

Approved: Eugene H Shore 2-15-93
Date

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Eugene Shore at 9:04 a.m. on February 5, 1993 in Room 423-S of the Capitol.

All members were present except:

Committee staff present: Raney Gilliland, Legislative Research Department
Jill Wolters, Revisor of Statutes
Kay Johnson, Committee Secretary

Conferees appearing before the committee: Donn Teske, Wheaton, KS
Scott Conder, Erie, KS
Alvin Bauman, Sabetha, KS
Bill Freeman, First National Bank, LeRoy, KS
Kathy Collmer, Minneapolis, KS
Don Honig, Nemaha County
Don Sailors, Erie, KS
Bryan Schulz, Fair, KS
Don Webb, North Carolina
Jack Cheyney, Chanute, KS
Stan Whelan, St. Paul, KS
John Morrissey, Holton, KS
Jan Kimbrell, Netawaka & Whiting United Methodist Church
Brian Harris, Kansas National Farmers Organization
Raye Sprague, Kansas Swine Growers Association
Roger Fuller, Augusta, KS
Cale Tredway, Erie, KS
Shelly Tredway, Erie, KS

Chairman Shore called the meeting to order and continued hearings for opponents on **HB 2069: Allows corporate swine production facilities to operate in Kansas.**

Donn Teske, farmer, Wheaton, KS, attachment #1, described his tours of corporate farms in other states and the lack of pride he encountered and the cramped living arrangements. However, in Wyoming he found ranchers with the attitude "I may not be getting rich, but it's mine." He feels this is the attitude we will lose with corporate farming.

Scott Conder, farmer, Erie, KS, attachment #2, said if you would give small producers the same incentives as corporations, they would produce enough hogs to attract a packing plant.

Alvin Bauman, Sabetha, KS, attachment #3, presented a petition against corporate farming. He discussed the decline in buying power and the stability provided by small independent businesses.

Bill Freeman, Owner, First National Bank of LeRoy, KS, attachment #4, expressed his concern over the number of rural bank failures. Corporate farming will benefit a small area, but not the whole state. There needs to be consideration given to the way of life in rural communities.

Kathy Collmer, farmer, Minneapolis, KS, attachment #5, cited statistics showing the loss of hog farmers in North Carolina and said corporate farming drives small, independent producers out of business. Mrs. Collmer also described the negative effects of an economy based on low wage jobs and used Garden City as an example of a community dependent on packing plant jobs.

Don Honig, farmer, Nemaha County, attachment #6, said corporate farming would be a non-issue if corporations were not provided with attractive incentive packages.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE, Room 423-S Statehouse, at 9:04 a.m. on February 5, 1993.

Don Sailors, farmer, Erie, KS, attachment #7, asked committee members to consider what is best for Kansas regarding the rural economy, environmental issues and what happened in the broiler industry.

Bryan Schulz, feed salesman, Fair, KS, attachment #8, doesn't believe corporations will buy feed locally, from him, and he will be out of a job.

Don Webb, President, Alliance For A Responsible Swine Industry, North Carolina, stated that as a former hog farmer he can attest to the fact that all is not rosy in North Carolina. Many counties are getting organized to force corporate hog farmers to be safe employers and to practice adequate environmental controls. He said the corporations did not provide jobs, spend money locally or provide a good market for hogs, as promised.

Jack Cheyney, farmer, Chanute, KS, attachment #9, said corporations do not have the devotion, sacrifice, dedication and commitment of family farmers and corporate hog operations will virtually wipe out the family owned and operated farm.

Stan Whelan, farmer, St. Paul, KS, attachment #10, said corporate giants will produce hogs in mass quantities which will increase supply and lower the price on hogs. Family farms should not be expected to compete with corporate farms.

John Morrissey, Senior Vice-President, Kansas State Bank, Holton, KS, attachment #11, expressed concern over corporate promises to provide employment, stimulate the local economy, stimulate competition and increase family farm production.

Discussion followed. Chairman Shore, citing Continental Grain, said they are a corporate example in the beef industry in Kansas that has hired locally for middle management positions and has also hired local veterinarians.

Jan Kimbrell, Pastor, Netawaka United Methodist Church and Whiting United Methodist Church, attachment #12, described the struggling communities of Whiting and Netawaka and said the church supports programs to benefit the resident farmer rather than the factory farmer.

Brian Harris, Vice-President, Kansas National Farmers Organization, Walnut, KS, attachment #13, said that a decrease in the number of hog producers may be the trend, but it is not their destiny. Expansion will take place if family pork producers have the support of the government of Kansas.

Raye Sprague, Kansas Swine Growers Association, farmer, Allen County, KS, attachment #14, said Kansas should take a close look at states that have gone the corporate route and specifically cited North Carolina. Quoting from SOUTHERN EXPOSURE magazine (included in attachment #14), she said corporate owners treat raising hogs as just another financial investment. Corporate farming sets up a local monopoly which discourages competition.

Roger Fuller, farmer, Augusta, KS, attachment #15, believes that corporate farming is a monopoly and that Kansas producers are showing and proving they are capable of meeting packer and consumer demands.

Cale Tredway, farmer, Erie, KS, attachment #16, said the cattle feeding industry has been beneficial, but at the cost of many small family run feedlots.

Shelly Tredway, farmer, Erie, KS, attachment #17, spoke, as a mother, of the importance of the family farm.

Corporations will force young farmers to seek other employment and deny them the choice of country life and small community atmosphere.

Written testimony from the following was submitted to the committee:

Rodney Wallace, Erie, KS, attachment #18

Wendell Collins, Erie, KS, attachment #19

Robert Campbell, Erie, KS, attachment #20

Louis Thompson, Erie, KS, attachment #21

Randy Steeves, Exchange State Bank, St. Paul, KS, attachment #22

Joseph Smith, Erie, KS, attachment #23

Jack Whelan, St. Paul, KS, attachment #24

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE, Room 423-S Statehouse, at 9:04 a.m.
on February 5, 1993.

Marion Page, Erie, KS, attachment #25
Countryside Farm And Home, Parsons, KS, attachment #26
Mark Clevenger, Erie, KS, attachment #27
H. Wayne Wigger, Producers Cooperative Assoc., attachment #28
Joyce Wolf, Kansas Audubon Council, attachment #29
William Craven, Sierra Club, attachment #30
Ivan Wyatt, Kansas Farmers Union, attachment #31
John Stitz, Catholic Rural Life, attachment #32

The meeting adjourned at 10:45am. The next meeting is scheduled for February 9, 1993.

From Donn Teske
17925 Golden Belt Road
Wheaton, KS 66551
(913)396-4542

To: Members of the House Ag Committee

In reference to Corporate Farming Issue

Hello:

My name is Donn Teske. I am here today not representing anyone but myself. I have feelings about this issue I would like to present.

My wife and I operate a 65-cow dairy in Pottawatomie County, although not large it is about maximum for a family dairy. Last year our dairy sold more than \$150,000 worth of milk. I like to think of our dairy like a small business, and our small business generated this much cash that all came back to our community; the feed man, bank, grocer, hardware, etc. If the corporate dairy comes into Kansas, a 1,000-cow dairy could replace 15 dairies my size, the check going back to corporate headquarters, and being distributed wherever the best deal can be made in the country. I personally question whether this is the best long-term economic development for Kansas.

Having in past years been active in an organization that allowed me to travel quite a bit of the United States, I have seen the Turkey Farms in Virginia and the lack of pride in the operators' faces and surroundings. I have toured the 2,000 cow dairy in Utah and when questioning the help about something on the farm, finding out that none of them spoke English. I have seen the very small camper that 5 of them shared, sitting beside the multi-million dollar dairy. I have also seen the pride of the Wyoming rancher, and his "I may not be getting rich but it's mine." attitude. I could not sit idly by and not do what I could to have a Kansas with a chance "to make it" for my children now growing up. I am not raising my children to be corporate employees, but rather with the grit and pride that it takes to succeed and excel in life.

Finally, when I started dairying seven years ago I had the luck to meet a gentleman, now deceased, who had milked for thirty years. He considered his herd his legacy, and was willing to sell to me at below market prices to keep his legacy continuing. Visiting with him he told me that what he wanted in life was a comfortable living, a good herd to be proud of, and to leave his land better than when he got it. He felt his life was a success. That is what we lose with corporate farming.

Donn Teske

HOUSE AGRICULTURE
2-5-93
ATTACHMENT #1

I'm Scott Conder from Erie, Kansas. I'm 18 years old. I'm a partner in a 30 sow farrow to finish operation, with a custom combining operation on a local bases. I'm the Vice President of our local organization and a member of the Kansas Swine Growers Association.

I'm a young producer who is planning to expand, but as long as the issue of corporate farming is around we're not wanting to expand because if vertically interrogated swine operation are allowed in the state we won't be able to compete with them.

I depend on the hog operation to pay for my tuition to college and they also help pay the bills.

If dollars are the issue ALL the profits from the corporation will go back to corporate headquarters wherever that may be. Plus the environmental issue of the waste from those facilities concentrated in one area.

If the local producer goes out of business many other people will go out of business also, such as feed salesman, grain elevators (that sale grain to the small producer), and many small downtown business will go under also.

Thank you for your time.

HOUSE AGRICULTURE
2-5-93
ATTACHMENT #2

Thank you Mr. Chairman and members of the committee. I appreciate the time for me to make a few remarks.-- To make a point I need to go back for a time in history. If you will study the Federal Congressional records of the late 1930th. The late Carl Wilkens had presented a chart that showed if Raw Material was priced at 100% it produced a 1-1-7 record or \$1.00 for raw material meant \$1.00 for labor and \$5.00 for National income. With these figures, with the late Great Sen. Arthur Capper's help the Stabilization Act was passed that agriculture prices could not go below 90% of parity nor over 110% of parity. Labor wages was controlled in comparison. This act took effort in 1942 and expired in 1950 when Pres. Truman signed that the World War II was over. In this period a war was fought and from 1946 to 1952 we not only had a balanced Federal Budget but a surplus to pay off on the National debt. So read your Congressional record, under parity the Greedy importers didn't have a market for their slave labor imports and wanted Congress to do away with parity and lower imports. According to records the late Sen. Capper made this statement. Quote "the buying power of rural America is the motive force that keeps factory wheels turning. Take that away, and many an industrial center would become a ghost town." But the Greedy prevailed in Congress, parity was dropped, the control of wages and prices expired. Now a lot of history should be told here but to make this brief I shall just make a few points. In 1950 a dollar was worth a dollar, people were happy, the jails weren't full, yes it took 25 cents of the dollar to buy food and 25 cents of that dollar to pay taxes, now, according to NORM, in 1989 it took approx, 18 cents of that dollar to buy food but 59 cents of that dollar to pay taxes and our Federal deficit growing every minute. Our jails are full, the family farms and small rural communities slowly dying, the population unrestful they know that's something is wrong. Now what has that got to do with Corporate Hog Farming? Everything. Record prove that in the 1942 to 1952 when the dollar was a dollar, we didn't have Corporate control, there was prosperity and the population happy. Congress sold out to Big Corporations, they are ruining our Nation because Congress has not followed our constitution to provide all² equal opportunity. No, we cannot correct Congress mistake, But the Kansas Legislature and Governor can keep Corporate farming out, help preserve the family farmers which in turn will help the rural communities of Kansas with a few extra buying power dollars. Lets love our NEIGHBOR as our selves.

Alvin Bauman
Alvin Bauman

HOUSE AGRICULTURE
2-5-93
ATTACHMENT #3

ONE OF THE MAIN REASONS THAT CANADIAN AGRICULTURE IS HAVING PROBLEMS IS BECAUSE THE CANADIAN DOLLAR HAS LOST ITS BUYING POWER.

CANADIAN FARMERS ARE NOT GETTING THEIR FAIR SHARE OF THE MARKET.

C.I.B.C. ECONOMICS DEPT. TORONTO, PROVIDED US WITH THESE FIGURES;

THE BUYING POWER OF THE CANADIAN DOLLAR WAS 100¢ IN 1950

IN 1971 IT WAS .60¢ AND IN 1991 HAD SLIPPED TO 15¢

THIS MEANS THAT IN 1991 IT TOOK \$6.64 TO BUY WHAT TOOK \$1.- IN 1950

THE AVE. PRICE FOR SOYABEANS IN 1971 WAS \$2.96 P/Bu

" " " " " " 1991 " \$6.15 P/Bu.

THE AVE. PRICE FOR GRAIN CORN IN 1971 WAS \$1.15 P/Bu.

" " " " " " 1991 " \$2.68 P/Bu.

IN 1971 DOLLARS THE PRICE FOR SOYS IS \$1.53 AND CORN \$.67 P/Bu.

FOR 1991 CROP

U.S. CENSUS BUREAU CHANGE IN KANSAS FARM
RESIDENTS, BY COUNTY

COUNTY	1980	1990	LOSS	% LOSS
ALLEN	1,942	1,254	688	35.4%
ANDERSON	2,432	1,593	839	34.5%
ATCHISON	2,333	1,551	782	33.5%
BARBER	1,062	776	286	26.9%
BARTON	2,129	917	1,212	56.9%
BOURBON	2,130	1,298	832	39.1%
BROWN	2,524	1,742	782	31.0%
BUTLER	3,423	2,638	785	22.9%
CHASE	831	576	255	30.7%
CHAUTAUQUA	963	529	434	45.1%
CHEROKEE	2,199	1,396	803	36.5%
CHEYENNE	1,012	493	519	51.3%
CLARK	479	270	209	43.6%
CLAY	2,059	1,627	432	21.0%
CLOUD	1,573	862	711	45.2%
COFFEY	1,995	1,207	788	39.5%
COMANCHE	561	281	280	49.9%
COWLEY	3,068	1,868	1,200	39.1%
CRAWFORD	2,593	1,935	658	25.4%
DECATUR	1,138	806	332	29.2%
DICKINSON	3,171	1,593	1,578	49.8%
DONIPHAN	1,773	1,100	673	38.0%
DOUGLAS	2,244	1,716	528	23.5%
EDWARDS	756	310	446	59.0%
ELK	872	553	319	36.6%
ELLIS	1,618	847	771	47.7%
ELLSWORTH	1,194	778	416	34.8%
FINNEY	1,076	876	200	18.6%
FORD	1,720	822	898	52.2%
FRANKLIN	2,668	2,067	601	22.5%
GEARY	876	558	318	36.3%
GOVE	1,358	518	840	61.9%
GRAHAM	923	391	532	57.6%
GRANT	571	269	302	52.9%
GRAY	1,431	767	664	46.4%
GREELEY	362	140	222	61.3%
GREENWOOD	1,462	1,138	324	22.2%
HAMILTON	358	211	147	41.1%
HARPER	1,320	700	620	47.0%
HARVEY	2,571	1,739	832	32.4%
HASKELL	853	190	663	77.7%
HODGEMAN	811	339	472	58.2%
JACKSON	2,949	1,972	977	33.1%
JEFFERSON	2,604	1,985	619	23.8%
JEWELL	1,475	1,088	387	26.2%
JOHNSON	1,604	963	641	40.0%
KEARNY	570	479	91	16.0%
KINGMAN	2,343	1,186	1,157	49.4%
KIOWA	679	356	323	47.6%
LABETTE	2,837	1,772	1,065	37.5%
LANE	520	243	277	53.3%
LEAVENWORTH	2,632	2,182	450	17.1%
LINCOLN	1,306	629	677	51.8%
LINN	1,845	1,219	626	33.9%

