

# Should The President Veto The Farm Bill?

*A closer look at the political risk*

SARA WYANT

WASHINGTON, D.C.

**H**ouse Agriculture Committee Chairman Collin Peterson (D-MN) says his goal is to produce a farm bill out of the conference committee that President George W. Bush will sign. It's a tall order.

Acting Agriculture Secretary Chuck Conner continues to

talk up the farm bill veto threat, much to the dismay of Congressional Democrats and a quite a few members of his own political party. For months, Conner complained that the Farm Bill cannot raise taxes or increase crop support rates, or even deliver program benefits to some of the nations' wealthiest.

At the American Farm Bureau Federation's annual meeting this week, Conner was adamant about the need to deny farm program benefits to people, like those along Park Ave. in New York City, with an adjusted gross income above \$200,000.

But with the Senate's seemingly veto proof 79-14 vote for the farm bill, most veteran farm bill lobbyists say Conner is simply ratcheting up the rhetoric to appear that this Administration will play a role in negotiating the final farm bill package. Some lobbyists say the Bush Administration is cherry-picking issues where they think they can make a difference and claim some kind of victory. Conventional wisdom is that President Bush will not veto a bill that could be politically popular in farm states as well as provide billions to food and nutrition interests.

"If other interested parties outside the farm groups had a big problem with the bill, the Administration's threat would carry more weight," noted one veteran farm lobbyist. "But conservation, nutrition, and specialty crop groups are on board because of increases in funding for their programs. This has broadened political support for the bill well beyond the farm belt. Objections based only on farm policy and WTO concerns just won't hunt with Congressional Republicans who are up for election in 2008."

Indeed, House Agriculture Committee Chairman Collin Peterson recently predicted that Democrats would get a boost at the polls next year if President Bush follows through with his threatened veto of agriculture legislation.

"If you want to turn the whole center of the country blue, that's a good start," he said during a recent speech in Washington, D.C.

Yet, conventional wisdom could be wrong – if you look at the 50-60 million rural voters who overwhelmingly supported President Bush in 2004. By focusing on 2-3 issues that resonate with smaller farmers and fiscally conservative voters, the President may be able to veto the farm bill without political damage and potentially some gain. The map above shows the rural vote, by county in 2004, with residents in red counties voting Republican and blue counties voting for Democrats.

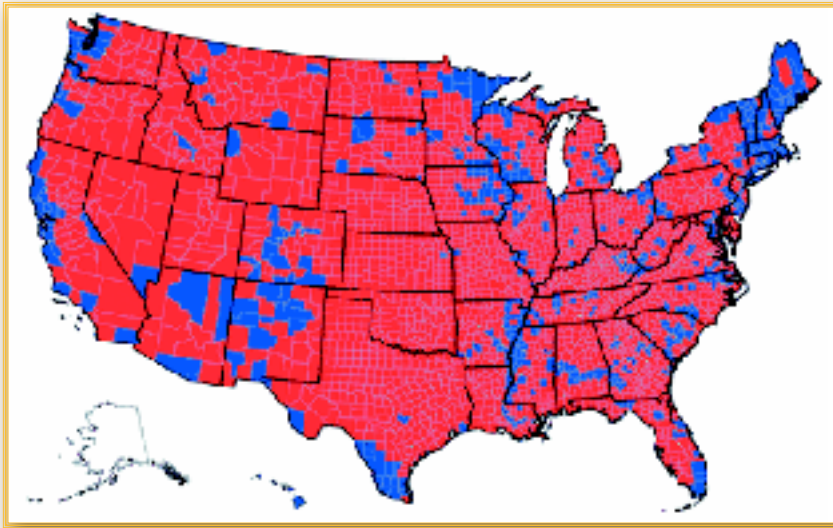
Take the issue of targeting farm program payments to small or mid-size farmers. The 2006 Farm Foundation National Public Policy Education Committee (NPPEC) survey of 15,000 farmers in 27 states found strong support for

this type of targeting. Only the nation's largest farm operations were neutral or negative on the proposal, representing somewhere between 80,000 and 200,000 votes – depending on your definition of "large."

And on the issue of raising taxes, the President will likely build support among fiscal conservatives who live in rural areas as well as those farm operators who have enjoyed another banner income year and will be looking to minimize taxes.

"The net effect of a farm bill veto may not be as detrimental as many are predicting," adds another lobbyist with strong GOP ties. "Sure it's uncomfortable, because the Administration is driving a wedge in the heart of the regional compromises that are holding the bill together."

And what about the impact on House and Senate races? You can envision how Democrats might play the veto back in GOP attack ads this fall, especially in some of the most vulnerable districts where members serve on the House



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Agriculture Committee.

Yet, some of the most venomous opposition to the Senate farm bill thus far comes from groups with traditional Democratic ties. The Center for Rural Affairs, for example, blamed Senator Kent Conrad (D-ND) for voting against the Dorgan-Grassley payment limit amendment and flip-flopping on the issue from previous votes. "The farm bill shaped by Conrad does keep federal dollars flowing to our region – but in a manner that destroys family farming and undermines rural communities. It does not deserve our support," wrote the Center's Director Chuck Hasbrook in a recent letter to the Fargo (ND) Forum.

The safest bet for the White House would be to win concessions during conference that pass their self-imposed "litmus test" and sign the bill. But given the President Bush's recent willingness to "just say no," it won't be a surprise if the first pass out of the conference committee gets axed by the veto pen.

Ultimately, the President's decision to sign or veto a new farm bill could rest not only on what comes out of conference but on possible extraneous matters that are difficult to predict, such as an underlying desire to make his tax cuts permanent or cut new global trade deals. In 2002, then Chairman Larry Combest persuading Bush to sign the farm bill by threatening to oppose Trade Promotion Authority, which the President wanted a lot more. That's why conferees may also be looking at some areas outside of the farm bill that President Bush has on his "wish list" for 2008. Δ

Editor Sara Wyant publishes a weekly e-newsletter covering farm and rural policy called *Agri-Pulse*. For a four-week free trial, go to [www.Agri-Pulse.com](http://www.Agri-Pulse.com)

