conservation programs than can be funded. Between fiscal years 2018 and 2021, there were 3,000 valid, applications for EQIP by wheat growers that went unfunded. Over that same period there were over 2,000 valid, applications for CSP by wheat growers that went unfunded. Additional applications through RCPP also went unfunded over those years. Clearly there is continued demand and need for voluntary conservation programs of the Farm Bill, but we must make sure that programs provide flexibility and allow growers to maintain economically viable farming operations.

Benefits of Growing Wheat

Wheat production across the United States is varied, from the climate, soil, rotations and most importantly the type of wheat and end-use markets for the wheat produced. As a crop that is primarily destined for the food supply the quantity and quality of the wheat we produce is equally important. The

six classes of wheat have a variety of end uses – whether it is pizza, pasta, bread, cakes, or crackers – each product has characteristics that rely on a different type of wheat and a different protein content in the wheat and flour. Some wheat – winter wheat – is planted in the fall and harvested in the following summer and some – spring wheat – is planted in the spring and harvested a few months later in the summer.

There are several benefits of growing wheat. Wheat improves soil quality, protects the soil from erosion and reduces weed pressure when added to a crop rotation. Winter wheat provides living plant cover over the winter months. The wheat straw residue left on the field provides a durable residue cover to protect the soil from wind and water erosion. In certain regions, winter wheat can be added to a corn-soy rotation adding a third crop over the two years and providing a living cover over winter and additional economic revenue from adding a wheat crop. Due to the war in Ukraine, USDA has been working in areas of the country to expand double cropping by increasing the flexibilities and applicability of crop insurance for double cropping counties.

Like many areas of US agriculture, wheat growers are producing more with less. Over the last one hundred years, wheat yields have increased three and a half times with about two-thirds the acres in production. There is not a commercially available genetically modified wheat and we have not had the level of research and advancement in wheat research that other crops have experienced over the last 25 years. Wheat growers depend on different management strategies including diverse crop rotation, conservation practices, research and breeding including new hybrid wheat varieties, and crop protection tools. Technical assistance from Land Grant University wheat research programs, extension programs, USDA and conservation district employees, and private agronomists are needed to make these systems work and allow growers to make ongoing improvements to their cropping systems.

Wheat growers value the long-term productivity of the soil and natural resources that sustain our farming operations. Climate-smart and regenerative agriculture cropping systems for wheat production must recognize the environmental and economic realities of individual farms, be regionally specific, provide for enhanced productivity or resource use efficiency and support the principles of soil heath including minimizing soil disturbance, providing soil cover through crop residue, increasing diversity, maximizing the time with living roots and when applicable, incorporating livestock – all as appropriate for individual farms. We acknowledge that not all practices will work for all wheat growers and any policies must be flexible and recognize the uniqueness of each farming operation and the climate conditions and production systems of that operation.

As we look to develop new conservation, climate-smart, or regenerative agriculture policy and programs, these approaches must work in partnership with individual farms and help growers balance the economics with environmental and societal benefits by incentivizing new approaches and management systems. To foster long-term environmental benefits, farmers should also be incentivized to maintain and enhance these management practices over time. Regenerative agriculture systems on our operations means that wheat growers strive to:

- Maintain an economically viable and productive farming operation to pass to future generations.
- Maintain and build soil health.
- Enhance resource use efficiency.

- Utilize crop protection tools when necessary to treat weed, pest and disease infestations, combat weed resistance and manage conservation tillage systems.
- Provide societal benefits such as sequestering carbon, improving water quality, controlling soil erosion, and reducing overall inputs and energy use all while growing healthy, nutritious food

Preparing for the Next Farm Bill

Looking to the next Farm Bill, NAWG members are discussing recommended changes to the conservation programs. NAWG does not yet have specific policy recommendations finalized, but we are actively getting feedback and looking at policy options. Some of the elements of the programs that we have discussed so far are what might be considered the fundamental building blocks for the conservation title of the next Farm Bill:

- Maintain the voluntary, incentive-based conservation programs
- Improve the flexibility of the conservation programs
- Clearly articulate programmatic changes, so farmers understand Farm Bill modifications or other administrative changes
- Expand conservation opportunities for early adopters of conservation management systems
- Recognize the diversity in cropping systems, benefits of crop rotations and timing of planting
- Use the conservation title of the Farm Bill to deliver conservation assistance
- Avoid expansion of conservation compliance requirements
- Review cost share rates and payment limits due to the rising cost of inputs
- Expand training and mentoring for USDA field employees
- Reliable access to crop protection tools is needed to maintain conservation systems

As outlined earlier in this testimony, wheat growers and other crop, livestock and forest landowners are seeking assistance through the voluntary conservation programs and there is a backlog of more growers seeking assistance than funding (and staff time) available. We recognize that the Inflation Reduction Act added a significant amount of funding to these programs and hopefully that backlog will be addressed, and we urge Congress to continue the commitment to voluntary, incentive-based conservation programs in the next Farm Bill.

