



**Collin Thompson**  
**Testimony before the U.S. Senate Committee on**  
**Agriculture, Nutrition and Forestry**  
**MSU Saginaw Valley Research and Extension Center**  
**Frankenmuth, Mich.**  
**May 6, 2017**

Chairman Roberts, Ranking Member Stabenow and members of the Senate Agriculture Committee, thank you for the opportunity to testify at today's 2018 Farm Bill field hearing focused on exploring the strengths, challenges, and economic importance of Michigan's unique agriculture industry.

My name is Collin Thompson and I am a Community Food Systems Educator for Michigan State University (MSU) Extension. I work from the MSU Upper Peninsula Research and Extension Center (UPREC). Part of my job entails managing UPREC's USDA Organic Certified North Farm where I help members of our community learn the latest techniques for farming in the Upper Peninsula's challenging climate.

I am privileged to work with beginning and seasoned growers with the goal of improving their farms through educational programming and on-farm research. Each year, we invite thousands of visitors to participate in workshops, trainings, school visits and other learning opportunities. We also host a farm business incubator that gives participating farmers access to crucial support as they work to establish their own farm businesses. In addition, we conduct on-farm research, hoping to better understand the challenges of producing specialty crops and small grains in our unique climatic conditions. **We could not offer this support to growers without the critical funding we received through the USDA's Agriculture and Food Research Initiative (AFRI) in 2014.**

Through the years, my work has become focused in two primary areas – local and regional food systems, and organic agriculture.

**Local and Regional Food Systems**

Michigan, and specifically the Upper Peninsula, is fortunate to support incredibly vibrant food systems. The Upper Peninsula is defined by its rural realities—we are home to 29 percent of Michigan's land mass, but only 3.2 percent of its population. Naturally, agriculture is a large part of the region's economy. Farmers in the central Upper Peninsula (which includes Alger, Delta, Dickinson,

Marquette, Menominee, and Schoolcraft counties) farm 281,000 acres of land and sell \$61.6 million of food products per year.<sup>1</sup> However, due to limited support in terms of agricultural infrastructure and processing facilities, the Central Upper Peninsula food economy tends to drain away from the region, resulting in an annual net loss of \$540 per farm.<sup>1</sup> In fact, while the rest of the state boasts about Michigan's growing agriculture economy, growers in my region saw a \$3.4 million reduction in commodity sales from 1969 to 2011.<sup>1</sup>

Despite these challenges, the region is seeing tremendous growth in specific areas of the food economy. Direct-to-consumer sales have increased 24 percent since 2002.<sup>1</sup> There has been a 22 percent increase in the number of farms pursuing direct sales channels, realizing the benefits of connecting directly with customers and earning the highest dollar per unit for their goods.<sup>1</sup>

The work being done to promote local and regional food systems has allowed this region to support such an impressive local food economy. Continued efforts by organizations like MSU Extension, the U.P. Food Exchange food hub, the Michigan Farmers Market Association, and local farmers markets have worked to develop a culture supporting local growers, effectively enhancing the local economy.

Funds granted to the Downtown Marquette Farmers Market (DMFM) through the USDA Farmers Market Promotion Program (FMPP) have greatly increased the circulation of dollars through the local economy. Marquette, home to 21,441 residents (nearly 7 percent of the UP's population), is in many ways defined by its food culture. Throughout the production season, the DMFM supports an average of 32 vendors and 1,643 visitors each week.<sup>2</sup> Visitors spent an average of \$22.10 at the market, resulting in a total of \$1,502,998.70 in sales.<sup>2</sup> Furthermore, the presence of the market in the downtown district had noteworthy impacts on the downtown economy as a whole. Shoppers at the DMFM reported spending an average of \$59.30 each week at other downtown businesses.<sup>2</sup> The growth of the market would not have been as drastic or sustained without funding from the USDA to support promotional campaigns.

Before harvesting a product, growers are faced with challenging climatic conditions in the Upper Peninsula. A short growing season, highly variable weather, and extreme cold can make the business of farming a challenging one. The Natural Resources Conservation Service (NRCS) High Tunnel System Initiative, through the Environmental Quality Incentives Program (EQIP), has

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<sup>1</sup> Meter, Ken. *Central U.P. Farm & Food Economy*. Crossroads Resource Center, Minneapolis: U.P. Food Exchange, 2013.

