



Legislative Bulletin.....July 26, 2007

Contents:

H.R. 2419 –Farm Bill Amendments

H.R. 2419, the Farm Bill is being considered on the House floor on Thursday, July 26, 2007, subject to a structured rule (H. Res. 574). The amendment summaries below reflect the amendments made in order under the rule. No other amendments are in order.

All amendments are debatable for 10 minutes, except where indicated below. For a summary of the underlying bill, see separate RSC documents released earlier today.

RSC Staff Contacts:

Brad Watson; brad.watson@mail.house.gov, (202) 226-9719

Sarah Makin; sarah.makin@mail.house.gov; (202) 226-8587

Andy Koenig; andy.koenig@mail.house.gov; (202) 226-9717

Amendments Made in Order by the Rule

Flake (R-AZ)/ Kind (D-WI). **40 MINUTES**

Among other things, this amendment would:

- In Title I (Commodities), reduces direct payments on a year by year basis over the 2008 to 2012 period.
- Limits annual payment limits on commodity programs to \$20,000 per entity (compared to \$60,000 in H.R. 2419), a limit of \$30,000 per entity on counter-cyclical payments, and a combined total limit of \$75,000.
- Prevents an individual or entity from receiving subsidies if their income exceeds \$250,000.
- Creates a Federal Dairy Commission to conduct a comprehensive review of the current Federal and non-Federal milk marketing order systems, the milk income loss contracting program, and the forward contracting program.

- Creates Risk Management Accounts described in the amendment to encourage farmers to save money during years of high profits to use during years of low profits, and for retirement. The Secretary would make a matching contribution of 5 percent to these accounts. In a year when the farm's revenue is less than 95 percent of the five year average, the account could be tapped to make up the difference. Also, up to 10 percent of the account balance could be used for "investments in rural enterprises that contribute to the agricultural economy."
- Increases funding for the Chesapeake Bay Program for Nutrient Reduction and Sediment Control from the \$150 million over five years in H.R. 2419 to \$300 million over five years
- Increases funding for the Environmental Quality Incentives Program by \$700 million compared to H.R. 2419.
- Expands nutrition program spending by about \$5 billion. It does so in part by indexing the food stamp asset limit for inflation and by immediately increasing this limit from \$2,000 to \$2,700 for most households and from \$3,000 to \$3,900 for elderly and the disabled. Education accounts and retirement accounts would be excluded from asset calculations.
- According to the sponsors, the revised preliminary CBO score shows that this amendment would reduce the deficit by \$1.4 billion over five years and by \$14 billion over ten years.

Frank (D-MA) / Bachus (R-AL). The amendment would strike provisions from the legislation that expand the Farm Credit System (FCS). The FCS is a government sponsored enterprise that directly competes with the private sector in retail lending. The FCS was initially established to make farm loans exclusively. Currently, the FCS offers auto loans, housing loans, and supplies credit to huge agribusinesses. According to the sponsor's office, the amendment has the support of the American Bankers Association, America's Community Bankers, Independent Community Bankers of America, Independent Insurance Agents & Brokers of America, National Bankers Association, and Mortgage Bankers Association.

Goodlatte (R-VA). According to the sponsor, the amendment creates one set of terms and conditions of easements for the Wetlands Reserve Program (WRP), Grasslands Reserve Program (GRP), Farmland and Ranchland Protection Program (FRPP), and Healthy Forest Reserve Program (HFRP).

Lucas (R-OK). The amendment would make livestock producers eligible for livestock assistance programs regardless of whether they had Noninsured Crop Disaster Assistance (NAP) coverage. This amendment is supported by the National Cattlemen's Beef Association (NCBA). According to a letter by the NCBA, the emergency supplemental passed earlier in 2007 included language regarding agriculture disaster assistance which

would provide aid to livestock producers who were damaged by wildfire, drought and other natural disasters. This language was interpreted to exclude livestock producers who did not have Noninsured Crop Disaster Assistance.

Cardoza (D-CA). The amendment would require the USDA to transfer Animal and Plant Health Inspection Service (APHIS) employees, who are responsible for plant pest inspection duties, from the Department of Homeland Security to USDA management. This amendment is likely to be offered and then withdrawn.

Boustany (R-LA) /Alexander (R-LA). This amendment would require that data collected by the Risk Management Agency (RMA) Pilot Program **not** be used to determine the production yield of sweet potatoes, with the intent of determining the eligibility of a sweet potato farmer for disaster payment. According to the sponsor's office, the replacement data would come from the FSA (by default). This change is being made in response to changes made by RMA that defines what qualifies as a "marketable" sweet potato.

Jackson-Lee (D-TX). The amendment expresses the sense of Congress that food for the federal school breakfast and lunch programs should be selected so as to reduce the incidence of juvenile obesity and maximize nutritional value.

Hastings (D-FL). The amendment adds a new section for "Pollinator Protection" that authorizes research funding to reduce the decline of pollinating bees in North America and study "colony collapse disorder." This amendment also adjusts USDA conservation programs to put a greater emphasis on increasing habitat and establishing cropping and integrated pest management practices to protect native and managed pollinators. The amendment would as follows authorize (subject to appropriation) \$19.5 million in FY 2008 and \$87.75 million over a five year period:

- \$3 million annually through FY 2012 for personnel, facility upgrades and research at the USDA Bee Research Laboratories
- \$2.5 million in FY 2008 and FY 2009 for research on bee physiology, pathology, chemical ecology, and toxicology
- \$1.75 million annually through FY 2010 for research to identify causes and solutions for "colony collapse disorder" in affected states

The amendment also authorizes \$10 million (subject to appropriation) annually through FY 2012 for a program that offers states grants to investigate:

- Bee biology, immunology, and ecology
- Bee genomics
- Bee bioinformatics
- Bee crop pollination and habitat conservation
- Pollination biology
- Effects of insecticides, herbicides and fungicides on bees
- Bee parasites and pathogens and their effects

Finally, the amendment would authorize \$2.25 million annually through FY 2012 to conduct a nationwide bee pest and pathogen surveillance program and requires the Secretary to issue annual reports on the status of bee research

Arcuri (D-NY)/Welch (D-VT)/Gillibrand (D-NY). The amendment expresses the sense of the Congress that “the Secretary of Agriculture should use existing authority when determining the Class I milk price mover to take into account the increased cost of production, including energy feed.”

Welch (D-VT). The amendment requires state agencies to “encourage plans for implementation that include locally grown foods, where geographically available” in the National School Lunch program.