Wheat is grown in most states in the U.S., but the crop rotations, climate and varieties of wheat vary greatly across the states. There are six different classes of wheat, with winter wheat making up the majority of the wheat grown in the US. For conservation programs to work well in each of these regions and states, they programs must provide a variety of options and be flexible to work within different types of farming operations. Dryland farming practices are lacking in conservation options because we have already adopted no till and several other practices. Conservation programs should be looking towards the next technology, innovation and practice to expand the conservation opportunities for early adopters of conservation management systems such as no till. Growers that adopted conservation tillage or no till several years ago are looking for the next option. As you develop Farm Bill policy, please remember that one size doesn't fit all when it comes to conservation (or even wheat production). Farmers need a variety of program and conservation practice options to allow them to find the conservation approach that makes economic and environmental sense for their operation.

As policies are developed through the Farm Bill reauthorization process, or even administrative changes to programs are implemented, those changes should be transparent and clearly articulated to growers. Explanations of programs and policy changes should be clear for growers to understand what elements have changed and why alterations were made. Some changes may impact a grower's eligibility, payment or cost share rates, or ranking during the application process. Helping growers understand the changes will ease any enrollment and manage expectations on all sides.

The conservation programs should be used to deliver conservation assistance and new requirements for conservation compliance, or additional conservation requirements on commodity programs should not be included in the Farm Bill. Voluntary incentive-based programs work the best for delivering and encouraging conservation practice adoptions and we urge Congress to maintain this system of conservation delivery.

The costs of farming are increasing. As farmers we are getting more efficient in producing a greater yield on fewer acres in production, but the costs of doing business are increasing. Land, equipment and repair costs, input supplies, fuel, seeds and labor costs are all increasing, as are our health insurance and other traditional business costs. Commodity prices have experienced unprecedented volatility in recent months. Winter wheat prices soared from $7.32 in February to $13.45 in mid-May, then crashing back down to $8.19 in early July. This volatility has never been seen before and threatened the marketing infrastructure in place for farmers. While commodity prices have decreased, input costs have remained high. These high prices also carry over into the adoption of conservation practices. With farmers facing higher costs in all areas of their operations, the decision to adopt conservation practices can depend on the financial assistance that Farm Bill programs provide. The cost share rates of the conservation programs, where limited in the statue, should be reviewed and the payment limits in statute should also be reviewed. Several of these provisions have been in place for decades, through many Farm Bills and are not reflective of the costs of doing business on the farm. Growers are managing larger acreage to become more efficient and spread their operation costs over a greater acreage on the farm.

Conservation programs must provide options for growers of diverse cropping systems and be flexible to work within those systems. Farmers are diversifying their crop rotations and producing different crops for a variety of reasons, whether to meet market demands, keep their ground covered throughout the year or experiment with systems, but the policy set by the Farm Bill must be flexible enough to recognize these continued changes and USDA must be have the ability to deliver the programs in a manner specific to each farming operation.

Cover crop programs must recognize the timing of planting of crops, including winter wheat. Over the past two years, USDA offered a pandemic cover crop program that provided a $5 per acre discount on crop insurance for planting cover crops. When this program was introduced in 2021, winter wheat producers were not eligible for the program, because the cover crop had to be planted over winter – the same time that our wheat was in the ground, and cover crops that were planted at other times of the year were not eligible. Changes have been made to the program to recognize the different timing of cropping systems and that cover crops may be planted outside the winter timeframe.

The last few years have been difficult for most office employees and USDA field office staff are no different. However, with the changes to programs from the 2018 Farm Bill, some of which were substantial -- managing through COVID 19, training new staff and the change of leadership in FSA state offices -- the pressures in many field offices have placed added stress on staff. USDA field office staff

have traditionally been very customer service focused and working cooperatively with farmers, but we are now seeing employees that don't have the training and understanding of the programs and local farming operations. We encourage USDA to increase the training and mentoring of the new employees to maintain that strong working relationship with farmers.

In conclusion, wheat growers support continued access to the voluntary, incentive-based conservation programs of the Farm Bill. We have benefited from the programs through the implementation of new management systems, technology and approaches to more efficiently use natural resources and become more efficient in our operations. We also believe the environmental and natural resource benefits of the programs are significant, improving water quality and quantity, air quality, soil health and habitat. However, the programs are becoming more complex while wheat growers' operations are also becoming more diversified and may be facing new management challenges. Innovation in agriculture is also rapidly developing new options for producers and staff must continue to say abreast of the changes in agriculture and conservation programs should adapt to these new options for growers. Staff training on programs and local cropping systems is needed to implement the flexibility established in the Farm Bill conservation programs. Wheat growers value the ability to work with USDA and the House Agriculture Committee on the development and implementation of these important programs and we look forward to the reauthorization of the Farm Bill.