

Jeff Sternberger Midwest Feeders, Inc. – Ingalls, Kansas

"Hearing on the High Plains: Combating Drought with Innovation"
U.S. Senate Committee on Agriculture, Nutrition, and Forestry; Subcommittee on Conservation, Climate, Forestry, and Natural Resources
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Chairman Bennet and Ranking Member Marshall, thank you for allowing me the opportunity to testify today. My name is Jeff Sternberger and I am General Manager and co-owner of Midwest Feeders, Inc., located in southwest Kansas near Ingalls. I am a past president of the Kansas Livestock Association (KLA) and a member of the KLA Water Committee and the National Cattlemen's Beef Association (NCBA). I also serve on the Board of Directors of U.S. Premium Beef, a producer-owned, vertically integrated beef company. My wife, Colleen, and I also own farming and ranching operations in Kansas and Oklahoma. I have a bachelor's degree in agricultural economics from Oklahoma State University.

Midwest Feeders is a 90,000-head custom cattle feeding operation. The majority of the cattle in our feedyard are owned by other cattle producers. Our team provides feed and animal care during the finishing phase. While we raise some of the forage and grain needed to feed the cattle in our care, the vast majority is purchased from farmers in the region.

My testimony today will focus on our efforts to conserve water. The primary water source in southwest Kansas is groundwater from the Ogallala aquifer. Depletion of the aquifer has received considerable attention in the last few years. As stakeholders have developed a better understanding of the rate of depletion, discussions around water use reductions and conservation has accelerated.

While efforts have accelerated recently, our operation has been implementing practices to use water more efficiently for many years. These efforts go back 30-plus years as irrigation water rights were converted to stockwater rights. These water rights were exercised using flood irrigation technology. Water was conserved simply by shifting away from the less efficient flood irrigation system. Converting water rights from irrigation to stockwater also results in reduced water use.

In 2018, we enrolled multiple water rights in a Water Conservation Area, or WCA. The WCA allowed us flexibility in how we utilized our water rights in exchange for reducing our historical irrigation use by 10%. The flexibility allowed us to more efficiently use water from multiple rights in our integrated system that supplies water to the cattle in our feedyard.

In 2019, we completed an expansion that added additional capacity to our feedyard. As part of that expansion, we installed a water recycling system that captures overflow from the waterers in part of the feedyard. The water savings from the recycling system has averaged between one- to

two-gallons per head per day. For comparison, our typical water consumption across the feedyard averages nine- to ten-gallons per head per day. We completed another facility expansion in 2022 that included another recycling system. We have seen similar water savings in that system as well.

We also have looked to more sustainable water sources for our operation. In 2021, we submitted a new appropriation application in the Dakota formation. This formation has different recharge characteristics and provides an alternative to our Ogallala rights.

As we have expanded our feeding capacity, we produce more effluent. Our waste retention structures allow us to capture the effluent and apply it to crop fields. The effluent replaces a portion of the water needed for irrigation and commercial fertilizer needed for crop production.

I mentioned earlier that our water consumption averages between nine- and ten-gallons per head per day. The day-to-day number varies depending on the size of the cattle and the time of the year. We believe we are very efficient with our water resources given Kansas Department of Agriculture – Division of Water Resources standards are 15 gallons per head per day.

The investments we have made have allowed us to use water more efficiently. That's essential to the long-term viability of our operation. Our viability also is dependent on the forage and grains produced by farmers in our area. Last year, we began meeting with neighboring farmers to discuss the potential of extending water conservation efforts to farms in the area. We believe there is potential to use a WCA to realize water conservation while still providing the revenue necessary for the farming operation and growing the forage and grains we need in our cattle feeding operation. If we are successful, we know other feedyards will take a similar approach in their area.

We have been fortunate to be able to make significant investments in our operation to achieve water conservation. From a policy standpoint, support from the federal level would accelerate investment across cattle feeding, dairy production, and farming. I suggest you consider cost-share programs and tax credits as options that would support investment in technologies that provide water savings. The upcoming farm bill discussion would be an opportunity to expand conservation programs to include these types of investments.

In terms of other farm bill issues, I strongly oppose any type of mandates in terms of how cattle are marketed. KLA, NCBA, and the vast majority of cattle producers across the country want to decide how to best market their cattle, not have the federal government dictate how cattle can be marketed. In addition, I would encourage your support for voluntary conservation programs like the Environmental Quality Incentives Program and expand their availability to livestock producers. I also support strengthening efforts to prevent, contain, and eradicate foreign animal diseases.

Thank you again for the opportunity to testify today.