	1980	1990		
LOGAN	521	341	180	4.5%
LYON	2,578	2,022	556	21.6%
MARION	3,609	2,191	1,418	39.3%
MARSHALL	3,288	2,020	1,268	38.6%
MCPHERSON	3,141	2,398	743	23.7%
MEADE	860	306	554	64.4%
MIAMI	2,974	2,060	914	30.7%
MITCHELL	1,299	650	649	50.0%
MONTGOMERY	2,513	1,387	1,126	44.8%
MORRIS	1,635	967	666	40.7%
MORTON	177	157	20	11.3%
NEMAHA	3,505	2,717	788	22.5%
NEOSHO	2,261	1,296	965	42.7%
NESS	1,044	592	452	43.3%
NORTON	1,073	592	481	44.8%
OSAGE	2,523	1,915	608	24.1%
OSBORNE	1,089	660	429	39.4%
OTTAWA	1,225	613	612	50.0%
PAWNEE	1,129	668	461	40.8%
PHILLIPS	1,223	848	375	30.7%
POTTAWATOMI	2,312	1,464	848	36.7%
PRATT	1,278	553	725	56.7%
RAWLINS	1,490	924	566	38.0%
RENO	4,157	2,243	1,914	46.0%
REPUBLIC	2,199	1,500	699	31.8%
RICE	1,585	562	1,023	64.5%
RILEY	1,522	986	536	35.2%
ROOKS	830	641	189	22.8%
RUSH	916	477	439	47.9%
RUSSELL	877	430	447	51.0%
SALINE	1,751	708	1,043	59.6%
SCOTT	568	223	345	60.7%
SEDGWICK	4,305	2,734	1,571	36.5%
SEWARD	410	412	(2)	-0.5%
SHAWNEE	2,426	1,543	883	36.4%
SHERICAN	1,050	490	560	53.3%
SHERMAN	936	514	422	45.1%
SMITH	1,672	1,038	634	37.9%
STAFFORD	1,086	552	534	49.2%
STANTON	354	299	55	15.5%
STEVENS	690	331	359	52.0%
SUMNER	3,545	2,556	989	27.9%
THOMAS	1,089	792	297	27.3%
TREGO	1,170	598	572	48.9%
WABAUNSEE	1,775	1,199	576	32.5%
WALLACE	619	354	265	42.8%
WASHINGTON	3,067	1,699	1,368	44.6%
WICHITA	717	418	299	41.7%
WILSON	1,779	1,277	502	28.2%
WOODSON	1,108	698	410	37.0%
WYANDOTTE	153	151	2	1.3%

	172,901	108,083	64,818	37.5%

PETITION AGAINST CORPORATE FARMING

We, the undersigned, knowing that the family farmers and small rural communities are what made Kansas and all rural communities great. Foresee that Corporation farming of any kind will destory the family farmers and rural communities. THEREFORE: Corporations, hog, cattle, dairying nor any kind of corporations in Agriculture should be outlawed. BE IT FURTHER RESOLVED: We asked the Kansas Legistator and the Governor of Kansas not to pass any authorization to permit Agriculture Corporations in Kansas.

NAME

ADDRESS

NAME	ADDRESS
Harold W. Meyer Jr. Verlas Meyer	Sabetha, Kansas Sabetha, Ks.
Marvin Gierz Allen Gierz	Sabetha Kansas Sabetha Ks.
Elmer J. Bressing	Baileysville Kans.
Roberta Gierz	Sabetha, Kansas
Duane Gierz	Sabetha, Kansas
Gladys Smith	Sabetha Ks.
Larry Bruning	Wetmore, Ks.
Louis W. Van Lee Noz	Wetmore Ks. Wetmore Ks.
Leonard Looking	Wetmore Ks.
Urban Hand	Wetmore Ks.
Raymond Patton	Wetmore Ks.
Lawrence Dwert	Wetmore Ks.
Henry Messer	Wetmore Ks.
Virgil McClain	Wetmore Ks.
George B. Megemier	Wetmore Ks.
Les W. Rankins	Wetmore Ks.
Melvin Swart	Wetmore Ks.
Ed Hermerch	Wetmore Ks.
Don Perry	Wetmore Ks.
Raymond Hauls	Wetmore Ks.
Wallard Hill	Wetmore Ks.
Steven B. Berman	Wetmore Ks.
James Jr. Henry	Goff Kans.
Timothy D. Henry	Goff, Ks. 66428
Calvin Mahoy	Goff Kans.
Ray Hollauer	Wetmore, Ks.
Dennis Nicholas	Goff, Kansas
Edwin Nicholas	Goff Kansas
Russell Nicholas	Goff Ks.
Jane Nicholas	Goff Ks.
Emma Spurlage	Orinda Ks.
Maryann Spurlage	Orinda, Ks.
Steven Spurlage	Orinda Ks.
Ernest Spurlage	Orinda, Ks.

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NAME

ADDRESS

NAME	ADDRESS
Miss Wilson	222 50 8 th Sabetha
Clay Cages	6 main Sabetha
Low Rumbaugh	Rt 1 Marcell Ks.
Leroy Swain	A.R.1 Bern Ks.
Eleanor Hewitt	Rt 4, Bx 32, Sabetha, Ks 66534
Arvid Hewitt	122 S. WASHINGTON, SABETHA, KS 66534
Paul L. Sawyer	322 & 6 th Sabetha Ks 66534
Lester Martz	Rt Box 5 Bern Ks
Joseph Popkey &	609 N 13 Sabetha
Wm. G. G. G.	1606 Summ St Sabetha, Ks
George F. Tamm	Box 5 Sabetha Ks.
Edward Lehman	Sabetha Ks
Don Moxley	Sabetha, Ks
Harold L. Ement	Sabetha, Kansas 66534
Dean F. Ferguson	Sabetha Ks 66534
Ch. Hawler	615 South 11 St Sabetha, Kans
Regemary Barber	623 Jefferson Sabetha Ks. 66534
Harry Plattner	Sabetha, Kansas 66534
Maurice Probst	W. 2 nd St Kansas 66550
Elwin Strain	Sabetha Kansas 66534
Richard D. Taylor	720 S. Washington Sabetha Ks 66534
Earl Meyer	331 S 1st Sabetha, Ks 66534
Eileen Lehman	306 S. 6 th St Sabetha, Ks 66534
Al Johnson	RR1 Box 51 Severance Ks 66081
Junior Hottel	Box 750 Astell Ks 66403
Bernard Simonberg	Rt 1 Astell, Ks 66403
Edon Herby	Sabetha, Ks 66534
David H. Schuster	Sabetha Ks 66534
Jeff McLeske	Fairview Ks. 66425
Scott Mavis	Sabetha Ks 66534
Mr & Mrs George Strube	Powhattan Ks 66527 9801
Harold W. Bauer	Sabetha, Kans. 66534
Mary E. Bauerle	Sabetha, Kansas 66534
Wilma Tyler	Sabetha Kansas 66534
George J. Hallister	Sabetha 66534 36

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NAME	ADDRESS
Don Sienkavage	Oreida, Ks
Keith L. Fran	Oreida, Ks
Elaine Kraus	Oreida, Ks
Daniel Byman	Sabetha, Ks
Paul D. Dorely	Sabetha Ks
Brian L. Johnson	Sabetha Ks
John D. Harnell	Bern, Ks
John Boyce	Sabetha Kansas
Dave Boyce	Sabetha, Kansas
Richard Mullain	Sabetha Kansas
Frank R. Kozmann	Sabetha, Kans.
James E. Painter	Sabetha Kans.
Loren Bauman	Sabetha Kansas R4 Box 126
Karen L. Bauman	Sabetha, KS, R#4 Box 126
Donald Fortsch	Bern Kans Box 116
Douglas J. Enneking	Bern, Ks
Bob Enneking	Bern, Ks. 66408
John Koder	Bern Ks 66408
Dean Yorker	Bern Ks 66408
Rex Farwell	Seneca Ks 66538
Terry Farwell	Seneca, Ks 66538
E. Meier	Bern Ks.
Ray Hufford	Seneca Ks
Bob Hufford	Bern Ks
Jim Hufford	Bern Kansas.
John Haug	Seneca Ks
Linda Haug	Seneca, Ks
Paul Kilinger	Seneca Ks.
Karen Kilinger	Seneca, Ks.
Theresa Sudbeck	Seneca Ks
John J. Sudbeck	Seneca Ks.
Wayne Rottlinghaus	Seneca, Ks.
Marilyn Rottlinghaus	Seneca, Ks.
Beth Weiss	Seneca Ks.
Richard C. Sizoo	Seneca Ks
Walter Haug	Seneca, Ks.

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NAME

ADDRESS

Alvin Barrows	209 S. 14th, Sabetha, Ks.
Enter Harter	1217 Meadowlark Lane, Sabetha Kansas
Julius + Emma Waterman	Box 56 Bern Kansas
Betty Trunk	Box 144 Oneida, Ks.
Terry + Alberding	113 E Maple Fairview KS
Raymond Grand	Oneida Ks.
Linus G. K. [unclear]	Oneida Ks. 66522
George [unclear]	Fairview Kansas
Alvin Plaman	Hiawatha Kans.
Emerson [unclear]	Sumner, Mo
Edward Meyer	Fairview Kans
John Meyer	Hamlin Kans
O. I. Dale	Hiawatha Kans
Irving D. Dierking	Fairview, Ks
Richard E. Binger	Crystal, Ks
James A. Mohr	Sabetha, Ks
Donna Witt	Sabetha, Ks
Leona Snyder	Sabetha, Ks.
Mila Snyder	Sabetha, Ks.
Robert Schumann	Sabetha, Ks.
Doug D. Benz	Wetmore Ks
Bunda Henry	Wetmore, Ks
Mr + Mrs E. H. Ketter	Sabetha Ks
2 Mrs + Mrs Leo Burch	Sabetha Ks
2 Mrs + Mrs Roger Greig	Sabetha Ks.
Lawrence Shump	Sabetha, Ks.
Wesley Dursing	Hiawatha KS
Mr + Mrs Glenn Ellinger	Powhattan, Ks
Joe + Ruby	Sabetha Ks.
Thomas Panyer	Sabetha Ks.
Legun W. J. Kert	Sabetha, Ks
Gerry G. Cox	Sabetha, Ks
Nancy A. Cox	Sabetha, Ks.
Eril Spelling	Fairview, Kans.
Don Dunsland	Fairview, Ks
Ruston [unclear]	Sabetha, Ks.
Rick L. Lukut	" "

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NAME

ADDRESS

Lynn Wickman	Rt 2 Seneca, Ks. 66538
Jody Kuebelman	Atell Kansas 66403
Clitus Haverkamp	Seneca Ks
Van Volynans	Baileville KS 66404
Ruby Brantner	Baileville KS 66404
Daniel Wenzel	Seneca Ks 66538
Thomas G. ...	Summerfield KS 66541
Ed Smith	ATTELL KS
Keith Albrecht	Seneca KS
Daniel ...	Seneca, Ks.
Roger ...	Berry, Ks
Wanda ...	Senecaville KS
Michael Barnes	Vermillion KS
William H. Haverkamp	Seneca Ks.
John ...	Blaine KS
Mark ...	Blaine, KS
James ...	Seneca, Ks
Stan ...	Seneca Kansas.
Bruce ...	Seneca
Alice ...	Seneca
Bryan ...	Berry, Kan
Don ...	RT. 1 Box 77 BERN. Ks.
Stacy ...	422 N 11th Latheta Ks 66538
Daniel ...	Rt 1 Box 104 Fairview, KS 66425
...	RR 2 Seneca, Kansas
...	Seneca, Ks
...	CORNING KS
...	Seneca Ks.
...	Soft ...
...	Latheta Kansas
...	Centrodia KANSAS

February 5, 1993

Brief outline of testimony to House Agriculture Committee.

by

Bill Freeman, Owner of The First National Bank of LeRoy, Kansas

A. Is change for the best?

1. Similarity between small banks and the farm hog operator.
2. Change is coming; is it better?
 - a. Community involvement
 - b. Farms of the 30's & 40's
 - c. Way of life in small communities
 - d. Shifting of population

B. Big corporations

1. Management
2. Are they beneficial
3. Do we really need them?

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2-5-93
ATTACHMENT #4

Statement to the House Agriculture Committee

February 5, 1993

by Kathy Collmer, Minneapolis, Kansas

My husband and I farm in Ottawa County in north central Kansas. Although we do not raise hogs ourselves, I have a very deep concern about how corporate hog farming will hurt all rural Kansans. We need only look at the experience of other states that have allowed corporate farming to see what a disaster it would be.

The simple fact is: Corporate farming drives smaller, independent producers out of business. From 1985 to 1991, as corporations took over more and more of the hog production in this country, the U.S. lost 35.2% of its hog producers. Kansas fairly well followed the national average, losing 32.5% of its hog farmers during that time. But consider this: North Carolina, one of the first states to allow corporate hog farming and now the #1 corporate hog-producing state in the nation, lost a whopping 51.1% of its hog farmers! In other words, North Carolina, where corporate farms dominate hog production, lost hog farmers at a rate 45% higher than the national average. Compare that to Nebraska, which has the toughest anti-corporate farming restrictions in the country. During the same time period, 1985-1991, Nebraska lost only 10.7% of its hog farmers--less than a third of the national average.¹

We need strict anti-corporate farm laws if independent farmers--and the rural communities that they support--are to survive. A study by a senior economist on Congress' Joint Economic Committee² shows that if we project the current trend lines, there will be no farmers left in America by the year 2020! While we are unlikely to hit absolute zero, this gives you an idea of the direction we're headed.

Of course, the people who are pushing corporate farming don't say they're out to destroy farm families, and a lot of them genuinely don't realize that that's what they're doing. What they say is that they're going to "create jobs." Let's stop and think a minute about what kind of jobs they're talking about. What kind of work would you prefer? Would you rather own and manage your own farm--which means working at a variety of tasks, being your own boss and running your own business--or would you rather work at a hazardous job in a corporate hog factory with low pay, no control, no ownership, poor benefits, and high risks to your health and safety?

And what does it do to a community when it becomes dependent on these kinds of jobs? We don't have to look any further than Garden City, Kansas. A report in the Kansas Business Review documents the tremendous problems Garden City is dealing with as a result of the expansion of the meatpacking industry there.³ After the IBP and ConAgra plants opened up in the early 1980s, Garden City's population grew by a third in only five years, largely because of the Latinos and Southeast Asian immigrants who moved in to fill these low-wage jobs.

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Normally, you'd expect that the increase in the local payroll would increase demand for goods and services, which would translate into greater profits for local businesses and the creation of additional jobs through the multiplier effect. But that only works if the jobs pay decent wages. A large increase in low-wage jobs has the adverse effect of creating additional demand for social services such as food banks and welfare payments, since even full-time wages from very low-paid jobs fail to lift families over the poverty line. The schools in Garden City have not been able to expand fast enough to accommodate all the new immigrants--in addition, they need extra funds for bilingual education and other social services. There have been housing shortages and huge strains on the health care system.

Basing economic growth on low-wage industries does not help spur the economy. Instead, a low-wage job creation strategy reduces relative income level. Finney County's per capita income has in fact declined relative to the rest of the state. Living conditions have deteriorated and municipal resources are inadequate to cope with the problems. The housing shortage resulted in construction of a huge mobile home park which by 1988 contained nearly one-tenth of the total population of Garden City. The mobile homes can not be added to the city's tax base, yet the residents still require tax-funded services such as schools and fire and police protection.

During the 1980s, as the packing plants expanded and more and more newcomers moved into the city to work there, violent crimes in the county nearly doubled. Confirmed cases of child abuse more than tripled. The admissions rate from the county to the Larned State Hospital for psychiatric and alcohol-related care more than quadrupled. In 1987, the county had the second highest birth rate in the state, yet it was the only county in Kansas in which less than 50 percent of women received adequate prenatal care. One fourth of the women who gave birth at the county's only hospital had received no prenatal care whatsoever.

