



OPPOSE AG-ONLY FARM BILL: SPENDS MORE THAN SENATE BILL; CHANGES MAKE SUBSIDIES PERMANENT

July 11, 2013

Dear Representative:

Taxpayers for Common Sense urges you to oppose H.R. 2642, the Federal Agriculture Reform and Risk Management Act of 2013 or FARRM, and H. Res. 295, the rule providing for its debate. Not only does this bill save less money than comparable sections in the Democrat-controlled Senate-passed bill, but it also seeks to lock in record commodity prices and farm income as the new business as usual farm policy. While the bill repeals permanent law, the new version strips out the 2018 sunset provisions contained in the previous version making the subsidy ridden 2013 bill permanent law. While we support splitting the Farm Bill up, leadership aides and agriculture centric lawmakers have made it clear that passing this bill is a step to get to conference and re-combine the agriculture and nutrition titles.

We have found significant changes that were made to this legislation, however lawmakers were allowed less than 12 hours to review changes made to the Farm Bill that was voted down in the House less than a month ago. Any and all attempts to amend or debate reforms to this \$196 billion legislation were shot down. To deny amendments and reforms would make bifurcation virtually meaningless. Both the agriculture and nutrition “bills” must be open to robust debate to allow reforms to be considered.

With a \$16.8 trillion national debt, our country simply cannot afford to continue sending checks to agribusinesses regardless of the state of the farm economy, crop prices, or whether or not producers even need or want government subsidies. H.R. 2642 would spend \$1 billion more than comparable sections in the Senate-passed bill, increase FY14 spending by \$1.34 billion above the current baseline, and only save \$3.9 billion over the life of the actual bill (FY14-18) with the rest (\$9 billion) occurring after this farm bill expires in FY18. In addition, it would spend drastically more than either the comparable portions of the President’s FY14 budget request or Rep. Paul Ryan’s FY14 budget (which called for \$38 billion and \$31 billion in savings, respectively). A Congressional Budget Office score hasn’t even been posted yet.

Compared to the bill being voted on today, a summary of changes made to the bill that failed 195-234 less than a month ago include the following:

- **No nutrition assistance:** While we urged lawmakers to debate the farm bill on its own merits and break the Ag-Urban unholy alliance that logrolled over attempts to reform both programs, there is no indication that a nutrition-only bill will ever receive a vote on the House floor. Therefore, this cynical procedural move is simply a green light to get to conference with the Senate. As Rep. Roe (R-TN) recently said, “We’ll take the farm bill and the food stamp bill and separate those two. Vote both of those and send them to the Senate. And then it’ll come back as one bill in a conference and we’ll hopefully get something.”
- **Repeal permanent law but replace it with the 2013 farm bill law:** Instead of reverting to outdated allotments and quotas, now farm policy will revert to 2013 farm bill law. This will ensure profitable agribusinesses receive unlimited crop insurance subsidies, higher government-set target prices, profit margin guarantees for dairy, market distorting sugar subsidies, and new income guarantee entitlements that lock in record farm income for perpetuity.

This agriculture-only farm bill is the opposite of reform. It would also:

- Exclude all common sense steps toward right-sizing the federally subsidized crop insurance program - which cost taxpayers an estimated record \$14 billion in FY12 – and actually increase spending by \$9 billion. No means testing to exclude millionaire businessmen, no limit on subsidies, zero cuts to insurance company delivery subsidies, no transparency on who is benefiting from taxpayer spending, and no future opportunity for taxpayers to save money by renegotiating crop insurance industry subsidies.
- Continue direct payments for cotton for two additional years.
- Create an array of new special interest carve-outs for pennycress, biomass sorghum, peanuts, catfish, among others.

Again, we encourage you to oppose H.R. 2642 and H. Res. 295, the agriculture-only farm bill and the rule governing its debate. We urge you to go back to the drawing board and devise a more fiscally responsible solution that saves at least \$100 billion and enacts a more cost-effective, accountable, transparent, and responsive farm safety net.

For more information, please contact me or Josh Sewell at 202-546-8500 or [josh\[at\]taxpayer.net](mailto:josh[at]taxpayer.net).

Sincerely,

A handwritten signature in black ink, appearing to read "A. Ry Alexander". The signature is fluid and cursive, with the first name "A. Ry" and the last name "Alexander" clearly distinguishable.

Ryan Alexander
President