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Testimony for Mike Brown, President, National Chicken Council
On 2014 Standards under the Renewable Fuel Standard Program
Hyatt Regency Crystal City, Arlington, VA
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My name is Mike Brown and I am president of the National Chicken Council which represents more than 95 percent of U.S. broiler production – chickens raised and processed for meat.

We are thankful and support the action that the Agency has taken, and appreciate the one year volume reduction, but, quite frankly, chicken producers need a much longer term and permanent solution. Congress created this mess, and ultimately, Congress must fix it.

Last year, more than 40 percent of the nation's corn crop went to ethanol production – not food or feed. This rising demand for corn has artificially forced

prices for the commodity up by nearly 40 percent since 2005, to the detriment of U.S. food producers and hungry families. The volatility and uncertainty in the market has been equally damaging for poultry producers.

As corn comprises nearly 70 percent of the feed given to chickens, our single largest input cost, rising prices directly affect farmers' bottom lines. Since the RFS was aggressively escalated in 2007, average annual feed costs have skyrocketed by \$8.8 billion per year for poultry producers.

The RFS has also meant pricier trips to the store for consumers. Chicken, beef, pork, egg, and fish prices have collectively increased 79 percent since the policy's establishment. Last year, the average U.S. family of four faced a \$2,000 increase in food costs due to higher corn prices brought on largely by the RFS.

We are experiencing a bumper corn crop this year, and corn prices have fallen for many reasons, but one year of good conditions does not a trend make. We know all too well from last year's horrific drought that corn crop projections and inventories can be erased from Mother Nature's wrath.

The law provides for a waiver to the RFS when such action is in the national economic interest. If the waiver was not warranted in 2012, how much more economic damage has to be on the horizon for a law to work? The insecurity and volatility for those of us who depend on corn and Mother Nature, has caused much devastation for U.S. chicken producers. Since 2007, more than a dozen poultry companies have filed for bankruptcy, been sold or simply closed their doors altogether, due in large part of high feed costs brought on by the RFS.

I want to emphasize that we are not against corn ethanol. If ethanol is cheaper than gasoline, then ethanol will continue to be produced. Repealing the mandate does not prohibit blending if the economics work for ethanol.

Congressional action to repeal the RFS remains the most viable pathway to allowing all users of corn to have equal standing in the marketplace. Let the free market work.

Before I conclude, I'd like you take special note of the extreme diversity of the panelists and industries all testifying today *in opposition* to the RFS – it is striking.

Thank you again for the opportunity to testify.