While Garden City may be an extreme case, it nevertheless is a good illustration of what happens when communities base their economies on low-wage jobs. Demand for tax-funded social services increases even while the tax base itself is shrinking. The tax base shrinks even more when communities and states attract corporations by giving them outright gifts of millions of dollars in grants, tax abatements and income tax credits. The hog-processing plant in Guymon, Oklahoma, is soaking the city of Guymon and the state of Oklahoma for tens of millions of dollars in the form of wastewater-treatment facilities, highway improvements, sales tax revenues, state income tax credits and an ad valorem tax abatement for 25 years.

All of us farmers out here are taxpayers too. We don't want to see our hard-earned tax money going to the very corporations that are putting us out of business! Beyond that, all the taxpayers of Kansas suffer when we give free handouts to corporations that then turn around and ship their profits out of the state. Worse yet, what's to keep a corporate hog facility from taking advantage of tax abatements until the abatement period expires--after ten years, or whatever--then packing up and moving someplace else--wherever some other state or community will offer them

free incentives? That seems especially likely if we're talking about southwestern Kansas, where the water supply from the Ogallala Aquifer will be considerably depleted a decade from now. The packers already out there use between 400 and 450 gallons of water per head of cattle slaughtered and processed.³ The figures will be on the same order of magnitude for hogs.

To close, I'd like to cite a statement from Mark Drabenstott, an economist and vice-president of the Federal Reserve Bank of Kansas City.⁴ In a speech last year to the Iowa Agricultural Bankers Association, he said that the shift to larger and larger farming operations will widen the gap between the "haves" and the "have-nots" in rural America. Speaking as a rural Kansan, a consumer, a taxpayer, and an active member of my own community, I must tell you that we simply cannot afford to let that gap get any wider.

Thank you.

References

1. U.S. Department of Agriculture (USDA) figures cited by Marty Strange in the Center for Rural Affairs newsletter, November 1992.
2. Stew Smith, "'Farming'--It's Declining in the U.S.," Choices (magazine published by the U.S. Department of Agriculture), First Quarter 1992, pp. 8-10.
3. Michael J. Broadway and Donald D. Stull, "Rural Industrialization: The Example of Garden City, Kansas," Kansas Business Review, Vol. 14, No. 4, Summer 1991, pp. 1-9.
4. "Transition in Rural Economy Weeds Out Farms," Successful Farming, August 1992, p. 66.

Good morning! My name is Don Honig. My family and I reside in rural Nemaha County. My father, my brother-in-law, and I operate a small diversified family farm partnership mainly in Pottawatomie county. We raise wheat and row crops, cattle, and run a 100 sow farrow-to-finish operation. On a typical year, approximately one half of our farm income is generated by the swine enterprise. Needless to say, this issue of corporate hog farming in Kansas hits very close to home.

Within our state, there is an urgent need to revitalize our farm and rural economies. Many, if not most, of the small communities that I'm familiar with are in need of some kind of economic stimulus. But legislation such as this, that opens the borders of Kansas to corporate hog farms, simply is not the answer.

Hog production is vital to the cash flow of many small farms, such as ours. Hogs are our way to add value to the grain crops that we produce. Even one large corporate farm in our area could disrupt the local markets, even if only temporarily, enough to send small farmers out of business. Competition at local buying stations is already close, and often it is difficult to find a buyer who hasn't already filled his quota. The added competition of another large farm can only complicate things further.

If huge corporate farms are enticed into our state some towns will be big winners, enjoying an increase in jobs and an economic boost. However most small towns may feel like losers, if the area farmers are no longer there to patronize businesses, conduct their business at local banks, or purchase feed and supplies locally. Bill Flemming, editor of National Hog Farmer stated in the August edition, "If huge corporations raise all the hogs - it may be a death sentence for thousands of small towns!" Livestock production is essential to the economies of small towns, because without it most small communities couldn't hold a population large enough to keep the mainstreet shops open.

Everyone involved in agriculture during the last twenty years has had the term "efficiency" thrown at them constantly. We have been told to be more efficient, to cut costs to increase efficiency, and to operate efficiently to survive.

However, this is not just an issue of who is more efficient, the individual or the corporation. If we were talking about corporate farms paying the same interest rates, the same levels of taxes, the same costs for feeds and grains and other essentials, as the individual pork producer, I wouldn't be here today, because this would be a non-issue. Very few corporations would be interested in working with such narrow profit margins or riding the highs and lows of the live hog market. The corporate hog farm will gain its efficiencies through tax incentives, ties to grain trading or breeding stock companies, and contractual or vertically integrated marketing, all of which tend to eliminate competition from small independent producers, such as I.

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I understand that you have heard testimony from economists who said that it really doesn't matter, that the small independent hog farmer is a thing of the past and they will all go out of business sooner or later anyway. It has been said that we need corporate hog farms in Kansas in order to bring processing plants and the jobs they will create into our state. And that farmers may actually benefit by higher prices if the processors come in. I don't profess to be an economist or a marketing guru, but it seems that this discussion is just another example of the mistakes that we have made in agriculture time and time again. We expect to increase prices by producing more and more, and then hope to find a market for what we have produced. Unfortunately this time the mistake could mean the end to a lot of hog producers.

Doesn't it make more sense to provide incentives for packing companies to build processing facilities in our state, or to give assistance to small processing plants to help them build interstate markets, without "giving away the store" to corporate farming?

Given a reasonable market incentive, I believe most of the independent hog farmers, especially young producers such as myself, would gladly jump at a chance to expand facilities, to hire more labor, and to upgrade and replace equipment. I challenge any processor who says that there aren't enough hogs raised in Kansas to keep a plant open, to offer a dollar and a half more than his competitors. Chances are, that plant would have to run a third shift just to keep up with supply. Given a consistent demand the Kansas pork producers could and would gladly fulfill it. But adding to the supply of pork produced without an increase of demand to offset the harsh corporate farm competition would be the doom of the small producer.

Some may feel that the family farm is a relic from a by-gone era, an old piece of equipment that we can afford to park out in the back fencerow because it's not needed any more. But many Kansans, including my wife, Kathy and I, chose to farm because we want a rural life and a better place to raise our family. No, we're not making a fortune, but we have a reasonable chance of making a living in the best of all possible working environments.

Hog production has traditionally been the way that beginning farmers could get their start in business. It is one of the few agricultural pursuits that are still available to a young person who doesn't have a small fortune to invest. If corporate farm competition takes that option away, many young families may not have the same opportunity that we did. And that would be a shame.

To: Kansas House Agri Committee:

I am a partner in a father, son, and wife operation in southeast Kansas. We are presently maintaining a 200 sow confinement farrow to finish hog operation, plus a 75 cow beef herd. We started out with 12 sows in 1956 and have gradually increased to present numbers.

I am against relaxing the present corporate farm law, and think that the House Resolution #5005 should be pursued.

As committee members representing the Agri sector, you should challenge yourselves to the following:

1. What is best for the rural economy of the state of Kansas? For instance, do large, mega corporate hog operations with out-of-state capitol contribute as much to Kansas towns and businesses as several smaller privately owned operations?
2. Is the environmental issue being addressed if mega hog operations are allowed to operate in Kansas? For example, it seems to me that many privately owned operations would create a lesser environmental problem.
3. Are we building a fence around Kansas by not allowing Corporate Hog operations? I don't think so! We have numerous young persons who are interested in swine production but will not enter or expand operations if faced with competition from mega hog operations who could gobble up the market and they would have no place to sell their

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product. This fact has already become truth in the broiler industry.

In closing, I believe that if House Bill 2069 is rejected by this committee, that hog production would be increased in Kansas.

Thank you for your consideration.

A handwritten signature in cursive script that reads "Don R. Sailors". The signature is written in dark ink and is positioned above the typed name.

Don R. Sailors
Erie, Kansas

Committee Members,

Thank you for the opportunity to testify before you today. I'm a feed salesman for Moorman Mfg. Co. My way to make a living for my wife and my two children hinges on independent hog producers in Neosho County, 68% of my income comes from the sale of hog feed. If these large corporations come in they will eventually put the small producers out of business. I will be out of a job because they won't buy through me, they will make their own feed or be in a partnership with a feed company and it will not be the company that I work for because our company will not compete with the independent producers that made it so strong for the last 107 years. If you don't think they will make their own or get tied up with some company in a partnership listen to this. In the 1950's 32% of the feed Moormans made was chicken feed, In the 1980's .005% was chicken feed. This is what is going to happen to the hog industry, IF WE DO NOT STOP IT . There are going to be 5 or 6 large corporations own all of the hogs just like the chickens.

In closing I know some of you might think if the big corporations come into the state that it will help the state, but they won't spend their profits here it will go back to the corporation headquarters. If you let them in how would you like it if 5000 or 6000 sows were next to your house or a mile or two south of your house? Above all don't let them tell you how many like mine.

Thank you

Bryan Schulz

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ATTACHMENT # 8

Vote NO to the Corporate Farm Bill!! WHY?

Because: The family farm is a vital part of American history which we should work hard to preserve, not to destory.

The average family farmer can not and should not be expected to compete with large corporations.

The family farm is a tradition of America, with roots that run deep....family farmers put more than "just their time" into their farms---They plant a piece of themselves and their families into each crop and each head of livestock. They do that with devotion, hard work, sacrifice, dedication and commitment.....Can you say that about a corporation???

The Corporate Farm Bill will virtually wipe out the family owned and operated farm. We can not allow that to happen.

Let's vote against the Corporate Farm bill and vote to keep the family farm going for this generation and generations to come. It's worth saving.....

J & R Fann
Jack Cheyney
Ronald Cheyney

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ATTACHMENT #9

House Agriculture Committee

February 5, 1993

Re: H.B. 2069

Chairman Shore and Committee Members:

My name is Stan Whelan. I live in St. Paul, Kansas. I am here today to rebel against corporate hog farming.

I am the third generation of a family hog farming operation. We currently maintain a farrow to finish hog program.

Everyday I tend to our hogs, just as everyday you come here to work. It is my occupation, my satisfaction, and it is my livelihood.

I often talk with former classmates, friends and neighbors who work elsewhere in the job world. So many times I hear terminology such as "I don't want to go to work tomorrow", or "another day, another dollar", or "same old grind". If I were to describe my job on the family farm, none of these terms would apply. Fortunately, I have the opportunity to work at a job that I have no reservations about.

From a very young age I have been learning and growing with this hog operation. Being associated with the family hog business has been an educational experience in its own. It is a great environment to be raised around.

However, evidence has proven that corporate hog farming terminates the family farm. Either you read it in a farm magazine or hear it from a former hog producer in another state who no longer operates a hog operation.

Small family hog producers cannot compete with corporate giants. These giants would produce hogs in mass quantities, which would increase supply and lower the price on our hogs.

I request that you hold hearings on HCR 5005. Farming is the backbone of this state and a problem as important as this one deserves complete investigation.

I ask you, all of you, to rule out corporate hog farming, so I can continue to make a living at what I choose to do and what I know how to do best, raise hogs on our family farm.

Thank you for the opportunity to present testimony today.

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ATTACHMENT #10

Corporate Farm Ownership in Kansas

I grew up on a diversified family farm near Mayetta, KS. I attended Emporia State University and received a Bachelors of Science Degree in Business Administration. I have spent 20 years working in hometown banks in Wetmore, Holton, and Horton communities.

I thank you for the opportunity to speak with you regarding some of my concerns in allowing corporate ownership of real property in Kansas. By now you have no doubt been told of all of the great benefits that corporate farming can bring to Kansas. Please take a moment to examine with me the real effect of the proposed corporate farm ownership.

Promise : Provide employment to Kansas Communities

If Continental Grain were allowed to purchase land in Kansas and begin pork production, a manager will be sent from their corporate office. These operations do not have a need for middle management. Their hiring would consist of a few jobs for laborers at minimum wages. Most often the manager will have training in veterinary science so the local veterinary will not be used.

Promise: Stimulate the local economy

Financing for such an operation will not come from a local bank, but is typically provided by insurance companies on the east coast or from other low cost sources available to the corporation.

The local market for feeder pigs is not enhanced because most of these operations are farrow to finish. The local grain markets will not be enhanced because the company will ship grain in from wherever it can be purchased the cheapest. The grain companies hire specialists that are given the responsibility of supplying the companies grain needs at the very lowest cost.

These companies do not typically run to the local hardware or farm supply store to make their purchases.

Promise: Production from corporate farms will stimulate competition and make farming more profitable for local family farms.

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ATTACHMENT # 11

One of the first laws of economics that we learn is the law of "Supply and Demand." If corporate farms are allowed to come into Kansas and significantly increase production of pork, it would appear obvious that the price would be driven down. How could this possible be good for the family farm.

Promise: Increase production will provide family farmers with better markets for their products.

I have talked to a number of pork producers in N.E. Kansas. None have expressed any concern for a lack of market for their products, only for a price of their products. There may be areas of western Kansas that may have to transport their products quite a distance to market. However, we have no reason to believe that allowing corporate ownership of real estate would do anything to alleviate this problem.

We have discussed several things that corporate ownership of land will not do for Kansas. Now let us discuss several things that it will do for Kansas.

Environmental issues:

It is a known fact that livestock production leaves a great potential for pollution of our environment. Family farmers are now educating themselves on these issues and spending millions of dollars to protect the environment of Kansas. We know that large pork production facilities are very heavy users of water and that disposal of waste is a major problem. Have you been assured with any reasonable certainty that hog production in Kansas could be significantly increase without a negative impact on our environment?

Vertical integration:

Corporate ownership has virtually taken over the poultry industry. Did we see the family owned poultry operations thrive from the increase competition? Have the markets for their production greatly improved?

Vertical integration has been viewed as a very efficient method of production. These efficiencies are then passed along to the consumer in the form of cheap food. If corporate food production is allowed to grow to an ever higher market share, how long can we expect to enjoy the supposed benefits. Once the family farm has been decimated the large corporations will probably not be too shy about pricing their production at what they consider to be "fair".

In Closing:

You have been told that the small family farm is doomed and has no future in hog production. Please do not make a decision that will hasten their demise. Please take an overview of the effects of allowing corporate ownership of Kansas farms. I feel that you will find that the benefits will flow to the corporations and not to the farmers or consumers in Kansas.

It has been implied that Kansas law is antiquated by not allowing corporate farm ownership. I disagree. Denying this change will show that you are concerned about the total impact of such legislation and are looking to the long term economic and environmental health of Kansas.

Thank You

IN RESPONSE TO HR 2069
REGARDING EXPANSION OF CORPORATE
HOG OPERATIONS IN OUR STATE

Jan Kimbrell, Pastor
Netawaka United Methodist Church
Whiting United Methodist Church
P. O. Box 125, Whiting, KS 66552

HOUSE AGRICULTURE
2-5-93
ATTACHMENT #12

February 4, 1993

Ladies and Gentlemen:

I am presently assigned as a student local pastor in two United Methodist churches in northern Jackson County. Whiting and Netawaka are small communities struggling to survive in the ever-changing economy of the world today. Both towns know full-well the impact of loss of the mid-sized family farms in communities. Since the "farm crisis" was identified, Netawaka has seen the closing of its gas station and grocery store, the abandonment of the railroad lines, and more recently a decrease in its local postal services. Netawaka faces the very real possibility of losing its post office completely in the near future. There are no medical services available in either community except those provided by First Responder volunteers. The local schools consolidated during this same time adding yet another loss to each community. Whiting, six miles east of Netawaka, has been able to maintain a small convenience store, cafe and craft shop. It's home-owned bank is still there for now and the post office provides service and delivery to both communities of Whiting and Netawaka and the surrounding rural areas. In addition, water supplies had been low enough to require restrictions on usage in the last several years. Only with the recent break in the drought cycle, has this improved slightly. Much of Jackson County land is also reservation land and thus exempt from state taxation.

