

Farm Bill 2012

An update on where the Farm Bill stands as Congress leaves for recess.

by Kelli Fulkerson

With American farmers and ranchers in the midst of a drought disaster, farm bill legislation has never come at a more critical time, said Jordan Dux, national affairs coordinator for the Nebraska Farm Bureau, during a recent drought-assistance webinar. The summer Congressional recess began Aug. 6, leaving much uncertainty for passage of a 2012 farm bill. Sept. 30, 2012, marks the expiration date for the current 2008 Farm Bill.

Senate review

The Senate agriculture committee began its bipartisan Agriculture Reform, Food and Jobs Act of 2012 (S. 3240), also known as the Farm Bill, discussion Feb. 15, 2012. In April, the bipartisan legislation was reported out of committee with a vote of 16-5. The Senate then debated on the bill for the following two weeks, reported Senate Committee of Agriculture, Nutrition and Forestry media staff member, Sarah Little.

Sen. Pat Roberts (R-Kan.), ranking member of the Senate Committee on Agriculture, Nutrition and Forestry, said, "I am proud to say that we have put together a bipartisan bill that strengthens and preserves the safety net for our farmers, ranchers and rural America, while voluntarily providing \$23.6 billion in deficit reduction under this bill."

According to Little, the following are areas of elimination in the 2012 Senate-proposed Farm Bill:

- ▶ Cut four commodity programs by rolling them into one, while saving approximately \$15 billion from farm safety-net programs;
- ▶ 23 conservation programs streamlined into 13, saving nearly \$6.4 billion;
- ▶ Approximately \$4 billion saved under the nutrition title, at the same time expanding efforts to eliminate fraudulent use and abuse;
- ▶ 16 program authorizations eliminated in the rural development title, eliminating more than \$1 billion of authorized spending over 10 years;
- ▶ Five programs would be eliminated in the forestry title, reducing authorizations by at least \$20 million; and
- ▶ More than 60 authorizations would be



eliminated from the research title, reducing authorizations by \$770 million over five years.

"We've cut mandatory spending by \$23.6 billion. We've reformed, eliminated and streamlined the USDA programs to the tune of more than 100 programs and authorizations," said Roberts.

In order for the Senate to move forward on their side of the aisle, the House of Representatives must move their proposed bill to the floor to be voted upon, said Dux.

House of Representatives review

According to the House Committee on Agriculture media contact Tamara Hinton, the House began its Federal Agriculture Reform and Risk Management (FARRM, H.R. 6083) Act of 2012 discussion on March 9, 2012, in New York state. After completing 11 additional comprehensive audit hearings, the House advanced its Farm Bill July 12, 2012. However, the bill still has not been placed on the House floor for a vote.

The FARRM Act administered its tough reform by cutting the deficit \$35 billion, said Hinton. Cuts were administered through:

- ▶ Repeal of all current farm programs now in place by \$14 billion;
- ▶ Consolidating the current 23 conservation programs into 13, saving \$6 billion; and
- ▶ Shoring up loopholes to eliminate fraud, waste and abuse in the Supplemental Nutrition Assistance Program (SNAP).

"It is a balanced bill that underscores our commitment to production agriculture and rural America, achieves real savings and continues to provide nutrition assistance for needy American families," said Frank Lucas, chairman of the House Committee on Agriculture.

Need for assistance now

With House Republican leadership not moving forward with the committee's bill before August adjournment, the committee decided that with the current natural disaster, something needed to be done, said Dux. On Aug. 2, 2012, the House passed a \$383 million emergency relief package for livestock producers affected by the drought.

The bill would retroactively extend the Livestock Indemnity Program (LIP), the Livestock Forage Program (LFP), the Emergency Livestock Assistance Program (ELAP) and the Tree Assistance Program (TAP) so that producers are helped for fiscal year 2012. All of those programs expired in 2011.

The stand-alone relief bill, H.R. 6233, pays for itself, said Chairmen Lucas. Funding for the bill comes from placing caps on the current Conservation Stewardship Program (CSP) and Environmental Quality Incentives Program (EQIP).

"Some people do not like how we paid for the bill," said Lucas. "Quite frankly, I don't either. I was the subcommittee chairman for conservation programs in 2002 when we gave an extra \$17 billion to conservation programs."

Lucas said that in 2002, Congress authorized \$200 million in EQIP spending; in 2009, they authorized another \$1.34 billion; and in 2013, they are set to authorize \$1.75 billion. From all those previously allocated funds, the House cut \$350 million to help fund H.R. 6233.

"For those of you here in 2008 who voted for the Farm Bill, the CSP program in the House bill had zero dollars. Zero," said Lucas. "In the current FARRM, we limited CSP to 9 million acres. I greatly respect the conservation community, but to hear them say that we are destroying conservation programs could not be farther from the truth."

"The Congressional Budget Office scores this one-year bill as costing \$383 million. That expense is offset by cuts of \$639 million from the CSP and EQIP programs, leaving \$256 million to go toward deficit reduction," said a statement by a group of national agriculture organizations regarding H.R. 6233. Those organizations include the

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American Farm Bureau Federation, American Soybean Association, National Association of Wheat Growers, National Barley Growers Association, National Corn Growers Association, National Farmers Union, National Milk Producers Federation, National Sunflower Association, United Fresh Produce Association, U.S. Canola Association, USA Dry Pea & Lentil Council, and Western Growers.

The House passed H.R. 6233 on a 233-197 vote, explained Dux. Upon reaching the Senate floor, the bill met opposition.

"I'm not passing a bill that only covers some producers," said Sen. Debbie Stabenow, (D-Mich.). As chairwoman of the agriculture committee, she ushered the Senate bill through her chamber before the House vote. Later that day on the Senate floor, Stabenow said that lawmakers will have to spend August hammering out a broader bill, even though no formal conference committee has been convened to do so.

"I appreciate the first step, and I certainly understand that the agriculture chairman in the House is trying to do whatever he can to take that step," said Stabenow. "But it does not cover every kind of disaster we have before

us, and, frankly, does not cover disasters waiting to happen because of inaction."

Future for 2012 Farm Bill

As Congress adjourned for the August recess, there was no legislation put into effect for the future of farm policy, said Dux. The largest goal for Congress is to fulfill the desire and need of passing a five-year farm bill before the presidential election, but, more importantly, before the Sept. 30, 2012, expiration date.

Dux explained there was talk of a one-year extension; however, the House couldn't find enough support votes due to the unpopularity of current programs among the American people.

"People have expressed that they would like to see real reforms — getting rid of direct payments, focusing in on revenue programs and strengthening crop insurance provisions," said Dux.

Another possibility would be a short-term extension in September to punt it off until the lame duck session, explained Dux.

"There is a lot that needs to happen in the lame duck session this year," predicted Dux. "There are well north of 130 tax provisions

that are expiring that Congress needs to tackle. In order to pay for them, they may look to the 2012 Farm Bill — with its roughly \$23 billion dollars in savings on the Senate side, considerably larger on the House side."

It may look like there is a month to work with this legislation; however, with the August recess and political conventions, there are only eight days left before the expiration date, cautioned Dux. With such a short amount of time, Dux encouraged everyone to keep talking to their local Congressmen about supporting a five-year farm bill.

"Something has to happen before the end of September," stressed Dux. "I don't think that Congress is irresponsible enough to not pass a farm bill before the current one expires. I think that the agricultural sector is one of the few bright spots in this country's economy right now. I have the strong feeling that [members of] Congress will see the political reality and try their hardest to get a safety net put into place."



Editor's Note: All sourced information was collected from information released during the week of Aug. 6-10, 2012.