

Posted on Mon, Jan. 15, 2007

AGRICULTURE

Farm-bill fight takes shape

President Bush and many lawmakers are at odds over federal farm legislation.

By Libby Quaid

Associated Press

WASHINGTON - Lawmakers begin work on a new multibillion-dollar farm bill at odds with President Bush over whether big changes are needed.

The two sides are far apart. Just how far, farmers saw for themselves during the American Farm Bureau Federation's recent meeting in Salt Lake City.

"I think the bill could look a lot like what we have now. What I think we're going to end up doing, you could say, is extending the farm bill," Rep. Collin Peterson, D-Minn., chairman of the House Agriculture Committee, told farmers.

Contrast that with Bush's agriculture secretary, Mike Johanns, who said at the meeting that farm programs need an overhaul.

"I will be the first to argue that the 2002 farm bill was good policy for its time," Johanns said. "But the agricultural and economic realities that influenced the development of the '02 farm bill -- they simply don't exist."

The farm bill -- really a series of federal programs -- gives farmers payments and other help to supplement their incomes, support crop prices and manage supplies.

Nearly \$18 billion in public money was spent on these programs last year. The current farm bill, written in 2002, expires at the end of this year.

Congress and the administration disagree mightily on what the new farm bill should look like.

Which side is closer to the wishes of Farm Bureau, the biggest general-interest agriculture group?

Right now, probably the House Agriculture Committee chairman, said Bob Stallman, the organization's president. Johanns advocated massive changes, Stallman said.

"That, frankly, is not what our delegates are saying," he said.

Not that farmers are in lockstep.

Illinois delegate Dale Hadden wants changes in farm programs and liked what Johanns said. With the Illinois River just a few miles from Hadden's corn and soybean fields, he ships most of his crop to the Gulf Coast to be exported.

"If we're going to be a player in international trade markets, we need to be sure we don't run into a lot of problems," Hadden said.

Among the disagreements are:

- **Trade.** The United States and other rich countries are under pressure from around the world to reduce their farm subsidies. Conflict over the issue led to the collapse last summer of World Trade Organization talks.

Without an agreement, American farmers face high tariffs and other barriers when they sell crops abroad -- and they export a big chunk of their products.

- **Cost.** There probably will be fewer dollars for farm programs when Congress writes the latest bill. The Democratic-run Congress is insisting on budget cuts to pay for new spending, and Bush has pledged to balance the budget in five years.

- **Payment limits.** Johanns favors ending practices that allow some growers to collect millions of dollars annually above the \$350,000 limit on payments.

He has broad support in Congress -- except from Southerners, who would feel limits more keenly because their cotton and rice crops cost more to grow and get higher subsidies.

Peterson said a farm bill cannot pass without support from Southern lawmakers.

"I'm not interested in putting our agriculture friends in the South in trouble. They've got enough problems," he said.

Farm Policy

Farm legislation has the administration, lawmakers on a collision course:

- **CONFLICT:** Congress and the Bush administration disagree over potential adjustments in the farm bill, written in 2002 and set to expire this year.

- **SEEDS OF CHANGE?** The agriculture secretary favors big alterations in the current bill, but the House Agriculture Committee chairman expects more of the same.

• **DISPUTED ISSUES:** The key points of conflict include the impact of subsidies on trade agreements, the cost of these programs and limits on maximum payments.