You might think by the sounds of this that our communities are dying, but we are very much alive! The people in northern Jackson County want a good quality of life and job opportunity for themselves and their neighbors, but not at the expense of the community as a whole.

A USDA report in December, 1991 noted that the shrinking number of farms and landowners will contribute further to the decline of rural communities and may affect markets for commodities and factors of production. In 1993, the people in Whiting and Netawaka would concur with that finding.

When a corporate-backed operation was proposed for our area, many people started asking questions. The questions weren't easy ones, no quick answers would do, and as the questions became known, pressure came down hard to stop asking. At a public hearing in August, people turned out to voice their concerns to the state officials. Pressure was on many to hold back their opinions, but they stood firm and tall, and spoke their minds and hearts.

The United Methodist General Church has a long history of concern for social justice. Its members have often taken forthright positions on controversial issues involving Christian principles. Our Social Principles speak to the human issues in the contemporary world from a sound biblical and theological foundation as demonstrated by our traditions. They cover the environment, the world and local communities, economic and political communities. The General Church statement on rural life includes this section: (para. 72) "We support

the right of persons and families to live and prosper as farmers, farm workers, merchants, professionals, and others outside of cities and metropolitan centers. We believe our culture is impoverished and our people deprived of a meaningful way of life when rural and small town living becomes difficult or impossible....We support governmental and private programs designed to benefit the resident farmer rather than the factory farm... The statement continues, "Christians must judge all programs including economic and community development by the extent to which they protect and enhance human values, permit personal and political involvement, and make possible neighborhoods open to persons of all races, ages, and income levels...We must help shape urban-suburban development so it provides for the human need to identify with and find meaning in smaller social communities. At the same time, smaller communities must be encouraged to assume responsibilities for the total urban-suburban community instead of isolating themselves from it.

Ladies and gentleman, the people in our corner of northern Jackson County have been trying to do just that. We have remained committed to seeing all the points of the questions at hand. We are concerned about the effects of large-scale operations on our environment--our water, our air, our soil. We have many questions, and frankly we have seen many quick answers. And that too, concerns us. It does seem that this House Bill is being pushed through rather quickly, especially given the far-reaching ramifications its passage would indicate for

our state.

While some statistics would indicate only positive benefit from allowing large scale corporate operations into the local community, we have other statistics that would belie those claims. We also have the real experiences of those folks caught in the transition of agriculture. When we studied statistics of Finney County, Kansas, we saw that while jobs did come in as a result of the meatpacking industry, most of those jobs were very low-paying, that the per capita income fell in relation to the rest of the state during the same period. (Community Farm Alliance, June '92)

The commissioners there offered at the same time \$3.5 million in tax relief for 10 years and issued IRBs for an additional \$100 million to bring the companies in. (Kansas Business Review, Fall, 1990) A study from California determined that in areas with large-scale farming and land-holdings, there were noticeably fewer towns that provided a smaller range of services, while areas associated with small-scale family farms had proportionately more towns, services, and businesses. As farm size and absentee ownership increased, the study found depressed median family incomes, high levels of poverty, low education levels, social and economic inequality between ethnic groups, associated with land and capital concentrations within agriculture. Communities that are surrounded by farms that are larger than can be operated by a family unit have a few wealthy elites, a majority of poor laborers, and virtually no middle class. (As You Sow, 1978)

These quoted statistics, our experiences would support. The United Methodist Church has 66% of its total membership in congregations of less than 200 members. We have a high concentration of churches in small, rural areas. The local churches are trying to respond to the needs of the people in their communities. The churches are trying to be representative of the people they serve and true to God's directive of stewardship of the land and justice for all the people.

Please consider the impact on the whole of the community and not bow to the pressures of the interests of a few. Carefully study alternative proposals to the HR 2069 bill, determine what is truly best for the citizens of the state of Kansas. Let that determination come from the voices of Kansas interests and not outside voices. Understand that this is not just a farming issue, a rural area concern. How our food is supplied and manufactured and distributed affects every consumer in the nation, urban or rural, and demands our close scrutinization before ANY change is recommended.

Thank you.

Brian W. Harris
Vice-President
Kansas National Farmers Org.
RR #2, Box 45, Walnut, KS 66780
316-354-6759

Corporate Hog Testimony (2-5-93)

I am here today because of my great concern that I have over the loss of agricultural producers of swine. Some people such as Barry Flinchbaugh, say that it is inevitable. I don't believe this is so. His information is based upon trends. Many trends do point toward a loss of farmers over the past years but that doesn't mean it is our destiny.

As a small hog producer, I believe that we can better serve the needs of our communities through expansion of agricultural production by enabling families to produce hogs. We don't need what House Bill 2069 would give us. We, the family farm producers, need support from our government.

Expansion of vertical integrated operations will not help the state as a whole. It could possibly give some area a temporary added boost but what will it do for the areas that don't get the operation? Family farm swine producers can compete if given a fair opportunity. Legislators must give them that opportunity. We have had the uncertainty of not knowing whether or not the family pork producers have had the support of the government of Kansas. Expansion will take place if we get that support.

What we need is not vertical integration but vertical coordination. Coordination of independent producers that allows us to purchase our input cost through coordinated groups and to market through coordinated groups. The National Farmers Organization is one of these such coordinating groups.

A packing plant in the state of Kansas has been a topic of those in favor of this bill. Allowing vertical integration in Kansas could give them an abundance of hogs to kill. However, if their needs are met through their own supply, many of the present producers could still have to look elsewhere for a market.

During the 1970's, the ag-economists promoted the fact that if you were not 80% leveraged, you were not an efficient producer. We don't have many of those efficient producers left because the economists forgot to take into account the 18%-20% interest that followed. The corporate hog issue is just as important. We cannot put our lives in the hands of economists who make their decisions based upon what has happened in the past. And especially one that has no consideration for the social well being of our lives. What I am saying is, if given the fair opportunity and support of the legislature, family farmers will produce the needed hogs in Kansas and at the same time benefit all segments of life. Members of the National Farmers Organization are agricultural producers. We believe that it is time to stop talking about retraining, and start talking about expanding our present independent family farm system.

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2-5-93
ATTACHMENT #13

Testimony to
House Agriculture Committee
on
H.B. 2069 Corporate Farming

Given By: Raye Sprague
Interim Secretary of Kansas Swine Growers Association
Secretary of Eastern Kansas Swine Growers Association

My name is Raye Sprague. My husband and I operate a 125 sow farrow to finish operation in Allen County Kansas.

It would seem to me that if the state of Kansas is looking at allowing vertical integration and corporate hog production into the state that we should take a look at a state that has gone that route and see if that is what we would want to happen to this state. That to me is common sense. I have done some checking into this through contacts that I have in North Carolina including the Institute For Southern Studies and have found that we would not want what they have.

Please walk through a few of the many comments made in the publication before you.

Need I say more. Yes the hog industry is different from finishing cattle. The waste is different and the concentration is different.

Oklahoma and Missouri are corporate states but building has only recently started there and they have yet to feel the impacts of their decision. Colorado is now fighting to get these huge "mega" operations out of their state. If we are going to jump on a "bandwagon" let's jump on one that restricts this kind of operation. It isn't good for Kansas and it isn't good for the United States.

This country and this state were founded by a people looking for the freedom to own land and be there own boss. Corporate domination, vertical, and horizontal integration are threatening that dream and this state's livelihood... its people and its values.

HOUSE AGRICULTURE
2-5-93
ATTACHMENT # 14

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By David Cecelski and Mary Lee Kerr

Ogg

WILD

From SOUTHERN EXPOSURE magazine,
Fall, 1992, Vol. XX, No. 3

Hog Wild reprints \$1.00

How
corporate
hog
operations
are
slaughtering
family farms
and
poisoning
the rural
South.

NORTH RIVER, N.C.

— By the broad salt-marshes of Carteret County, Elbert Murray has operated a tiny hog slaughterhouse for more than 30 years. When he started his business, most local farmers raised at least a few hogs. Rich or poor, white or black, they had a muddy pigpen and a slop trowel, and a smokehouse to preserve the meat through the winter. Every autumn Murray would butcher 25 or 30 hogs a day for his neighbors, seven days a week.

Hog farming was a way of life then. Cured hams, sausages, bacon, chitlins and hog jowls, sidemeat and fatback — they staved off hunger during hard winters and held together many a family farm. Pork flavored local cuisine more extensively than any

other food. And the passion for pork — in North River and throughout the South — elevated raising, killing, preserving, and cooking hogs to a high art and a community ritual.

But things are changing. Nowadays Murray's clapboard slaughterhouse seems as old-fashioned as a mule-driven plow. Dwarfed by corporate superfarms that breed and fatten as many as 40,000 pigs at a time, fewer small

and part-time farmers can afford to raise hogs, and the 73-year-old Murray now butchers and dresses more deer for sportsmen than pigs for farmers. Only a few of the better-off local farmers still raise hogs for market, and they ship them to a processing factory owned by agribusiness conglomerates in Kinston and Wilson, more than 70 miles away. North River doesn't get the jobs, the pork, or the profits.

A weary Murray feels like the world has passed him by. He and the few people who still bring him hogs belong to vanishing communities that can't compete with corporate agriculture. The young people in North River are moving away to find jobs. His slaughterhouse barely breaks even, and he spends most of his income on medical bills.

"I've worked myself to death," says Murray, a wiry black man considered one of the elders of the community. "They make it nearly impossible to live for yourself now."

Murray and his neighbors in North River are not the only ones threatened by the rapid growth of corporate hog farms. The transformation of hog farming from a small, local enterprise to a huge, multi-million-dollar industry endangers the future of family farming, the economic health of rural communities, and the safety of drinking water across the South.

Hog production has long been the domain of men like Murray and independent, family farmers. Over the past decade, however, the pork business has begun to follow the path of the poultry industry. Thirty years ago, a million family farms had chicken coops, raising birds to eat at home and sell at the market. Led by Frank Perdue and other chicken kings, the poultry industry is now dominated by a few multinational companies that control every stage of production from egg to dinner table. They raise the birds by the tens of thousands in high-tech confinement sheds, and the old coops stand empty and dilapidated in antiquated barn-

14-2

yards (see "Ruling the Roost," *SL* XVII, No. 2).

Now many of the largest poultry firms — including Tyson Foods, ConAgra, and Cargill — are turning their attention to the hog industry. Refining the lessons of the poultry boom, they hope to extend their system of "vertical integration" to the pork business, dominating the production process from grain mill to hog farm, from slaughterhouse to supermarket.

The rise of corporate hog farming means bigger farms — and fewer farmers. The size of the average hog farm in the South has almost quadrupled since 1974, from 29 pigs to 111 last year. Over that same period, three-fourths of all hog

FACTORY FARMS

Corporate hog farming spread first and fastest in North Carolina. Since 1974, the number of farms in the state raising fewer than 50 hogs has plunged from 17,000 to fewer than 4,000. The number of operations raising more than 500 hogs has meanwhile soared from 20 to nearly 200, giving North Carolina the largest and most concentrated hog industry in the region.

Nowhere is the trend to corporate farming clearer than in the small town of Rose Hill, home of Murphy Farms — reputedly the largest hog producing operation in the world. Standing in the elegant corporate headquarters on the

Murphy Farms. Although Murphy raises hogs on its own land, it relies on this extensive network of growers for most of its meat.

The contracts with hog farmers resemble those that now dominate the poultry industry. Growers must supply the land, build their own hog houses, and shoulder all of the labor and financial risks. The company supplies them with piglets and feed, and returns to take the animals away when they are grown.

The operations are huge — and expensive. Bred with new genetic technology to grow leaner and faster, thousands of hogs are crowded into concrete cubicles in \$100,000 confinement sheds. To take advantage of specialized equipment, the pigs are bred, raised, and fattened for slaughter at different sites. Automated sprinklers and fans cool the animals. Electronic feed systems deliver a scientific diet, including vitamins and synthetic hormones, that fatten them to 260 pounds in only six months. When the hogs go to the packing plant, ultrasound machines like the advanced diagnostic tools used in hospitals are increasingly used to measure their leanness.

"Swine management supposedly started in the Midwest," says Sam Ennis, a Murphy production manager. "But we feel like and hope that we've taken it to a different tier, a different level, and maybe have commercialized it a little bit more."

The factory-like farms are transforming the culture of hog farming. Some contract growers who work for Murphy grew up around pigs and are adapting to corporate farming as best they can. More and more, however, the new breed of corporate hog farmers are businessmen eager to move up the corporate ladder. They are more at home driving a BMW than a tractor, more comfortable carrying golf clubs than slop buckets. For these men, raising hogs is just another financial investment. They hire laborers to work with the hogs, and dutifully follow instructions issued by Murphy Farms.

"I've just been a business person all my life," said Steve Draughon, a grower with Murphy Farms who had never raised hogs before he invested more than \$900,000 in a contract operation. "The size of these facilities now, and the income they generate, and the management expertise that it takes to run them is more suited for somebody that's good at managing a business."



Photo by News & Observer

CRAIG THORNTON TENDS THE PIGS AT HIS CORPORATE FARM IN CLINTON, NORTH CAROLINA. THE FACTORY-LIKE OPERATIONS CAN COST \$1 MILLION, MAKING IT IMPOSSIBLE FOR FAMILY FARMERS TO COMPETE.

farmers in the region — more than 235,000 farmers — have been driven out of business.

What's more, say most observers, the devastation of family hog farms is accelerating. The only substantial growth in the industry is among operators with more than 1,000 hogs, who now produce at least three of every four hogs raised nationwide. At this rate, predicts Steve Marbery, editor of *Hog Farm Management*, the "family hog farm will become extinct early next century."

edge of town, it's hard to imagine its occupants have anything to do with raising hogs. Well-tailored executives and accountants move efficiently about a building adorned with green marble floors and plush pigskin chairs. Outside, a company helicopter awaits its next flight.

A sophisticated telecomputer system links these modern-day pig rearers to more than 600 contract farmers — some as far away as Iowa — who raise a total of more than 1.5 million hogs a year

FAMILY EXODUS

Mathew Grant has never seen himself as a business person. A family farmer in Tillery, a rural black community on the Virginia border, Grant has raised hogs since 1957. Though he never owned more than 20 sows, the animals helped

him to be self-sufficient, educate his children, and — in a county with a tremendous rate of black land loss — hold on to his family farm.

Grant can recall a day when every black family in Tillery raised hogs. One by one, his neighbors closed their farms and lost their land. Grant held on. He was

the last hog farmer in town — perhaps the last black hog farmer in the county.

Then, last winter, Grant finally gave it up. He simply could not compete, he says, with the growing number of corporate farms raising 500 sows. Most of the big farms are owned or supplied by Smithfield Foods, a pork processing

MURPHY'S LAW

His employees compare him to H. Ross Perot. Political allies and adversaries see him as an effective power broker. Citizens who live near his operations say he's ruining their lives.

Wendell Murphy pulled himself out of obscurity to develop a hog operation reputed to be the largest in the world. A slick businessman and a shrewd operator in the good ol' boy network of North Carolina politics, Murphy has created an empire of more than 600 hog farms in the South and Midwest that rings up \$200 million in sales each year.

Murphy is a small-town-boy-made-good: After earning a degree in agricultural education from North Carolina State University in 1960, he taught school before returning to his hometown of Rose Hill and opening a feed mill with his father in 1962.

Four years later the family started contracting with private hog farmers and selling the pigs to slaughterhouses. Business boomed, and by 1986 Murphy had 95 contract growers and 23 company-owned operations raising around half a million hogs. Today Murphy Farms produces over a million animals each year.

In 1982, Murphy capitalized on his fame as a businessman to run for the North Carolina legislature. He served three terms in the state House and two in the state Senate, where he wields power on a variety of committees — including a seat as vice-chair of the Agriculture Committee.

