

# NATIONAL SORGHUM PRODUCERS FARM BILL TESTIMONY

Presented to:

## U.S. House of Representatives Committee on Agriculture Subcommittee on Commodity Exchanges, Energy, and Credit

March 9, 2017

# 1300 Longworth House Office Building Washington, D.C. 20515

Presented by:

# John Duff

National Sorghum Producers 4201 N. Interstate 27 Lubbock, TX 79403

# NATIONAL SORGHUM Producers

## Introduction

On behalf of National Sorghum Producers, I would like to thank the House Committee on Agriculture for the opportunity to submit testimony on the next U.S. farm bill and implications for sorghum in renewable energy.

My name is John Duff. I serve as strategic business director for NSP, where I focus primarily on farm policy analysis and work with sorghum-based renewable energy producers on policy and regulatory issues. NSP represents U.S. sorghum farmers nationwide, and our mission is to increase their profitability by ensuring sound approaches to legislation and regulation. NSP greatly appreciates the work put forth by the Committee in preparation for the next farm bill and looks forward to working with its members to craft this vital farm policy. My testimony, in particular, will focus on implications for sorghum in renewable energy.

## **Industry Overview**

The High Plains produces the largest volume of sorghum, but the crop is also grown from Georgia to California and south Texas to South Dakota. In 2016, 480 million bushels of sorghum were produced in the U.S., with Kansas and Texas contributing approximately 80 percent of this total. Sorghum uses one-third less water than corn and tolerates heat much better than comparable crops. These characteristics make it well-suited for the semi-arid High Plains, where groundwater declines threaten local economies often underpinned by renewable energy or ethanol producers. Ethanol producers typically consume about one-third of U.S. sorghum production and are on track to use 125 million bushels in 2017.

## Expand Opportunities for Renewable Energy Producers Using Sorghum

Since the 2008 Farm Bill was enacted, the U.S. renewable energy industry has seen both incredible opportunities and tremendous challenges. As with any new industry many companies have experienced only limited success, and setbacks have sometimes seemed more common than growth. Through this decade of change, sorghum has proven to be a constant for first generation and next generation renewable energy producers. The advantages are clear: Sorghum is a source of starch, sugar and cellulose all in a single crop; its agronomic needs are well-known to U.S. farmers; and it is supported by a seed industry with roots in the 1950s upper Texas Panhandle, where 85 percent of the world's sorghum seed is still produced. Simply put, unlike other renewable energy feedstocks, sorghum was built to last and is here to stay.

The 2008 Farm Bill recognized this potential and set up a structure to reward ethanol producers for taking risks on feedstocks such as sorghum. NSP firmly believes the resulting incentives enabled ethanol producers to become the foundation of the domestic sorghum market with over \$60 million being used to bolster sorghum demand through the advanced biofuel payment program. NSP strongly urges the Committee to continue and strengthen the program through a more transparent payment calculation process and an addition of provisions that will incentivize new processes designed to increase overall energy production.

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As technology has evolved so too have energy title needs. While many programs authorized by the 2002 and 2008 Farm Bills provided much needed support during a time when little was known about the commercial viability of many renewable energy technologies, today's environment is significantly different. Therefore, we strongly encourage the Committee to consider combining and updating programs to better suit the needs of the current renewable energy industry. In summary, the next energy title must focus more on incentivizing greater energy production by proven market participants than on de-risking unproven technology development.

NSP believes sorghum will be a key part of our continuing move toward greater energy independence. The Department of Energy agrees and has committed over \$70 million to sorghum research since 2015. The Department refers to sorghum as a model feedstock in large part because of the diverse nature of the crop: Sorghum is a starch, sugar and cellulose source all in a single crop, and growth in the area of renewable energy will benefit all U.S. sorghum farmers and ultimately all of American Agriculture.



#### Committee on Agriculture U.S. House of Representatives Information Required From Nongovernmental Witnesses

House Rules\* require nongovernmental witnesses to disclose the amount and source of Federal grants received since January 1, 2015.

Name: John Duff

#### Organization you represent (if any): National Sorghum Producers

- 1. Please list any federal grants or contracts (including subgrants and subcontracts) <u>you</u> have received since January 1, 2015, as well as the source and the amount of each grant or contract. House Rules do <u>NOT</u> require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers: **None.**
- 2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) <u>the organization</u> has received since January 1, 2015, as well as the source and the amount of each grant or contract: **None.**
- Please list any payment of contract originating with a foreign government (including subcontracts) you have received since January 1, 2015, as well as the country of origin and amount of each payment or contract.
  None.
- 4. Please list any payment or contract originating with a foreign government (including subcontracts) <u>the organization</u> has received since January 1, 2015, as well as te country of origin and amount of each payment or contract: None.



#### Committee on Agriculture U.S. House of Representatives Information Required From Nongovernmental Witnesses

House Rules require nongovernmental witnesses to provide their resume or biographical sketch prior to testifying. If you do not have a resume or biographical sketch available, please complete this form.

Name: John Duff

Organization you represent (if any): National Sorghum Producers

### John Duff Biography

John Duff serves as strategic business director for National Sorghum Producers where he focuses primarily on farm policy analysis and works with sorghum-based renewable energy producers on policy and regulatory issues. He has worked on behalf of U.S. sorghum farmers in various capacities for almost six years, and he was raised on a sorghum and cotton farm southeast of Levelland, Texas. John holds a Bachelor of Science in Agribusiness from Texas Tech University.

## PLEASE ATTACH THIS FORM OR YOUR BIOGRAPHY TO EACH COPY OF TESTIMONY.

# NATIONAL SORGHUM Producers

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Signature: 👍

\* Rule XI, clause 2(g)(5) of the U.S. House of Representatives provides:

(A) Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof.

(B) In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of any Federal grants or contracts, or contracts or payments originating with a foreign government, received during the current calendar year or either of the two previous calendar years by the witness or by an entity represented by the witness and related to the subject matter of the hearing.

(C) The disclosure referred to in subdivision (B) shall include--(i) the amount and source of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) related to the subject matter of the hearing; and (ii) the amount and country of origin of any payment of contract related to the subject matter of the hearing originating with a foreign government.

(D) Such statements, with appropriate redactions to protect the privacy or security of the witness, shall be made publicly available in electronic form and not later than one day after the witness appears.

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