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Southern Peanut Farmers Federation applauds U.S. House Ag Committee Listening Session

GAINESVILLE, Fla. – The Southern Peanut Farmers Federation today applauded U.S. House Agriculture Chairman Mike Conaway and the other members of the committee who held a listening session today about the 2018 Farm Bill.

“I’m pleased Chairman Conaway was in Florida today and wanted to hear directly from peanut farmers,” said Armond Morris, chairman of the Georgia Peanut Commission and member of the Southern Peanut Farmers Federation. “The Peanut Program works. It’s a market-based program that brings stability to peanut farmers, our families and our communities. I was pleased to be able to share with the Chairman and Members of his committee, including those from the Georgia delegation, Congressmen Scott, Allen and Bishop, how the program helps farmers secure loans that allows us to plan for the long haul.”

Joining Morris at the listening session were:

- Don Koehler, Executive Director, Georgia Peanut Commission
- Gerald Long, President, Georgia Farm Bureau
- Will Ellis, Peanut Grower and owner of Jeff Davis Peanut Buying Point
- Larry Ford, Peanut Grower
- Ken Barton, Peanut Grower and Executive Director of the Florida Peanut Producers Association
- Caleb Bristow, Executive Director, Alabama Peanut Producers Association

Ken Barton, executive director of the Florida Peanut Producers Association, said the listening session was an ideal format for members of the Agriculture Committee to be in Florida and understand how the Peanut Program works to support farmers and communities. “I’m especially grateful to our Florida delegation, Congressmen Dunn and Yoho for hosting today’s event. While citrus is bigger than peanuts in

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Florida, our delegation understands how important the Peanut Program is to Florida’s economy. Today was a good opportunity to discuss how a fair reference price brings certainty to farming – both when demand is high, like it is currently, and during times of economic downturn.”

The Price Loss Coverage (PLC) program, which was included in the 2014 Farm Bill, works for farmers and consumers. It is a common-sense and market-based solution offering farmers a price floor that promotes constancy and access to lending amidst market uncertainty. Since peanut reference prices are set by the Farm Bill and applied for a full five years, the system in place ensures stability in times of both prosperity and times of economic downturn. This underscores why a realistic reference price is paramount. The market-based Peanut Program serves as an important backstop to secure loans. Without the certainty the peanut program brings to peanut farmers, banks would not extend loans – putting many peanut farmers out of business.

“Congress needs to maintain the reference price in the 2018 Farm Bill,” said Larry Ford, a peanut farmer from Greenwood, Florida. “The old adage: ‘if it ain’t broke, don’t fix it’ is true when it comes to the Peanut Program. When demand for peanuts is high, the program doesn’t cost the government pennies on the dollar, yet the program still delivers on the certainty we need to secure loans. And when the economy takes a downturn, the Peanut Program can serve as a lifeline to keep us from going bankrupt.”

Demand for peanuts is currently on the rise and exceeds supply as interest in the health benefits of peanuts continues to grow. Peanuts have seen continued per capita consumption growth for years, jumping from 6.60 pounds per capita to 7.41 between 2012 and 2016.ⁱ This means that market prices are expected to increase and Peanut Program support to farmers, and cost to the government, will be minimal.

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ⁱ Source: USDA Peanut Stocks and Processing report; excludes peanut oil