"Murphy picks his fights — he's a very good politician," says Bill Holman, a lobbyist for the Sierra Club. "He doesn't speak or throw his weight around unless he's sure he's going to win."

As a legislator, Murphy has not been afraid to use his power to benefit his business. Over the years, he has introduced or supported a variety of legislation to aid large-scale farm operations like his:

▼ Last year, Murphy sponsored an amendment to exempt feed lots for farm animals from tough state wastewater regulations, subjecting them only to

less stringent federal rules. Though the House added penalties for illegal discharges to public waters, the amendment "certainly benefited Murphy Farms," says Holman.

▼ Murphy introduced a bill last year to make sure that counties could not apply their own zoning regulations to control the size of livestock operations. The measure passed. "Senator Murphy was promoting the hog industry," says Don Webb, a Wilson County resident who lives near Murphy operations.

▼ Murphy has backed legislation to limit the liability of farmers from nuisance suits. The measure, explains Holman, would protect Murphy from being sued by citizens sickened by the stench of his hog operations.

PORK BARREL POLITICS

Murphy has also used his power in the legislature to funnel public money to North Carolina State — his alma mater — which supplies the hog industry with valuable research and technical assistance. Last year he introduced a bill criminalizing interference with animal research at the university, and pushed lawmakers to spend \$3.3 million improving roads for a university stadium.

The animal research program at NCSU has also been supportive of Murphy. Many graduates and staff members from the school have gone to work for Murphy, and agricultural extension employees from NCSU have traveled from county to county to speak in support of large-scale operations like Murphy's.

These state-employed specialists have taken advantage of the revolving door, moving from the Murphy-supported NCSU program into plush offices in Murphy's headquarters in Rose Hill. Terry

Coffey, for example, who used to be a swine specialist with the NC Agricultural Extension Service at NCSU, was recently named director of research and development at Murphy Farms. Public affairs director Lois Britt headed the agricultural extension office in Duplin

County before signing on with Murphy.

Public affairs have been much on Murphy's mind of late. Last February, the state senator announced his retirement from public office — just two and a half weeks before the *Kinston Free Press* reported that Murphy had been questioned by state agents as part of an investigation of "alleged irregularities" in the campaign finances of former state senator Harold Hardison.

Citizens who live near Murphy Farms are also questioning how Murphy does business, saying his operations foul the air, contaminate the water, and drive small farmers out of business.

Murphy turned down repeated requests for an interview. "He's leery of reporters," explains Sam Ennis, his area production manager. "I'm sure he feels to a much lesser extent what Ross Perot probably felt. Perot probably felt he was being honest and open and now he's getting hammered. Murphy has a sense of what will work and he wants to do the right thing. That's why he can't understand these environmentalists."

To improve his image, Murphy is using hog waste to create fertile ground for nature preserves and artificial wetlands. But citizens who live near his operations remain unsatisfied, and many say they will be glad to see him retire this year. Says one Bladen County resident: "Do we really want any person in North Carolina to be in a position to exercise this much power and influence in support of his own financial self-interest?"

— M.L.K.



WENDELL MURPHY

giant based in Virginia. And if Smithfield doesn't give you a contract to raise hogs, Grant says, it's almost impossible to survive.

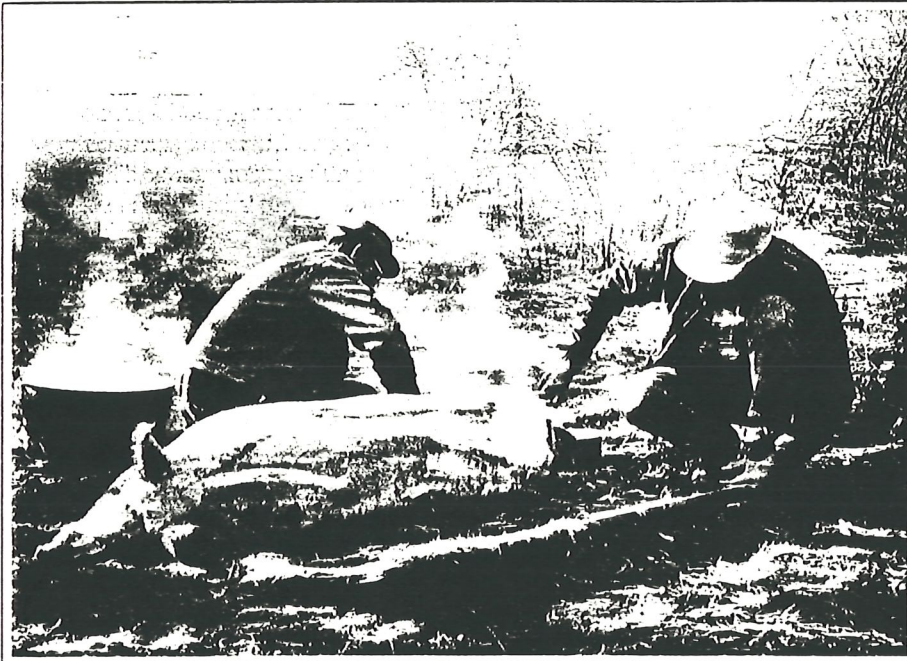
"Smithfield gets all the hogs he wants," says Grant. "You're at his mercy."

Grant is one of the thousands of casualties of the bigger-is-better trend in hog farming — and by all indications, the pressure on small farmers is getting worse. Industry experts agree that in the near future, a family hog farm will have to be able to raise at least 300 sows to survive. That would eliminate *nine out of ten* of the remaining hog operations in North Carolina by the year 2000. By then, many sources predict, the standard size for contract farms will be 10,000

Bank of Kansas City, predicts "a substantial exodus" of small farmers who cannot compete with rising agribusinesses. Indeed, many independent farmers, who often have to wait a week in line at packing houses that give priority to larger customers, foresee the day when they just won't be welcome at all. Unless they have a contract with one of the big producers, they will receive fewer bids for their hogs, will have fewer places to deliver them, and, in many cases, will have to sell to a local monopoly that can set prices without competition.

"It would be tough to go independent," acknowledges Steve Draughon, the Murphy Farms contractor. Corporate

Photo by Rob Amberg



LONG A WAY OF LIFE AS WELL AS A MEANS OF SUPPORT, RAISING AND SLAUGHTERING HOGS IS BECOMING A BIG BUSINESS. SINCE 1974, MORE THAN 235,000 FARMERS IN THE SOUTH HAVE GIVEN UP RAISING HOGS.

hogs — and for corporate-owned farms as high as 60,000 hogs.

Few small producers have either the land or money required to operate on that kind of scale. Nor do companies like Murphy Farms have any incentive to provide management, transportation, or technological support to small farmers like Mathew Grant. The corporate farming operations want a uniform, economical product — and that means contracting with fewer farmers who raise more hogs.

Alan Barkema, an agribusiness economist at the First Federal Reserve

farms are "going to get a premium for their hogs because they can guarantee a constant supply."

Even the status of farmers like Draughon who contract with corporate firms is uncertain. William Heffernan, chair of rural sociology at the University of Missouri, cautions that producers may enjoy high prices and long-term contracts only during the current period of fast expansion. Once the competition narrows and a handful of firms dominates the industry, says Heffernan, farmers will find themselves forced to accept lower prices and less freedom.

'BRANCH PLANT' TO .S

As corporate hog farming shuts down small farms, it also threatens the economic health of rural communities. Even many agribusiness economists and bankers predict that the shifting control of the hog industry will hurt the majority of the rural South. According to bank economist Alan Barkema, the growing exodus of family farmers could overwhelm counties and states with demands for welfare, job training, and other social services.

Many small towns are already finding their economies eroded, as hog production concentrates near a few larger towns that have giant slaughterhouses with networks of contract and corporate-owned farms radiating out into their hinterlands. "Small towns have been hurt *both* in regions that have gained production and those that lost it," concludes a recent study conducted by one bank.

The outlook in larger rural towns "may also be less than expected," cautions Barkema. The companies fighting to control the hog industry plan to obtain their credit and agricultural supplies from other multinational corporations, or from their own agricultural subdivisions based in Dallas, Omaha, or Chicago. According to Barkema, Southern communities will increasingly resemble "branch plant" towns, which have little control over their own economic destiny.

Reducing rural towns to profitable corporate outposts is precisely what the hog industry has in mind. Business leaders and trade publications make clear that the push to take over hog farming is part of a broader plan to extend corporate control of the industry to every stage of the production process. That means pursuing the model of "vertical integration" imposed on the poultry industry — enabling a single company to produce hog feed, raise pigs, slaughter and package the animals, and ship them to market.

Many corporate hog firms have already developed direct ties to slaughterhouses. Smithfield Foods, the Virginia packing firm, merged three years ago with Carroll's Foods, a large hog farming operation. Smithfield obtains half of its hogs through contracts via Murphy Farms and Carroll's Foods, and the company is building a large processing plant in North Carolina and contracting with more farmers to supply the new facility.

As the competition to control the hog

industry heats up, slaughtering companies are undergoing a dizzying round of mergers, acquisitions, and bankruptcies. Only a few years ago, thousands of small, local outfits slaughtered and processed hogs. Since 1980, however, almost 200 major packing houses have closed down. Ten firms now slaughter nearly 75 percent of all hogs sold nationwide, and most industry insiders expect the field to narrow to three or four companies by the year 2000.

"The hog packing industry is going through more than just a shakeout," reports the agribusiness weekly *Feed-stuffs*. "It's closer to an earthquake."

The biggest tremors are shaking communities in the rural South. Although Iowa still produces 25 percent of all hogs nationwide, the industry is steadily marching below the Mason-Dixon line to escape tough, anti-corporate farming laws in the Midwest. IBP, an agribusiness conglomerate owned by Occidental Petroleum, recently expressed interest in moving its pork business to North Carolina. Such corporate "runaways" want to replace their unionized pork processing plants in the Midwest with larger, more automated, non-union factories in the South.

BROWN LAGOONS

Rural communities face more than an economic threat from corporate hog farming. As many towns across the region are learning, big farms pose a lethal threat to the environment — fouling the air, polluting the land and water, and creating a waste nightmare for the rural South.

Small farmers have long used hog manure to fertilize their row crops, a system of recycling that was safe and economical. But corporate farms crowd thousands of hogs into confinement sheds on a single site, often generating more manure than they are able to absorb.

More hogs mean more environmental hazards. "The potential for catastrophic problems is greater for 1,000 sows than for 100 sows," notes Jim Barker, a swine specialist at North Carolina State.

Hog waste contains more concentrated organic matter than human waste, including nitrates, copper, antibiotics, and other nutrients and chemicals harmful to humans in large doses. To treat and dispose of the waste properly, however, is beyond the capacity of most small

communities. According to Dr. Leon Chesnin, professor emeritus of waste management at the University of Nebraska, a single operation with 10,000 hogs requires the same amount of waste treatment as a city of 17,000 people.

All told, the waste produced by the eight million hogs raised in the South each year requires as much treatment as the waste of 15 million people — more than the populations of Virginia, North Carolina, and Arkansas combined.

But instead of treating the hog waste, most large companies simply flush the manure into holding tanks, dump it into open lagoons, and spray it on the fields as fertilizer. Many waste lagoons are 30 feet deep — the same depth as neighboring wells.

"Huge corporate hog farms have allowed waste to overflow into nearby water supplies, allowed waste to pollute nearby wells," says Gary Grant, the son of hog farmer Mathew Grant in Halifax County.

At one operation contracted to Murphy Farms, pipes funnel hundreds of gallons of brown waste brimming with hog feces and urine into stagnant lagoons the size of small lakes. Sprayers that resemble tall lawn sprinklers spew the waste over nearby fields. The odors emanating from such massive quantities of hog manure can be overpowering, and studies indicate that the smell may be making residents and workers seriously ill (see sidebar, page 15).

Such dumping can also pollute drinking water. A year-long study of drinking water near swine operations in 18 states, for example, revealed that more than 13 percent had nitrate levels exceeding federal standards. Nitrates can leach into well water and cause infant deaths from a disorder known as "blue-baby syndrome."

Becky Bass lives a few hundred feet from a large hog farm near Wilson, North Carolina. A mother of two, Bass had to install a new water system be-

cause her five-year-old son vomited from drinking well water after Cargill built its hog operation behind their home.

"This water has been good for ages," says Bass, a young woman who is active in a local citizens group fighting to clean up corporate farms. "Now we're very concerned about our water."

Some of the problems stem from dumping too much waste on too little land. "What you're going to do is overload the soil and it's going to go down to the groundwater," warns Dr. Chesnin. "If you have sandy soils or if you have the groundwater close to the surface like southeastern Virginia, or south central Georgia, or places in North Carolina, it's a hazard."

Yet even when corporate farms have plenty of land, they still pollute the land and water. In May 1989, Virginia inspectors found hog waste piled so high at one swine shed owned by Smithfield-Carroll's that fans designed to ventilate the shed were spraying manure outdoors up to three inches deep. That same month, inspectors also discovered that 1,200 gallons of hog waste had shattered a lagoon wall at another hog operation and flowed into nearby woods.

Such pollution is commonplace. Virginia inspectors have cited Smithfield-Carroll's for

hundreds of violations since the late 1970s. In 1989, the company was fined \$15,000 for spraying waste on fields before a rain storm and for allowing a broken pipe to spill an unknown quantity of hog manure.

Other companies have similarly dismal records. In 1986, Virginia inspectors fined Gwaltney of Smithfield \$1.2 million for violating its anti-pollution permit at least 237 times. The fine was later reduced, and the company is appealing the citation.

Murphy Farms has also been cited for numerous violations. Last year North Carolina inspectors cited three

Pipes funnel hundreds of gallons of brown waste brimming with hog feces and urine into stagnant lagoons the size of small lakes.

company operations for lagoon overflows, plugged waste pipes, and a broken flushing system. The firm's McLaurin operation has been fined more than \$2,000 for 25 assessments in the last year.

ENVIRONMENTAL CARPETBAGGERS

Among the remote pine barrens and Carolina bays of Bladen County, Evelyn Willis started a citizens revolt to counter the health risks posed by huge hog operations. Two years ago, the 62-year-old, retired insurance clerk learned that Smithfield Foods was planning to build a tremendous hog slaughterhouse near

and the environmental group sent her some information about water-quality regulations.

"The rest, as they say, is history," recalls Neil Armingeon, a scientist who worked with Willis at the Coastal Federation. "Overnight, she changed from a retiree to an activist. Evelyn, who had never questioned authority in her life, began to understand the dynamics of power and pollution."

Willis and her neighbors organized, petitioned elected officials, spoke out at public hearings, recruited supporters throughout the state, and filed a lawsuit against the company. It was slow, hard work, and Willis paid a high price for her commitment. "Lifelong friends and

aged to spark concern across the state. Four citizens groups and thousands of rural residents in at least 14 counties are meeting regularly, sharing information about corporate hog farms and how to challenge them.

One of the central groups leading the coalition is Halifax Environmental Loss Prevention (HELP), an organization of mostly black residents in Tillery, North Carolina. Members of the group see the surge in corporate hog farming as part of a larger trend in which business singles out poor, rural communities — often black or Native American — for industries that pose dangers to public health. In majority-black Northampton County, for example, local citizens have been fighting a proposed toxic waste incinerator as well as several 10,000-hog farms belonging to Smithfield Foods.

"When these corporations want to do something that will cause a stink, they come to our communities," says Gary Grant, the co-chair of HELP. "We do not have the vocal power or, often times, the voting power."

To counter the divide-and-conquer strategy of corporate farms, HELP is crossing racial lines to unite black and white residents. Grant, the son of the last black hog farmer in Tillery, frequently meets with Charles Tillery, a white salesman and the great-great-grandson of the town founder, to discuss the dangers posed by hog pollution.

