

**Testimony of**

**Ben Noble**

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**Perspectives from the Field: Risk Management, Credit, and Rural Business  
Views on the Agricultural Economy, Part 3**

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Good afternoon, Chairman Boozman, Ranking Member Klobuchar, and members of the Committee. It is truly an honor to be before you today. Many years ago, I sat as a staffer in this very room to then Senator Blanche Lincoln of Arkansas, who eventually served as Chairman of this Committee. It brings back a lot of memories seeing her portrait here on the wall today. Nearly 30 years later, our own John Boozman now holds the gavel, and I can't think of a better man to lead this Committee, so forgive me for taking a moment. This is truly a special day for a boy from Ethel, Arkansas.

I'm Ben Noble, Executive Vice President and Chief Operating Officer of Riceland Foods. But I'm also the son of Buddy Noble and brother of Andy Noble who own and manage Noble Farms. As we discuss the state of the farm economy today, my story, unfortunately, mirrors what is happening across the countryside in rural America.

Due to high input costs and lack of profitability over a multi-year period, and the low probability for profitable returns this year, my family is pulling the rip cord. 2025 will be the first year since 1890 – 135 years – that a Noble has not actively farmed in east Arkansas. We are selling our equipment at an auction this Friday.

Our experience is unfortunately not unique, as lenders and farmers across the Mid-South face tough decisions with the prospect of low commodity prices, high input costs, and extreme uncertainty and volatility. This situation has profound and far-reaching effects across the economy and livelihood of rural America.

Riceland Foods is a farmer-owned cooperative that has been in business since 1921. We are the largest miller and marketer of rice in the United States, and we also serve as the largest marketer of soybeans in the Mid-South. Our membership consists of 5500 members across America and our farmer patrons are concentrated in Arkansas and Missouri. We directly employ over 1700 people and indirectly support hundreds of jobs in rural America. For decades, our business model has been to provide marketing options for our members' rice and soybeans, process the grain, and then sell and distribute the finished goods through domestic and international channels. This activity generates well over a billion dollars annually and is turned over multiple times in our region of the Mississippi Delta. Being a cooperative, the net revenue from these activities and the profits are returned to the farmer-member via cash payments for commodities and patronage dividends.

The key in the aforementioned business model is the ability of the farmer to secure financing and produce a crop on an annual basis. Also key in this equation is a strong farm economy that allows farmers to remain profitable. Without our farmer-members, all the economic activity that Riceland Foods generates and the jobs we support disappear, leaving economic deserts in many areas of east Arkansas and the Bootheel of Missouri.

As I sit here today, farmers are making planting decisions due to the extended lending cycle. Financial institutions work diligently and creatively to keep farmers on the farm this growing

season, but a shadow of uncertainty remains across the entire system. Planting decisions and seed purchases are often made months before now. As final assessments are made, productive farmland will likely remain fallow this year due to some farmers' inability to obtain financing. Ultimately, this could reduce the production of rice, soybeans, corn, and possibly other commodities in our growing region. Businesses like ours are struggling to plan accordingly to receive and process this year's crop.

Our company has four milling locations across Arkansas and Missouri. We also have 24 drying locations across the same footprint. In small rural towns like Stuttgart, Hazen, Poplar Bluff, New Madrid, Wheatley, and many more, Riceland Foods is the largest employer and main driver of the local economy. When our farmers suffer, we suffer. Ultimately, this impacts the entire region. It's not overstating to say that if Riceland Foods doesn't operate in many of these small towns, the towns no longer exist.

Along these same lines, I would be remiss if I did not mention the importance of tax policy on our cooperative, farmer-owners, and the rural communities we serve. While not under the jurisdiction of the Senate Agriculture Committee, certain provisions are set to expire under the Tax Cuts and Jobs Act this year that will profoundly affect farmers and rural communities across the country.