<sup>2</sup> Michigan Farmers Market Association. *Marquette Downtown Farmers Market Impact Summary*. East Lansing, MI, April 5, 2017.

helped numerous growers overcome these challenges and build more resilient businesses. These funds, allocated through the Farm Bill, give growers the financial resources they need to extend their growing season and strengthen their bottom line by installing high tunnel structures. The Upper Peninsula has seen tremendous participation in this program, as 104 high tunnel projects have been funded across the region. The support offered to these growers varies with the scope of the project, but producers can access cost-share funding of about \$3.50-\$4.75 per square foot, up to 2,178 square feet.<sup>3</sup> Without the funding provided through the EQIP High Tunnel Initiative, many of these growers would struggle to reach profitability.

Conservation and local/regional food programs provide the Upper Peninsula with essential funding that supports, promotes, and enhances the food system. A continuation and expansion of these programs would positively impact the Upper Peninsula and its food economy.

### **Organic Agriculture**

Organic is the fastest growing sector of the U.S. food economy, now representing \$43.3 billion dollars in sales. This presents incredible economic opportunities for farmers.<sup>3</sup> However, despite rapid growth and a seemingly unending consumer demand, farmers in the United States are unable to keep up, which means we are losing potential profits to imports from beyond our borders. The 2014 Farm Bill made critical investments to strengthen the organic sector, including modernization and technology upgrades and organic data collections to support new risk management tools for organic farmers.

According to the Agricultural Marketing Service's National Organic Program, the American organic industry has grown by nearly \$20 billion since 2008. The number of certified organic producers attempting to keep up with rampant demand has increased nearly 300 percent since 2002.<sup>4</sup> Despite this incredible growth, funding for the USDA's primary organic research program, the Organic Agriculture Research and Extension Program (OREI) has held steady around \$20 million annually since 2008. In addition, the Organic Transitions Program (ORG) has remained at \$4 million annually since 2008.<sup>5</sup>

### **The critical initial funding we received at UPREC through the Agriculture and Food Research Initiative is essential to the work I do**

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<sup>3</sup> Organic Trade Association. "2016 State of Organic Industry Fact Sheet." 2016. [https://ota.com/sites/default/files/indexed\\_files/OTA\\_StateofIndustry\\_2016.pdf](https://ota.com/sites/default/files/indexed_files/OTA_StateofIndustry_2016.pdf).

<sup>4</sup> U.S. Department of Agriculture. "USDA Reports Record Growth In U.S. Organic Producers." *Release No. 0084.16*. Washington D.C., April 4, 2016.

<sup>5</sup> Schonbeck, Mark, Diana Jerkins, and Joanna Ory. *Taking Stock: Analyzing and Reporting Organic Research Investments, 2002-2014*. Organic Farming Research Foundation, 2016.

**every day. Simply put, I could not help growers without this support.** However, less than 0.2% of AFRI funding, USDA's premier competitive grant research program, currently goes toward organic research.<sup>6</sup> Agricultural research is essential for continued growth and success in the organic sector. Every \$1 invested in public agricultural research generates \$10-\$20 in domestic economic activity.<sup>6</sup> **We cannot lose this opportunity to help our farmers.**

Since 2002, the USDA has provided a total of approximately \$180 million in organic research programs.<sup>6</sup> While this is a small percentage of total agricultural research funding, the results of this funding are widespread and big impact. Organic research has resulted in improved production practices related to soil health, water quality and nutrient management practices used by both organic and conventional producers. With additional funding, this research could continue to shape and improve agricultural practices around the country, yielding healthier soils, crops, and farmers.

In addition to research support, funding through the Farm Bill has made it possible for growers in the Upper Peninsula, including The North Farm, to certify their farms. The Organic Cost Share Program has been critical in lessening the financial burden of certification and inspection fees for small farms. While many growers have ethical, environmental, and market drivers for certification, the financial commitment can often be overwhelming when producing on a small scale. The cost share dollars have provided an incentive for many of these growers to pursue certification.

I am fortunate enough to work every day with individuals invested in the local, regional, and organic food systems in the Upper Peninsula. These growers and industry professionals are dedicated to promoting and sustaining a vibrant local economy through the production, sale, and consumption of sustainably produced foods. With increased and sustained support in the next Farm Bill, the local/regional and organic food sectors can continue leading the agricultural industry and ensure a prosperous future.

**As both a certified organic producer and a professional in the industry, I urge Congress to support organic agriculture by significantly increasing funding of OREI and ORG in the next Farm Bill, and through encouraging the Agriculture Food and Research Initiative to address the needs of the organic sector.**

Again, thank you for the opportunity to testify today and I look forward to your questions.

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<sup>6</sup> "USDA Fact Sheet. Release No. 0031.16." February 3, 2016.  
<https://www.usda.gov/media/press-releases/2016/02/03/fact-sheet-presidents-fy2017-budget-invest-700-million-usdas>.