White residents like Tillery are alarmed by the threat to their land. "This is the biggest invasion since the Civil War," says Tillery. "What we have coming in here are carpetbaggers — environmental carpet-

baggars — bringing their operations here because other states have regulations to protect their citizens."

On May 23, Tillery and Grant joined dozens of other black and white residents in a protest rally at the First Baptist Church in Halifax County. "Trust Me — Hogs Stink," read one sign. "Ban Factory Farms," demanded another.

Residents were just as outspoken in voicing their demands. "Whether it's workers in a factory being exposed to

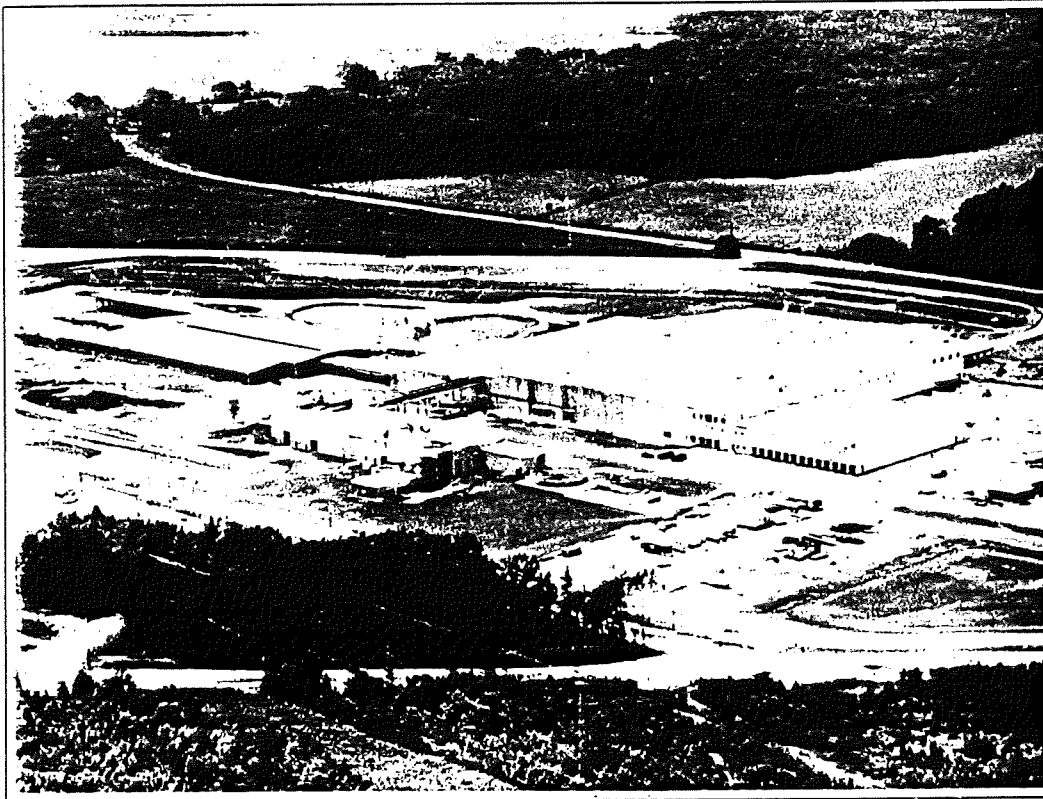


Photo by Todd Sumlin

LOCAL CITIZENS ARE FIGHTING A TREMENDOUS SLAUGHTERHOUSE BEING BUILT BY SMITHFIELD FOODS ON THE BANKS OF THE CAPE FEAR RIVER.

her Elizabethtown community on the banks of the Cape Fear River. She also learned that the plant would attract corporate hog farms that posed a serious threat to community health.

At first Willis underestimated the power of the corporate hog firms. "I used to believe that the state would never allow anything to endanger our environment," she told a friend. "Boy, was I wrong!" Then Willis contacted the North Carolina Coastal Federation,

neighbors shunned her," says Armingeon. "She was ridiculed and threatened in her own community."

Smithfield Foods intends to open its new plant this fall. But before Willis died of a heart attack last May, she and other Bladen County residents managed to pressure the state to develop new regulations designed to protect water supplies from hog farms and other livestock operations.

Willis and her neighbors also man-

hazardous chemicals or residents in a community being exposed to animal waste, it's all the same thing," said Joan Sharp, a member of Black Workers for Justice. "It creates health problems for the individual — and it creates health problems for us all."

GRASSROOTS ALTERNATIVES

Citizens and farmers in North Carolina are also beginning to join forces with family farmers from the Midwest who are alarmed by the Southern migration of hog farming. Prairie Fire, a group based in Iowa, is organizing a conference of groups from 13 states this fall to discuss how to hold corporate hog farming accountable to community needs.

Although the movement has yet to develop a clear agenda, family farmers and residents in many states have pursued a variety of goals:

▼ **Enforce existing anti-trust laws.** Several federal acts empower officials to prevent large corporations from dominating the hog industry. So far, though, the government has done little to make big companies obey the law.

▼ **Extend restrictions on corporate farming to Southern states.** Laws in the Midwest and High Plains limit corporate ownership of farm land and forbid pork processors from running their own hog farms or contracting with hog farmers.

▼ **Give counties the power to regulate big hog operations.** Many local officials would like to treat corporate hog farms like any other big business, but most states currently classify such livestock operations as family farms, exempting them from local zoning. Local residents thus have no power to limit the size of hog farms or keep them away from homes, schools, and churches.

▼ **Monitor water and soil pollution.** In southside Virginia, a grassroots coalition called PRIIDE has pushed the state to pass rules requiring permits for operations with more than 2,500 hogs. Such operations must now have enough capacity to safely store waste for two months and must carefully track how the waste contaminates nearby land and water.

The hog industry dismisses such proposals as the dying gasps of a vanishing generation of backward farmers. The

family farmer should simply "end his resistance to corporate farming," insists Bill Helming, an agricultural economist. "Opposition to corporate agriculture is short-sighted and unrealistic. Resisting — via legislation or other ways — would be foolish and self-defeating."

If farmers and citizens resist corporate farming, Helming and agribusiness leaders say, hog companies will simply move their operations to more cooperative communities — leaving local hog farmers without grain mills, slaughter houses, or access to credit.

Small farmers know the threat is not an idle one, yet many continue to work with citizens groups to develop an alternative vision of agriculture that includes them and their communities. They envision a system of agriculture that places community need over corporate greed, a system that cares for the land instead of exploiting it.

Gary Grant watched his father raise hogs for more than half a century before corporate farms drove the family out of the pig business last year. He knows that the economic and environmental health of rural Southern communities will be shaped in large part by the growing struggle in the hog industry between large corporations and independent, family farmers.

"I grew up in a community where every family had hogs," he says. "The family farm is a way of life as well as a means of making a living. I don't believe the wealth of this country should be concentrated in the hands of a few. I believe in a fair distribution of wealth, and I believe in family farms." □

David Cecelski is a research fellow and Mary Lee Kerr is a research associate with the Institute for Southern Studies in Durham, North Carolina. Lane Winham also contributed to this article.

CORPORATE FARMS STINK

Barnyards and hog pens have long been a fixture of the rural South, and country folk are accustomed to living with unpleasant odors. But the corporate hog farms spreading across the region are different.

"Every family had hogs when I was growing up," recalls Gary Grant, the son of a pig farmer in rural Halifax County, North Carolina. "But we weren't talking about 40,000 hogs on one site."

The stench from modern hog confinement sheds and waste ponds can often be smelled up to a mile away. Local citizens frequently complain of breathing difficulties, burning sensations in their noses and throats, nausea, vomiting, headaches, and sleeping problems.

"It makes you ill," says Becky Bass, who lives a few hundred feet from a large hog farm near Wilson, North Carolina. Bass says she notices the smell "about 90 percent of the time." Her husband, who works with hogs, "smells it and tastes it even hours after he's been in the house." Overpowered by the odor, her children are reluctant to play outside, and visitors sometimes hold their noses as they dash from their cars to the house.

A recent study at the Duke University School of Medicine confirmed the experiences of residents like Bass. Swine odors can have a serious psychological impact on surrounding residents, the study concluded, causing

anger, irritability, loss of appetite — even breaking up friendships and marriages.

The same conditions that jeopardize community health also imperil hog workers. Hog farming has always been a dirty and dangerous occupation, but the move indoors to large confinement operations has increased the risks. Hydrogen sulfide released from decomposing waste has killed hog workers, and accumulated methane has caused explosions.

"Fifty percent of all people working with hogs have one or more respiratory problems," says Dr. Kelley Donham, a professor of agricultural medicine at the University of Iowa. Donham reviewed studies involving more than 2,700 hog workers, and discovered that they commonly experience acute and chronic respiratory illnesses, including bronchitis and asthma-like debilitations. Although the long-term effects are still unknown, tests on stockmen show that permanent lung deterioration can occur within seven years.

The threat to community and worker health has angered many residents enough to band together to fight corporate hog farms. "It's not fair to make another human smell feces and urine," says Don Webb, a former hog farmer who has organized hundreds of his neighbors near Stantonburg, North Carolina. "To continue to put large conglomerate hog operations under people's noses before the solution is found to the odor and water problem is wrong."

— M.L.K.

More from the Institute for Southern Studies...

Ruling the Roost

The award-winning report that exposed how the poultry industry cheats farmers, cripples workers, and poisons consumers. From egg to kitchen table, it's all there. \$5

Our Promised Land

225 pages on agribusiness, cooperatives, blackland loss, land-use legislation, mountain developers, urban alternatives, Indian lands. Plus a 65-page state-by-state analysis of land ownership and land-based industries, with charts on coal, timber, oil and agribusiness corporations. (1974) \$3

Our Food, Our Common Ground

An examination of the existing crisis-prone food system, hunger, and community self-reliance. Inspiring stories about producer and consumer crops, organic farmers and harvesters of wild plants. Exposes of the South's premiere agri-business—the poultry industry—and on government collusion in the slave trade of migrant laborers. (1983) \$3

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LINN COUNTY VETERINARY CLINIC, Chtd.

RURAL ROUTE ONE, BOX 119

CENTERVILLE, KS 66014

913 / 898-4202

DR. LLOYD L. WILSON III

DR. RANDALL W. HINDE

VETERINARIANS

February 2, 1993

Honorable Legislators and fellow Kansans:

Before changing the laws regarding corporate farming in the state of Kansas, the Legislature should explore the hidden costs of this change. There are several fundamental aspects which should be considered, including, but not limited to, the following:

1. Environment:

Large factory hog farms generate so much waste and odor that they have the same environmental and sanitation problems as large cities. They should be subject to the same regulations. The track record of these facilities in other states may be less than we can afford here.

2. Jobs:

What assurances can be given that the jobs created at the expense of fifth or sixth generation family farmers will not be minimum wage jobs, some possibly filled by illegal aliens.

3. Community Impact:

Downward economic pressure will hasten the demise of the independent family operation. Main street businesses like me, churches, and civic organizations which service the needs of these producers and communities will be adversely affected. Children on free and reduced lunch status, already at record levels in our rural schools, will increase in number creating additional expense for those of us that remain. Ultimately the stability of the culture and community of the state, those factors so essential to our defining characteristics, the things which distinguish us as Kansans, and not New Yorkers or Californians, will be lost.

All of us will pay dearly for these "hidden" costs, and not the CEO's of these vertically-integrated giants who may some day have their corporate offices in Europe or Asia.

Would rejecting the legislation interfere with normal capitalistic evolution? Perhaps. But just maybe securing such a basic essential way of life as a family operated independent farm and our special Kansas brand of rural culture is worth more than saving a penny or two per pound on pork at the supermarket.

Please take this matter for further study.

Respectfully,

Lloyd L. Wilson III DVM

Lloyd L. Wilson III, DVM
Rt. 1, Box 119
Centerville, Kansas, 66014

OPINION PAGE

By Bill Fleming

If hog farming eventually is taken over by huge corporations, family-style operations won't be the only victims.

Add to the list businesses up and down Main Street in thousands of small towns. In fact, the entire structure of rural America may be at stake!

I admit that sounds pretty strong. But it all boils down to jobs and dollars – especially to where jobs are located.

Let me first emphasize I'm not talking about total jobs. If we raise 90 million head of hogs in the U.S. every year, it probably will take about the same number of workers – whether those hogs are raised by a dozen corporate giants in 200 units or by 90,000 independent family operations marketing 1,000 or more hogs a year.

But job location is another matter. The real question is this: Is it better to have those jobs scattered across thousands of rural small towns – or should all of the jobs be concentrated in a handful of communities?

Today, survival of small-town America is hanging by a very slender thread. The declining count of farm families threatens to turn communities of 500-1,500 people into ghost towns.

It's easy to figure out what has happened. Fifty years ago, an "average" farm family could probably handle 160 acres of row crops, plus a couple milk cows, a few pigs and a small laying flock. Today, the same farm family, with huge tractors and combines, can easily handle 1,000 acres of corn and soybeans.

At this point, let me set an arbitrary figure. In most cases, those small towns rely on the folks living within seven miles of the community to provide the business that keeps the town alive. (If you don't like seven miles, pick your own figure.) But seven miles means an average of 14 miles between towns. In eastern states, that figure is probably high. In the West, it's low.

A circle of seven miles around the town calculates to nearly 154 square miles or 98,000 acres.

If you accept my 160-acre figure, that means it took over 600 farm families to farm the land a half-century ago. And the town itself probably included another 200 families. So 800 families kept the local grocery stores, filling stations, restaurants and drug stores in business. Eight hundred families meant a decent-sized school. And it meant churches, 4-H clubs, a Memorial Day parade and a whole

If huge corporations raise all the hogs – it may be a death sentence for thousands of small towns!

lot of institutions we took for granted.

But, in 1992 it only takes 98 families to farm that acreage – not enough to keep most of those businesses going.

It's the beginning of a vicious cycle. As the number of farm families goes down, fewer businesses survive and that means fewer people living in the town. The whole shrinking process becomes almost impossible to turn around.

The problem is not restricted to towns with 800 or 1,000 people. The same spiral is chipping away at larger towns with populations of 5,000 to 10,000. Today, even the traditional "county seat" offers a lot less support for the farming community than it did 20 years ago.

It boils down to this: The small towns of America cannot survive in a cash grain economy. It takes the jobs and the extra income of livestock production to keep them alive.

If all hog production winds up in the hands of a few corporations – and they choose to follow the National Farms example of hammering

together units with 20,000 sows in one community – there will be maybe 250 communities across the U.S. that will think they have tapped a gold mine with all of those extra jobs.

But thousands of towns, left with only cash grain farmers, will wither. Not only will local businesses gradually close their doors, but – except for the 100 or so families left on the land – the most promising young people will leave.

But, if there are highly skilled jobs available, the majority of the young people will gladly retain their "membership" in the community where they grew up.

Given that choice, you would expect to see small-town businessmen working hard to attract new livestock operations into their communities. Or working to help existing farmers expand.

But all too often, they ignore possible jobs in agriculture. "We need a couple of factories" is the all-too-common cry. Community leaders will offer tax breaks, float municipal bond issues, line up financing and do whatever else is needed to bring in a manufacturer hiring 20 laborers. But will they offer the same breaks and the same assistance to 20 pork producers who would provide an equal number of jobs by expanding their operations?

You know the answer to that question as well as I do! Too often, the local pork producer is strictly on his own!

Jobs are only part of the picture. The pork producer has added value to the products being sold from that community. Which brings the most money into the community – eight bushels of corn sold for \$2.50 a bushel (\$20) or the same eight bushels of corn used to raise a market hog that brings \$100 or more?