Of particular significance to cooperatives such as Riceland, the Section 199A deduction stands out as one of our farmer-members' most crucial tax policies. This provision enables cooperatives to pass tax deductions directly through to their members, who then reinvest the funds back into their operations. These reinvestments, in turn, strengthen local economies by creating jobs, increasing spending on agricultural production, and fostering growth in rural communities.

Farmer cooperatives provide over 250,000 jobs, with a total payroll of more than 8 billion dollars. Extending these provisions is critical to prevent billions of dollars from exiting rural areas while bolstering local economies and supporting investments in farming families.

While this is the Riceland footprint, plenty of small, rural towns across the rice-growing regions tell the same story. The U.S. rice industry, as a whole, contributes \$34 billion to our economy and employs 125,000 people. Each rice farmer, on average, provides \$1 million to the local economy. Rice farmers and businesses keep Main Street in business in these areas, and this is something we take great pride in.

Kicking the can down the road on the farm bill reauthorization has gone on too long. While temporary, ad hoc assistance has been appreciated by farmers and the broader agricultural sector, it is just that – temporary – and in no way should it be considered a substitute for the longer-term certainty a good and meaningful farm bill can provide. Both the Rice Production Program and the Emergency Commodity Assistance Program will help bridge many farmers from one year to the next, but not everyone. My family farm is a case in point.

For over four years, America's rice farmers have experienced negative margins. As an industry, we have had to appeal to our government twice to provide much-needed assistance to hold on.

Thankfully, Congress delivered because people like Chairman Boozman and others on this Committee understand that the agriculture sector is the backbone of our rural economy.

Without the overdue action of Congress by way of a new farm bill, a way of life is at risk – for the farmer, employees at companies like mine, and not only rural Americans but all Americans who have long enjoyed one of the lowest percentages of income spent on food in the world.

We must take serious and substantial action that results in updated reference prices that secure a strong safety net for rice farmers. This means a substantial increase in the PLC reference price and the assurance that payment limitations are increased to reflect modern-day farming. These enhancements must be effective for the 2025 crop year. Securing a strong safety net for our growing members also provides stability for both farmer-owned co-ops and private mills.

Rice is one of the most politically traded crops around the world, and market prices are our ultimate peril.

While we consider ourselves free traders, our experience has been that free is not always fair. Thirty-four percent of the rice consumed annually in the United States is imported from countries worldwide with free or near-free access to our markets while putting up protectionary guardrails to prevent competition in their own markets. That leaves companies such as mine and our respective farmer-members fighting with our hands tied behind our backs without adequate support from our government. In addition to farm bill programs that will provide certainty for our industry, our government needs to hold these bad trade actors accountable for their actions and egregious World Trade Organization violations.

Approximately 50 percent of the U.S. rice crop is exported yearly to more than 120 countries. We have long been proponents of increasing our market access and have successfully done so using programs like the Market Access Program and the Foreign Market Development Program. Funding levels for these programs must be increased.

Additionally, we believe strongly in our role as an industry in international food aid programs. We feel this assistance for some of the world's hungriest should be in the form of U.S.-grown rice and other commodities, not cash or vouchers.

I would also be remiss in excluding our industry's conservation and sustainability work. Over the past 40 years, we have worked diligently to reduce water, energy usage, and greenhouse gas emissions, all while increasing land use efficiency, biodiversity, and wildlife habitat. This work has been supported by USDA's working lands conservation programs, including the Conservation Stewardship Program, Environmental Quality Incentives Program, and the Regional Conservation Partnership Program. We believe these programs should be promoted over set-aside programs in the new farm bill.

I'll finish where I began in this full-circle moment for me. I've witnessed firsthand the work Congress can do to support American agriculture as both a Senate staffer and a professional in this industry working on behalf of farmers. Now is the time for Congress to act on a new farm bill and support the industry I've devoted my life to before it's too late. Unfortunately, there are

many farmers out there who won't be farming this year, and the outlook is even more grim. I implore you to act. Keep farmers farming. Every American is relying on this Committee and your colleagues in Congress to deliver.

Thank you for this opportunity. I look forward to any questions you may have.