

# Senators Roberts And Lincoln Lead Charge Against Ag Program Cuts In President's Budget

*Bipartisan Group of Senators Urges Budget Committee Against Cuts and Reopening of Farm Bill*

## WASHINGTON, DC

In preparation for the upcoming budget debate, U.S. Senators Pat Roberts (R-KS) and Blanche Lincoln (D-AR) today led a group of bipartisan Senators in sending a letter to Senate Budget Committee Chairman Kent Conrad (D-ND) and Ranking Member Judd Gregg (R-NH) strongly opposing the agriculture program cuts included in the President's budget proposal and additional efforts to reopen the 2008 Farm Bill.

"We have seen tremendous participation gains in the crop insurance program over the last 30 years. More producers are properly managing their risks to the benefit of producers, consumers and taxpayers," Senator Roberts said. "In a time of economic uncertainty, it doesn't make sense to put 30 years of risk protection progress in further jeopardy."

"The Farm Bill is a completely paid for, bipartisan product representing two years of negotiations and tremendous sacrifice on the part of production agriculture," Sen. Lincoln said. "That agreement is not even one year old as the Administration proposes reopening those portions that affect producers. I look forward to working with the Administration and my colleagues in Congress on a responsible budget that cuts the deficit without jeopardizing the safe and abundant supply of food that is taken for granted all too often."

The text of the letter is below:

"We write to express our strong opposition to both the proposed agriculture program cuts included in President Obama's 2010 budget and efforts to reopen the 2008 Farm Bill.

"The \$16 billion in proposed budget cuts come at the expense of several carefully crafted and agreed upon programs that make up our federal farm safety net. This safety net is designed to protect not only producers but also consumers. American consumers continue to enjoy the most abundant and affordable food supply in the world, thanks in large part to our national agriculture policy. Last June, 80 Senators supported the construction of this safety net by approving the conference report to the Food, Conservation, and Energy Act of 2008. This Farm Bill was the result of months of hard work and strong bipartisan compromise that should not be dismantled through the budget process.

"The proposal to eliminate direct payments to farms with sales of \$500,000 lacks an understanding about the shifting trends in America's agriculture economy. As farm and ranch families work to survive in today's global market, nearly 75 percent of America's agriculture pro-

duction is generated from farm operations with at least \$500,000 in annual sales. Furthermore, basing payment eligibility rules on gross sales also fails to recognize the economic hardships our producers face due to increased input costs. Many times a producer's input costs far exceed their crop sales. USDA's farm income forecast for this year predicts a 20 percent decrease in income while input costs continue to greatly exceed 2007 levels. Disregarding expenses will affect a broad range of farming operations.

"Additionally, the proposed budget jeopardizes the tremendous gains that have been accomplished by producers to properly manage their risks through the federal crop insurance program. Since 1980 the number of crop insurance companies has decreased from 64 to 16. At the same time, more and more producers are recognizing that crop insurance coverage is a vital tool in managing risk. In 1979 only 10 percent of eligible land was enrolled in the program. Thankfully through robust and positive policy changes, roughly 80 percent of eligible land is now enrolled. The 2008 Farm Bill cut the crop insurance program by nearly \$6 billion in order to help fund other priorities. President Obama's proposal nearly equals this reduction by cutting assistance to both producers and companies and by increasing fees on growers. We have worked diligently on behalf of all taxpayers to craft agriculture policy that makes producers more responsible for managing their own risks, yet this proposal severely undermines these long standing efforts.

"If enacted, the proposed budget would break the contract our federal government made with producers in the 2008 Farm Bill that provides them with a strong safety net. Changing the rules of the game before the bill is fully implemented is not fair to producers or those institutions that provide them capital. This not only threatens the domestic supply of food and fiber that Americans depend upon, it further undermines our rural communities and a U.S. economy already in crisis. Therefore, we strongly encourage you to retain the commitments to the agricultural safety net made by 80 Senators in the 2008 Farm Bill and oppose efforts to reopen this eight month old legislation."

In addition to Senators Roberts and Lincoln, the letter was signed by Senators Max Baucus (D-MT), Kit Bond (R-MO), Sam Brownback (R-KS), Richard Burr (R-NC), Saxby Chambliss (R-GA), Thad Cochran (R-MS), Bob Corker (R-TN), Kay Hagan (D-NC), Kay Bailey Hutchison (R-TX), James Inhofe (R-OK), Johnny Isakson (R-GA), Mary Landrieu (D-LA), Mark Pryor (D-AR), David Vitter (R-LA), and Roger Wicker (R-MS).

Senator Roberts is a senior member of the Senate Agriculture Committee and a member of the Senate Finance Committee. Δ



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