The struggle between giant corporate units and independent family hog farms is not something Main Street can walk away from. The impact on rural values in America is way too important to be left to chance. ♦

SIRS:

In response to the increasing pressures placed upon the private producer by the Corporate structures, I feel obligated to state my dissatisfaction. My remarks are both personal and professional, although in no manner do they represent the feelings and/or moral tones of the Company of which I am employed.

Should Corporations continue in their drive to dominate this bracket of the livestock industry, not only will we see the demise of many capable farm families, but the destruction of the very values and ethics on which most of these families' communities were built. When Corporations are allowed this degree of encroachment onto the private sector, we'll also see the wall of competition start to crumble. Personally, I'm not seeking unemployment simply because the Company with which I choose to be employed doesn't produce, market and

HOUSE AGRICULTURE

2-5-93

ATTACHMENT #15

retail what should be private producer products. I believe that our Kansas producers are showing and proving that they are more than capable of meeting packer and consumer demands. Otherwise, we wouldn't be here today. I also believe that this Corporate trend is also called a monopoly or that of total control reaping benefits only for itself.

I thank you for your time and patient attentiveness.

Sincerely,

Roger D. J. J. J.
Livestock Feeding Consultant.

As an independent hog producer in the state of Kansas, I ask you to vote "no" on the corporate farming law. I realize you have heard from several experts on the economic advantages it would bring to the state, but what will it cost us in the long run?

Even though the cattle feeding industry in Kansas has been very beneficial, it has also cost us many smaller family-run feed lots. Not because they were unable to produce meat as cheap but because the packing plants would not pay the same price as for cattle from large feed yards. The same has happened in the poultry industry. If they're not producing for a big contractor they're not producing poultry. Should corporate hogs be allowed in Kansas, I feel they will soon take the same path. The hog feeding industry will likely be located in western Kansas where grain is plentiful. Again benefiting a few rural communities while the majority will suffer.

There has been a lot of controversy over the other states going pro-corporate, which some say will leave Kansas out in the cold should we not take the same path. Well, I was always taught that just because someone else jumped off a bridge doesn't mean I should do the same. I feel the other states will be sorry in the long run.

Again, I ask you to support the people of Kansas to help us rebuild the hog industry the way I know we can. Farmers are very tough individuals and have endured many different obstacles over the years, and with your support we will overcome this one.

Thank-you.

Cale Tredway of Erie, Kansas

HOUSE AGRICULTURE
2-5-93
ATTACHMENT # 16

In addition to all the other reasons you are hearing today against hog corporations, I would like to express, as a mother, the importance of family farms.

I am the wife of an independent hog producer and I am strongly convinced that if hog corporations are allowed in Kansas, all the present independent hog producers will not be able to successfully compete with the corporations and will eventually have to take town jobs to support their families.

My husband is the son of a farmer and started farming on his own at the age of 14 and began raising hogs through FFA also at the age of 14. My husband does not farm and raise hogs for the money, as we all know farming isn't always profitable, it is in his blood, it's what he loves. Not many people are blessed with doing a job they thoroughly enjoy.

Our hogs are used as our monthly cash flow. Nowadays, regardless of one's profession, it takes both the husband and wife working to survive. I presently work for a law firm but it is my goal to some day be able to become a professional domestic engineer.

My husband and I have three children, a daughter who is 9 and two sons, ages 7 and 1. I would like very much for our children to be able to continue with the hog business and farming, if that should be their desire, but I do not feel they will even have a choice if they are faced with the problems of having to compete with hog corporations on an unlevel playing field because the corporations will try to dominate the pork industry like they did the poultry industry. I have two uncles who live in Arkansas and they got into the poultry business early and, to make a long story short, the poultry business was not as profitable as the picture was painted and both uncles are now out of the business and both have moved off their farms and into town.

Should my husband be forced to find some other kind of employment, there is no doubt in my mind we would be forced to move to a large City, and that is definitely not what we want for our children.

I am the typical "City girl" gone country. I was born in Tulsa, Oklahoma, and have lived in large cities, including Los Angeles, CA, and Joplin, MO, so I know from first-hand experience what the City life is all about and it is definitely not where I would want to raise my children. I did not know one thing about

farming, much less raising hogs, until I met and married my husband. Living in a rural community has so many advantages, such as the friendly hello's, being able to trust your neighbors, being able to let your children play outside and not worry about someone abducting them, having the school classrooms small enough for the children to get the one-on-one teaching so many children need and the lower crime rate. You can't get this in the City. Unless forced to, I would not trade the country life and the small community atmosphere for anything in the world.

As children of a farmer/hog producer, our children are able to see their daddy when they get off the school bus, daddy is able to make it with Mom to those Parent/Teacher Conferences, daddy is able to take the baby to the doctor when Mom can't get off work, daddy is able to make it to that play that is so important to his daughter, in short, daddy can always be there. If daddy had an in-town job, he more than likely would not be able to be there for his children, giving them the "quality" time all children deserve and need. How many City kids can spend several hours each day side-by-side with dad?

And our children enjoy working with the hogs. In fact, unless I can catch him first, our 7 year old gets off the school bus and heads straight to the farrowing house, school clothes and all! When it's time for working the pigs, it is a family affair - each one of us having our own job helping each other, with the baby doing all the supervising. But I am sure it won't be long before he's right in the middle helping too.

I guess what I am trying to say is that there I don't believe there is anything more special than farm families. It's hard to put into words, but we are blessed with a lot.

Again, I am convinced that hog corporations will force all of our young farmers to seek other occupations. The Bible speaks of farming and families working together as a family. I urge you to please vote against hog coporations in Kansas and give us and our children of the future a chance.

Thank-you.

Shelly Tredway of Erie, Kansas

February 4, 1994

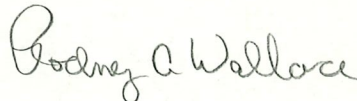
To Whom It May Concern:

Being a manager for a local business, I am concerned about the recent push to allow corporations to start hog production in Kansas. I feel most of my customers who raise hogs will not be able to compete on a level playing field. And, without business of these customers it will be harder for me to stay in business.

Even though I work for a corporation, it is hard enough to compete with other corporations that are vertically integrated. From the information that I am getting it is vertically integrated corporations that want to start hog production in Kansas. This will put a great stress on our local farmers and would eventually hit my business.

I would ask this committee not to allow this to happen to our great state.

Sincerely,



Rodney A. Wallace
204 East 4th
Erie, Kansas 66733

HOUSE AGRICULTURE
2-5-93
ATTACHMENT #18

I am Wendell Collins and I live in rural Erie. I am against corporate farming because I feel like it will take more people and more land out of the family farmer hands. With Corp. Hog Farming it will hurt the community as far as jobs on the farms in town do to the fact that they will buy in large quantities direct from the manufactures.

Wendell Collins

KANSAS SWINE GROWERS ASSOCIATION
Area Pork Producers

To whom it may concern:

We are against corporate pork production in our area because our present small non-corporation pork producers are land owners and diversified farmers paying local taxes supporting our local county functions.

Our local (non-corporate) pork producers purchase items from the local community, therefore, helping to stimulate our local economy vs corporations that set up national purchasing of most needed items out of the local economy.

Please keep our local pork producers stimulating our local economy.

Robert Campbell
Cree, Kansas

HOUSE AGRICULTURE
2-5-93
ATTACHMENT #20

To whom it may concern

From:

Erie Apco Service
226 South Main
Erie, Ks. 66733

Sirs:

I am a small business entrepreneur, in Erie, Ks., who is very concerned about corporate farming. In my business, which is a full service gas station, I am very dependent on the small family farmer.

My concern with corporate farming is that it will be supported with my tax dollars to give unfair competitive advantage to the corporation. This would adversely affect the small farmer and probably force them out of farming. This in turn would force me out of business

It is my wish that you do not support corporate farming in any of its ramifications and especially where it may affect the small family swine farmers.

Sincerely



Louis W. Thompson

HOUSE AGRICULTURE
2-5-93
ATTACHMENT # 21



EXCHANGE STATE BANK

ST. PAUL, KANSAS 66771



BOX 188

316-449-2225

House Agriculture Committee

February 5, 1993

Re: H.B. 2069

Dear Chairman Shore and Members of the House Committee on Ag:

We, at Exchange State Bank, would like to express our opposition to the Corporate Hog Farming Bill HB-2069. As a small rural bank in southeast Kansas we are involved in agricultural lending and do business with many small family farmers. Needless to say some of those farm customers are involved in hog production, and it is distressing to us that our state legislature is considering legislation that may in fact threaten their very existence. We have all seen what corporate farming has done to the poultry business throughout the country. It has virtually eliminated the individual producer unless they are interested in contracting directly with corporate interests who now control poultry industry and the market structure.

We can visualize the very same thing happening to the swine industry in the State of Kansas if corporate hog farming is to become a reality.

We recognize the temptation being promoted by the corporate interests. The promised job creation and tax receipts is certainly tempting, however, we would be willing to bet that most of the large corporate interests will be searching for tax abatements and other quirks as consideration for locating in specific areas. We would also note the majority of the job creation will be minimum wage jobs and we already have enough of those in southeast Kansas.

We would also remind you that most of our small family farmers in Kansas have lived here all their lives and have paid property taxes and income tax in the state throughout their adult lives.

We've already displaced too many of our small family farmers in the state of Kansas, we think eventually to the detriment of the state. We ask that you consider the impact of your actions on individuals and their families who have made a significant contribution to the state of Kansas their entire life by making Kansas one of the most productive and progressive agricultural states in the nation.

We trust in your ability to do what is right.

Respectfully yours,

A handwritten signature in cursive script that reads "Randy Steeves". The signature is written in dark ink and is positioned above the typed name.

Randy Steeves
President

HOUSE AGRICULTURE
2-5-93
ATTACHMENT # 22

House Agriculture Committee,

Being from a small rural community relying mostly on agriculture to sustain the local economy, I request your consideration in keeping corporate hog farming from being a part of Kansas. Too many native Kansans are already leaving the family farms for the suburban communities because of the struggled life of our farm families. Allowing corporate hog farming would only expand the necessity of this movement.

My family has raised hogs all my life and have been involved in businesses directly associated with the livestock industry. In other words, directly dependant on the family livestock business. Currently, we are operating with 80-100 sows in a farrow to finish program. This includes my brother and my three sons. The boys are all teenagers and involved in many other activities, but yet enjoy the farm life and values. My wife was raised in a small town not aware of the rewards and experiences of new born animals. Also, we have adopted a daughter who immensely enjoys the early morning chore trips to see the newborn animals. I mention all this because I believe corporate hog farming would destroy our family life and values we now enjoy as a family.

Although we have employment off the farm, it is only out of necessity. I hope to always be involved in the rural life. My job also sheds much light on the rural and farming woes. The small communities are suffering already because of the farm problems in the '80s. Especially small towns where elderly people have retired and moved to be close with their families and friends. These communities are history if corporate farming kills the family farms.

I find it simply amazing that corporate farming be considered an alternative at a time Kansans need to be Kansans. We are all here because we like the rural atmosphere. Our government is offering several programs and looking at others to get young farmers started. Why? Because there are no incentives to remain on the farm. Corporate hog farming seems to be a complete reversal of the government's efforts to enhance family farming.

I feel corporate hog farming would threaten many rural communities and farms involved in the swine industry today. The effect could be very similar to the Walmart effect on Main Street in your home town.

Please reconsider what your constituents want!
Remember, we are all still in Kansas because of what it has to offer - A GREAT RURAL HEALTHY FAMILY LIFE.

Thank you for the opportunity to discuss my views and opinion regarding this issue.

Joseph A. Smith
Joseph A. Smith
R.R. #1 Erie, Kansas

HOUSE AGRICULTURE
2-5-93
ATTACHMENT #23

House Committee on Agriculture

Friday, February 5, 1993

Re: H.B. 2069./ Corporate Swine Production

Chairman Shore and Members of the Committee:

My name is Jack Whelan. I am a farmer/pork producer from St. Paul Kansas. I appreciate the opportunity to submit written testimony to this committee.

Swine production has been a consistent part of my farming business since it was established in 1957. I attribute my success in farming largely to this pork production. My operation consists of a 150 sow, farrow-to-finish process.

I am opposed to corporate swine production. I am sure testimony has been presented on the many negative aspects of this issue. I will not address facts and figures, but rather how I see it would affect my community and myself.

I cannot compete with large scale corporations in my business. Although I am an efficient producer, corporations have advantages that are not available to me. Large volume purchase of feed, supplies and equipment combined with higher market prices give them a significant edge. This only serves to encourage more building and more production, which decreases market demand and prices. Within a short period of time, my market will be limited to the rock bottom prices I can get at the local stock yards.

I purchase thousands of dollars worth of feed from a nearby feed store every month. I buy equipment and supplies locally. My profits support local businesses. I bank and shop within the community. If my business suffers financially, rural Southeast Kansas suffers financially.

As undoubtedly all medium sized family farmers have, I have contributed socially to rural Kansas. I have a wife and three children. Two of whom have chosen to remain in this community, to work, raise their children and contribute both socially and economically to rural Kansas. My son is employed in an agriculture associated business.

The financial stability of rural communities is centered around agriculture. If the income of some 5,700 Kansas hog farmers is devastated by large corporations, rural Kansas will suffer. It is estimated that for every 6 or 7 farmers who go out of business, one local business closes. If large corporations move into pork production, it may appear to benefit some communities, but it certainly will be at the expense of many others.

I respectfully ask you to hold hearings on HCR 5005 that would protect the interests of family farmers, and to kill HB 2069 in this committee.

HOUSE AGRICULTURE
2-5-93
ATTACHMENT # 24

Feb 3, 1993

To: House Agriculture Committee

I was raised on a family farm and since 1960 have maintain a family farm raising hogs as my primary source of income. It has enabled my wife and I to raised four children in a good environment and made enough to put them through college.

Over the last 10 to 12 years I have seen events that make me wonder about the future of the family hog farm. I have seen the consolidation of the meat packing industry (both pork and beef), contract feeding and farrowing, and super large units of production (both private and by corporations).

Now you are considering a bill to allow corporate farming in Kansas. I would like to express these concerns:

(1) Are we going the way of the chickens? I don't know of a place to sell broilers. I can still compete on the production end but not on the selling end. Why? Because I don't have a load (200 head) ready to go at a time.

(2) Profits and production expenses from a family farm stay in the community. Where does the profit and production expenses (except for local labor) of a corporation go? Probably out of state.

(3) Environmental issue! It seems to me it would be better to have fifty 100 sow family farms scattered accross the state than a 5000 sow in one watershed area.

Therefore I am against ^{changing} the corporate farm bill.

Thanks for your time.

Marion J. Page
R#1 Box 52
Eric KS 66733

HOUSE AGRICULTURE
2-5-93
ATTACHMENT #25

COUNTRYSIDE FARM AND HOME
211 MAIN BOX 614
PARSONS, KANSAS 67357

February 4, 1993

To: House Agriculture Committee

As one of the larger farm suppliers in our 35-mile radius trade area, we would like to see the legislators not change the corporate farm bill. It would be beneficial to, not only the 30 hog producers in our area, but to our own business. We would be better to serve 30 small hog producers than one large corporate farm. These 30 small hog producers are doing an excellent job of producing our pork needs.

Family farms need to be kept going because of the younger people. Some of these family farms include third generations and three families in their hog operations. DON'T FORGET THE YOUNG PEOPLE!

Consequently, we are against the changing of the corporate farm bill.

Sincerely,

James Wilton
Gary Nuck

HOUSE AGRICULTURE
2-5-93
ATTACHMENT # 26

I'm Mark Clevenger:

My wife Kathy, and our 4 children live on a farm south of Erie, Ks. I have been farming full time for about 5 years. We take care of crops, cattle, and hogs.

I am concerned about the idea to allow corporate hog farming in Kansas, and the impact it will have upon family farms.

