

Testimony of

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“The Future of America’s Small Family Farms.”

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**Sarah Rickelman, Manager
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Good morning. I'm Sarah Rickelman, manager at Deneger-Juhl Farms in Hudson, Iowa. Let me begin by thanking Chairman Blum, Ranking Member Schneider, and Members of the Committee for allowing me the opportunity to share my story with you today. I especially want to thank my House member Representative Blum for inviting me to testify - thank you for the warm introduction and this opportunity to talk about small family farms in Iowa.

I am a Farm Bureau member from Black Hawk County in rural Iowa where I, along with my husband, help manage a 1,700 farrow-finish pig farm. My husband and I are two of several producers who provide the hands-on daily work to generate a safe, nutritious, and affordable product that is consumed by families across the United States and around the world.

My passion for agriculture started as a young girl growing up on a small acreage and being heavily involved in the local 4-H club – learning about agriculture, caring for my animals, and preparing them for the county fair year after year. This was the beginning of my love story with agriculture.

Wanting to continue my education in agriculture I attended Iowa State University taking classes in agricultural studies with an emphasis in swine production. ISU empowered me to learn the skills and obtain the knowledge that I use on the farm every single day. Some of my daily duties include; animal observations, record keeping, training employees, and public relations work. I love being inside the barn every day, working closely with the animals and ensuring they are given the best possible care. From early mornings to late nights, work on the farm is never done, and I wouldn't want it any other way.

My goal in college was to find a career that would balance farm work with local, state and national agriculture advocacy. I got involved with Farm Bureau three years ago, and have really enjoyed the opportunity to share my story of how I got started in farming and how important agriculture is to my family and rural Iowa. I truly believe that being on the family farm is the best career choice I could ever make.

While I couldn't be happier with my decision to farm with my family, we face significant challenges and threats to our livelihood. Being a young farmer, I'm concerned about my ability to continue this profession and one day pass it along to my children. With commodity prices depressed over the past several years, net farm incomes have decreased by 46% over the past three years – with another 8% decrease predicted for 2017.

While grain and livestock prices have a major effect on our operations, the laws and policies that are enacted in D.C. also have a significant impact on the success of small family farms.

In these challenging economic times, it is more important than ever that we have a strong and adequately funded Farm Bill. The Farm Bill provides a basic level of risk protection in bad economic times and in years with poor weather. Federal crop insurance in the Farm Bill has been successfully providing an essential safety net for family farms across the country. I hope that Congress will continue to appreciate the importance of the Farm Bill and pass it before the current Farm Bill expires.

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Another way that D.C. is effecting the family farm is through current tax policy. As Congress looks to reform our nation's tax policy I hope that lawmakers will consider the impact any change will have on the thousands of family farms across the country. While lowering individual tax rates is a positive reform, family farmers will ultimately pay more taxes if essential tax policies for small businesses are eliminated. Agriculture is a capital-intensive business and being able to deduct business expenses is a critical tool – this should include the ability to deduct interest expense. As a young farmer, I'm extremely concerned about the ability of the next generation to purchase their first piece of ground or expand their operation if they can't deduct interest expense. A tax reform package that doesn't include these provisions will ultimately increase taxes on family farms. On that same note, I hope Congress will finally and permanently eliminate the death tax while maintaining stepped-up basis. These tax provisions are essential to the survival of the family farm.

As I mentioned before, the pork we raise on the farm not only feeds families in Iowa but also feeds people across the world. I'm blessed to farm in an area of the world that is immensely fertile and productive. Our country grows far more food than we could ever consumer with 98% of the world consumers living outside of our borders. Agriculture is a growth industry and expanding export opportunities is vitally important to the success and future of the family farm. I hope that Congress and this administration will push for expanded trade opportunities and work with other countries to negotiate trade deals that lower tariffs so we can sell more of our products to those markets.

We face many challenges as farmers grow fewer and the divide between the general population and agriculture grows wider. But I am optimistic that if we continue to share our story we can shine a light on the work we do to grow safe, affordable, and sustainable food for the world. Being a family farmer isn't just a career, it is a lifestyle of which I am extremely proud. Now pregnant with my first child, I look forward to the day when our little one can come out to the barn to see the baby pigs with me and my husband – to enjoy agriculture as much as we do. With a strong safety net, pro-growth tax policies, and increased trade opportunities I know America's small family farms have a bright future.

Thank you.