TEXAS DEPARTMENT OF AGRICULTURE

TODD STAPLES
COMMISSIONER

December 23, 2008

The Honorable Barack Obama
President-Elect
Obama-Biden Presidential Transition Office
451 6th St. NW
Washington, DC 20001

Dear President-Elect Obama:

It has come to my attention your transition team is accepting policy recommendations for agricultural and rural issues. As the second largest agricultural state in the nation, Texas is a leader in the production of food, fiber and fuel for our country. Our agricultural producers provide one of the most stable and inexpensive food supplies in the world.

To ensure their continued success, it is vital for policy makers to provide market-oriented initiatives and tools for vibrant rural communities. The following two pages describe several recommendations on matters important to agricultural producers and the consumers of their products.

Thank you for your attention to this submission. Please do not hesitate to contact me if I can provide any additional information.

Sincerely yours,

Todd Staples

TS/CD/cd

Enclosure

cc: The Honorable Tom Vilsack – USDA Secretary Nominee

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AGRICULTURE AND RURAL POLICY RECOMMENDATIONS

Submitted by Texas Agriculture Commissioner Todd Staples

Agricultural producers in the United States provide the safest and most reliable food supply in the world. In developing policies and programs impacting these producers, I urge you to consider the following recommendations. Free market and partnership initiatives, access to international markets and strong rural economies are important to the continued success of these producers and lower food costs for consumers. Additionally, commodities from these producers are vital in food distribution and feeding programs.

Environment: Establish environmental policies that empower private landowners and agricultural producers to further enhance land stewardship efforts. Encourage partnering with landowners. As more than 97 percent of land in Texas is privately owned, these types of programs can provide large environmental benefits. Many partnership programs are already in place such as the ability for federal entities to participate in recovery crediting programs. Support expansion of these and other related initiatives and avoid increasing the already burdensome environmental regulations that discourage and disable innovative environmental stewardship.

Regulation: The Obama-Biden plan to ensure economic opportunity for family farms lists a priority of strictly regulating CAFOs. Additional regulation of CAFOs on top of the current regulatory framework could strangle hard working entrepreneurs and the economies they stimulate. Please help rural Americans by serving as a watch-dog for additional and unwarranted regulations on food and fiber production. This is one of many sectors of our economy that already have too many regulations with which they must comply.

Renewable energy: In developing renewable energy policy and programs, provide opportunity for all agriculture producers and landowners by supporting a diversity of feedstocks and fuel sources and ensuring policies are source-neutral. Ensure policies do not encourage one industry at the detriment of the other. We must have an abundant supply of domestically produced renewable energy and that supply must be sustained by market demand.

Farm Bill Implementation: With the disastrous hurricanes, floods and droughts impacting agricultural producers this year, it is vitally important to speed up implementation of the permanent disaster provisions included in the 2008 Farm Bill to expedite recovery efforts. The regulations and programs should be kept simple to enable broad utilization by producers harmed by different types of agricultural disasters across the country.

Competition: Thank you for committing to watch out for barriers to competition in the livestock industry as discussed in your rural agenda. However, I caution that controlling the ownership of livestock through modifying existing packer ownership laws could yield inefficiencies in our food production system, with the resulting costs likely passed along to consumers in the form of higher food prices.

Trade: It is important to eliminate barriers to selling U.S. products abroad. Please work with a bipartisan group of Congressional leaders to establish diplomatic and trade relations with

Cuba. Also, quickly establish close relationships with Mexico and Canada that will enable constant expeditious resolution to border issues that arise on a daily basis.

Rural Economic Development: There are many needs for U.S. Department of Agriculture (USDA) rural development programs to extend credit to rural business and invest in rural communities struggling through the current economic situation. Quickly place a person in the USDA under secretary for rural development position who will work with rural businesses in Texas.

Rural Education: The idea of a "Rural Revitalization Program" is valuable to further development of rural communities. The Texas Department of Agriculture (TDA) is proposing to the state legislature a rural investment fund to assist in creation of higher wage jobs and tools for education and training for the rural workforce. TDA has also created a rural internship program to introduce non-rural students to smaller communities across the state and encourage student interns to move to rural areas after graduation. These types of initiatives are key to allowing rural communities to attract and retain a work force.

Food Distribution: The Food Distribution Program distributes USDA-donated commodities to National School Lunch Program (NSLP) public, charter, and private schools and residential child care institutions (RCCI). The donated food helps offset food costs for these recipient agencies. The value of the commodities received by an NSLP school or RCCI is determined by this formula: total meals x rate of assistance = value of commodities. An increase in the "rate of assistance" would be one way of putting public funds where they are needed the most (i.e. feeding children).

The Emergency Food Assistance Program (TEFAP): This program distributes USDA-donated food to needy households statewide. Because of the current economic situation, increased funding would help overloaded food bank contractors deal with the escalating demand for food.

Commodity Supplemental Food Program (CSFP): Distributes nutritionally-balanced food boxes to women, infants, and children and elderly persons. Only 32 states participate in the program. Increase CSFP funding in a manner that enables all states to participate and to distribute food in every area of each state where the program is needed.

Food Safety and Agricultural Health: A key role for government to play in the future vitality of Texas agriculture is in enabling the sector to best protect consumers and itself from threats to either the safety of our food supply or the health of or agricultural production system. Consumer confidence in our food safety is one of the most valuable assets Texas agriculture possesses. Likewise, the ability to continue producing the safest and most affordable food supply in the world depends heavily on protecting our system against animal and plant health threats. The answer is not more regulation, but instead a respect for the current regulatory framework and a recognition of the fact that our food industry has a tremendous incentive and respect for implementing their own best practices. Government's role is in enabling and ensuring this activity through collaborative goal setting, coordination and assistance.