I acquired some knowledge and my love of hogs doing chores growing up at home. We had an average of 8 sows, farrow to finish. I don't know how much Dad made on hogs, but when I got married I started raising a few, and kept 10-20 sows. I now keep around 20 sows. Now, those numbers don't sound very big compared to the corporates, but those 20 sows provide from 1\4 to 1\3 of my income. My son is 20 and trying to decide if he wants to farm or do something else. If he farms, hogs will play an important part in his getting started, and the family farm will continue.

If we allow corporations to raise the hogs with their breaks, incentives and numbers, I wonder if hogs will remain profitable for the family farm.

Some say the time of the family farm is over, I say give us some protection, and the breaks of the corporations, and we'll benefit Kansas, more than the corporations.

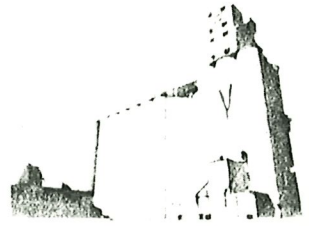
Thank you.

*HOUSE AGRICULTURE
2-5-93
ATTACHMENT # 27*



PRODUCERS COOPERATIVE ASSOCIATION

P.O. BOX 323
GIRARD, KANSAS 66743
316-724-8241



Established in 1948

February 3, 1993

Committee on Agriculture
Topeka, Kansas

Gentlement:

We are concerned about corporate hog farms where such farms would eliminate or seriously affect the profits of current hog operations in this area. We provide many services to these operations. Not only do we sell them feed but also fuel, tires, and many other supplies.

These producers are a significant part of our business. The loss of a large segment of our customer base would affect the profitability of our organization.

Our company is economically important to this community. We employ from 45 to 50 people. These people require support and create additional employment in the community through services which they and their families require. Also, many of our customers come to town to do business with us and while they are here do business with other business firms in town.

We are a full service farm supply company which manufactures feed, soymeal and soyoil, merchandises grain, sells fertilizer, fuels, tires, oil, and other farm supplies, and provides other related services for our producer members.

Yours truly,

H. Wayne Wigger
General Manager

HOUSE AGRICULTURE
2-5-93
ATTACHMENT #28



Kansas Audubon Council

February 4, 1993
House Agriculture Committee
Testimony on HB 2069

Mr. Chairman, members of the committee, I am Joyce Wolf, legislative liaison for the Kansas Audubon Council. I thank you for the opportunity to appear before you today to share my comments on HB 2069 on behalf of the nearly 5000 members of the National Audubon Society in Kansas.

My testimony will be from the perspective of a non-farmer who represents members largely with a similar background and experience, although we do have a number of members who actively farm or ranch in the state. I do not intend to delve into the numerous bits of data that have been shared over the course of several days' hearings. The one piece of information that is most relevant to us, however, is the forecast that should this bill be passed, there will be a loss of family farms.

The Audubon Council is interested in this issue because we care about stewardship of natural resources, pollution prevention, sustainability of family farms, and we have concern about the decline of rural populations and the need to protect those aspects and qualities that are the core of the values associated with rural life and family farms in particular.

While it is difficult to precisely quantify, it is commonly held that these family farms, whose existence is threatened by this bill, are more attuned ecologically to their surroundings and engender a spirit of stewardship of the land and water resources. Family farms also have a real connection to and interdependence with other local businesses in their communities, compared to the profits that will be siphoned to corporate headquarters to be dispersed to shareholders who for the most part care little about the societal impacts of their investments.

Having grown up in a small city which took pride in its independence, spirit of cooperation among its citizens and general feeling of neighborliness, I personally feel a sense of loss when I drive through areas in rural Kansas and witness the decline of rural communities -- at least partly a result of concentration of ownership of land in the hands of fewer and fewer farmers. We need to seriously examine if that is the direction that we want to foster in Kansas.

HOUSE AGRICULTURE
2-5-93
ATTACHMENT # 29

Your decision on HB 2069 will of necessity take a myriad of issues into consideration. It clearly is not a simple matter of economics alone, but one of job creation vs. job loss; examination of what kinds of jobs will be created and for whom; and then associated with that: what kind and how high will the educational and health care costs become for the city or county where a packing plant is sited; and will the economic benefit to one community be more than offset by the loss of family farms and those jobs of supporting community businesses in the remainder of the state.

The Audubon Council believes Kansas is in the position of selecting from among a variety of options and that it should look at all of them and select the one that is most beneficial to the state as a whole and supports family farms in the process. We hope you'll agree that an option that further shifts the rural population into our major cities is not the best alternative. We urge you to vote no on HB 2069.



SIERRA CLUB

Kansas Chapter

Sierra Club Testimony on Pork Production Exemption to Corporate Farming Statute

William J. Craven, Legislative Coordinator
February 4 or 5, 1993
House Agriculture Committee

Thank you, Mr. Chairman, and members of the committee for providing the 3,000 members of the Kansas Sierra Club to again voice their opposition to this proposed change in the Kansas corporate farming law. On Jan. 15, I appeared before you during the informational hearings and outlined our basic position. I don't intend to restate that testimony here.

I'm sure you each recall that I said then that corporate hog production was damaging to family farms, led to greater economic concentration in an industry which is already controlled by too few, and led to irreversible environmental damage. I also pointed out that corporate farming, by definition, was not sustainable agriculture, and that family farms are far better suited to diversification, economic efficiencies, and environmental protection. Another point was that competition in the marketplace will be dominated by corporate farming, if this bill is passed, and corporate pork production which is affiliated with swine processing and packing centers will eventually drive the small farmer from the marketplace.

If all the energy which has been spent trying to carve out another loophole in the corporate farming ban had instead been spent helping family farmers find markets and improve the prices they receive for their goods, this state would have been better off.

As I listened to the proponents of this measure, I was struck by how little consideration they gave to protecting Kansas' natural resource base. I didn't hear them talk about water resources, energy conservation, or controlling feedlot runoff. I didn't hear them talk about odor control, which when it comes to giant pig feedlots, is a major issue. Instead, I heard them say that giant pork production facilities are inevitable, and that the Kansas legislature shouldn't even try to stop it. I heard them invoke time and again the cliché that this bill is simply a matter of "leveling the playing field."

First off, you should reject the notion that the Kansas legislature doesn't have a vote on this issue. Many of you who are opposed to casino gaming don't care what other states are doing. Regardless of my personal view on casinos, you should bring that same independence to this issue. Don't be stampeded into voting for this bill just because you are told "everybody else is doing it." Don't abdicate your responsibility to tailor legislation which meets the specific needs of all Kansans, not just corporate agribusiness. The bottom line is that this is just special interest legislation.

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We heard a lot from the proponents about how "bigger is better." When economists talk about bigger being better, what they ignore are the social and environmental costs. Those costs are external to their equations, so they ignore them. Economists are uncomfortable in valuing the future, so they discount the costs that are absorbed by the next generation of farmers and consumers. What is the cost of a ton of topsoil eroded away by careless management practices? What is the cost of a fishkill caused by nitrate poisoning from feedlot runoff? These are not merely hypothetical questions. These are the exact sorts of questions you should be asking as you debate this bill.

There is considerable evidence that smaller farms which are owned by those who operate them and live on them, are more efficient than mega-farms. And small farms contribute to this state's social mix far more. Small farm communities support businesses and retail trade. Small farm communities spend more money for household supplies and building equipment. Schools, churches, newspapers, parks, and civic organizations survive in towns with a broad-based family farm economy. There is no evidence that corporate agribusiness shares those values or makes the same sort of contributions.

Finally, we heard a lot of talk about North Carolina. You were told that North Carolina is the model for corporate pork production, and well it might be. But it is not a model which we should import into Kansas. Yesterday I received some material I requested from the North Carolina Department of Environment, Health, and Natural Resources. I spoke to the head of the division of environmental management who said that if we adopt the North Carolina model, we should go into it with our eyes open. It is not all roses.

North Carolina is struggling with issues of animal waste and water quality. That state is only now passing regulations on these issues. That presents a host of problems which Kansas should avoid at all costs.

I also received a consultant's report which is highly critical of the large volume swine production industry in that state. The consultant says that North Carolina's agricultural lobby "has been successful in maintaining environmental compliance standards at lower levels than any other public or private entity in the State of North Carolina."

The consultant notes that the public is "angry and frustrated" because North Carolina is targeted as a waste dumping ground, and is concerned about water quality and groundwater contamination. If we regulated location of feedlots, required feedlots to account to their neighbors for their reduced property values, regulated where feedlots could be located and the size of the operation, imposed guidelines for labor and health benefits, required crop rotation, strictly regulated waste water disposal and storage, and factored in the safety and health of area residents, I wonder if corporate pork production would seem so attractive to the agribusiness interests who appeared before you on Wednesday of this week? Yet that is exactly what Kansas must do if it is going to relax the ban on corporate hog production.

I recently heard a briefing to the House Energy and Natural Resources committee from the Department of Health and Environment. The feedlot permitting program is way behind. The industry only contributes \$22,000 of the \$400,000 which is needed to fund the program, and for feedlots of under

1,000 animals, only about 10 percent of them are permitted. To get caught up, KDHE estimates it will need 17 full time employees within 5 years.

Ask yourself if we want to expose the state to another expansion of feedlots when we can't keep up with those we have?

In North Carolina, the state environmental department notes that it does not license facilities until after problems arise. As I said, it is only now beginning to regulate new facilities. The number of complaints varies, but one eastern regional office in that state responds to more than 50 complaints annually, and "a large percentage of those are found to be discharging" wastewater.

I also received from North Carolina some newspaper clippings in which area farmers are complaining about the stench from corporate hog feedlots. County commissioners are considering moratoriums on hog feedlots because of the failure to control odor, and residents are complaining that the quality of life is being destroyed. What they are complaining about is not the biggest pork production facility in North Carolina. This one is four units each of which has 1,000 sows and produces about 380 pigs a week. This farm sits on 800 acres in one of the poorest counties of North Carolina. Thirty-three people are employed there.

I don't think it's worth it. But if you do, the least that should be required is an environmental and social assessment conducted by KDHE, and paid for by the applicant, before any corporate hog production is allowed in this state. Also, the written approval of the county commission should be required. There should be an opportunity for public comment and even public hearings at both the state and the county level. The legislation should spell out in detail exactly what factors should be looked at. At a minimum, these would be the quality of the jobs created, the supply of water and energy, odor control, wastewater management, manure supply and control, and measures for enforcing these regulations.

The fact of the matter is that all of this energy should be spent on helping family farmers. Kansas does not need businesses which are not environmentally sustainable. I urge you to reject this bill, and thank you for the opportunity to appear here today.

STATEMENT

of

Ivan W. Wyatt, President

Kansas Farmers Union

on

HB-2069

Tax Supported Vertical Intergration of the Pork Industry

February 4, 1993

before

Th House Committee on Agriculture

The results of the January 14-15 hearings on this issue clearly set out HB-2069 as a political move to replace a competitive marketing system with a corporate vertical intergrated monopoly of the Kansas Pork Industry. It is not part of the natural evolution of farming. It is more like the Stalin revolution that used the power of government to drive the Russian farmers from their farms.

Everything from the proponents statements related to the establishment of Kansas law would facilitate a raid on Kansas taxpayers, similar to the Oklahoma raid.

State funding of Vertically Integrated Agricultural Production-Processing, using huge amounts of taxpayer dollars, is simply one of the worst forms of corporate socialism.

It is one of the worst because this proposed legislation will allow the drawing from hard-pressed Kansas taxpayers, handing those tax dollars over to conglomerate and transnational corporations least in need of a handout.

Not only will the Kansas taxpayer lose, but the biggest loss will be the state of Kansas' loss of its' remaining young independent farmers, like those who appeared before this committee January 15.

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Why should the legislature want to drive the young Kansas families from the farm. Why should we want to drive off these young taxpayers and reward the conglomerate tax-takers?

Why should the Legislature want to drive out these people that practice one of the most effective "value-added" enterprises in the state, the feeding of farm grown grain to farm fed livestock, out of business?

Why should state institutions promote "value-added", then support the position of the tax-takers? Kansas taxpayers should take a look at the state's budget and ask, "Is this what we want to spend our tax dollars for?" Taxpayers should ask, "Do we want to funnel our scarce tax dollars to the State Board of Agriculture and K-State Ag economists if they advocate taking from the state's many rural communities to give to absentee conglomerate tax-takers?"

Should the Kansas Legislature stand by while tax supported groups make the not-so-subtle threat that if "Tax-Taker Legislation" is not passed, Kansas' independent pork producers will be denied access to new technology?

Who in these tax supported institutions made the decision that the state of Kansas should focus attention only on the development of a vertical-integrated, monopoly-controlled market? Who in these tax supported institution made the decision that Kansas should act like the short tail "Lemming", following other states that have funneled state funds into a socialistic, corporate, welfare hand-out?

Why are these people, living on taxpayer dollars, advocating the use of taxpayer funds be used for the preservation of a half-century old dinosaur? Should they not be looking toward the future, developing a trim, competitive, marketing system, built on the strength of our state and its independent entrepreneurs?

Today, everything is supposed to be market driven. Giving these

corporations over \$20,000 to drive each independent producer out of business is not market driven. It is plain corporate socialism.

Does Kansas want their tax dollars used to support socialism for wealthy conglomerates, while destroying free enterprise for its citizens?

One can only ask, Why would the state's legislature turn against its own, denying opportunities to its remaining young in agriculture? To do so gives the appearance of a disorder similar to the brood sow that devours her young. A confused state of mind that says, if we want to be a leader of states, we have to follow every other state to the destruction of its independent operators and producers.

How soon will we be debating whether we should provide taxpayer hand-outs to absentee corporations to compete against the Kansas corn grower, the wheat grower and the Kansas soybean grower?

Finally, what happens if under the rules of the proposed GATT and NAFTA, the MTO (Multilateral Trade Organization) rules. These subsidies to corporations are violations of rules, except the transnational corporations, who operate on a level playing field in numerous foreign countries.

Rep. Gene Shore, Chairperson
House Agriculture Committee

From: John Stitz, Catholic Rural Life, Archdiocese of Kansas City,
Kansas.

2-4-93.

Concerning: HB 2069

Catholic Rural Life is an agency of the Catholic Church. It has been active in supporting family farm agriculture for seventy-five years. We hold that all natural resources, land, water and air are gifts from God, Our Creator. Whether one is Jew, Christian or atheist they have the responsibility of stewardship, caring for natural resources for the common good, now and for future generations.

What does this have to do with HB 2069?

At the Rio Environmental Summit in June 1992, 120 nations, including the U.S., signed Agenda 21, a blueprint of environmental responsibility. Governments agreed that respective federal and state policies would be developed to carry out that responsibility--to save this planet. In that blueprint it is quite clear that an agricultural institution such as envisioned by HB 2069 is categorized as a major source of pollution in the environment. Agenda 21 recommends for the sake of preserving the planet, a sustainable agriculture, which allows people to stay on the land, strengthens rural communities, and integrates humans with their environment. Sustainable agriculture maintains water purity, conserves energy, minimizes purchased inputs to increase local independence, and self sufficiency to insure a stable income for farmers and rural communities.

We would appreciate the leadership in Kansas, as represented in this legislature, to lead the way in developing sustainable agriculture. We feel Kansas should be part of the global movement of all nations to save the planet. Agriculture must remain in the hands of the producer, the farmer who loves the land.

In the long history surrounding the corporate farming law in Kansas, newspapers in our legislative archives have story after story of how the Republican party opposed non-farmer corporate agriculture and championed the cause of the family farmer. It was an integral part of their party platform. We find no reason why this should not continue. We find no reason to write off farmers, whether in building up rural communities, or raising hogs for the people to eat.

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