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Farmers: Crop relief not so peachy

By **JASON SPENCER**, Staff Writer

South Carolina farmers will receive about \$23 million from the federal government this year for crop damage - though many Upstate farmers argue that the insurance system they use to cover such catastrophes is flawed.

The agriculture sector has been clamoring for relief since a drastic - and late - freeze damaged or destroyed many crops, particularly peaches.

"We lost it all," said Bruce Johnson, of Johnson Brothers Farm. "It's a gamble every day you wake up."

The reimbursement is the result of a complex formula that entails multiplying a farm's production history by the price of a crop in a certain state as set by the U.S. Department of Agriculture, and multiplying that by insurance coverage.

Farmers can opt to purchase insurance to cover between 50 percent and 75 percent of their crops. Since the federal government underwrites the insurance companies, the \$23 million - which covers 111 policies - coming into the state this year will be tax dollars.

For reimbursement purposes, the current price per bushel of peaches here is \$12.75. Farmers have a problem with that, saying that the USDA's results are skewed, as prices here are averaged together with those in Georgia and Florida.

An even bigger concern is how a farm's production history is determined. It's supposed to be an average of the past five years' worth of production. But Henry Gramling of Gramling Farms pointed out that during the past three years, production could have been zero for two years because of hail and zero again this year because of the freeze.

In those cases, farmers are told to report producing 60 percent of their typical yield, but that causes grumbles because of the amount of guesswork involved and because that doesn't take into account the size or age of a tree - which influences how much it is expected to produce.

"Sixty percent is better than zero. But it's not fair," said Jimmy Forrest of Ward.

It also doesn't take into account inflation or rising production costs, Gramling said.

"There's no easy solution," said Jeanne Lindsey, a U.S. Department of Agriculture risk management specialist. "We might need to take a look at the program."

Monday's gathering of 60-plus farmers was orchestrated by U.S. Rep. Bob Inglis, R-S.C. Inglis praised the farmers for their hard work. He also said their input on the immigration debate - many farmers are worried that the United States needs a better guest worker program, and that immigration reform could hurt their industry - helps people "see the issue more fully."

The guest worker issue was touched on Monday, though the farmers spent nearly two hours grilling Lindsey about reimbursement for crop damage. She said the system needs to be balanced and not tipped too far in favor of the farmers.

"We've got to maintain the integrity of the system, or they won't have it," Lindsey said. "If you make it too profitable to have a loss, then people will farm insurance, not peaches."

Such fraud has happened with watermelons in Florida and sweet potatoes in South Carolina, she said.

Inglis said he'll hold a follow-up meeting with those affected to make sure the crop insurance program is tailored to South Carolina.

"The role that I'm going to take is to be an advocate for the South Carolina peach farmers with the USDA and make sure they're hearing us," Inglis said.

"That doesn't necessarily mean that they're going to change it to our absolutely liking it, but they should at least hear us and understand our concerns."

Gov. Mark Sanford has requested that the federal government declare a disaster in South Carolina because of the crop freeze, and he expects an answer to that request in the next week or so. A disaster declaration would open another pot of money to affected farmers, though that money would be administered by a different agency and involves a different set of hoops to jump through.

The agriculture community here has been increasingly vocal in recent months, and Inglis has hosted several meetings where they have shown up en masse.

"There's been so much change in Congress; they want to be heard while all the change is going on," said Shawn Phillips, who works with the state's Employment Security Commission. "And there's a lot of interest in it when there's been a disaster."

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