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## Senate budget plan protects ag spending for now, but leaves options open

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President Barack Obama joined the Senate Democratic Caucus on Capitol Hill for lunch on Thursday to defend his budget proposals. Senators emerging from the closed-door session said the President got what he came for: full protection for all his priorities.

Sen. Kent Conrad (D-ND), Chairman of the Senate Budget Committee which is writing its own version of the federal budget for 2010, emerged from the Caucus lunch to explain that the Senate's version fully supports the President's priorities, including "education, energy, health care reform, a dramatic reduction of the deficit." Conrad said Obama "understood immediately" that the budget he initially presented had to be adjusted to reflect the most recent deficit forecasts from the Congressional Budget Office and to achieve "a budget resolution that can be supported in the United States Senate."

Conrad said "the President asked us to dramatically reduce the deficit to attempt to hit 3% of gross domestic product by the fifth year, which we have done. We actually beat that by a little bit, because the economists say that is the critical level at which you can handle the debt and stabilize the debt longer term."

Conrad explained that the other key achievement is that the Senate's budget proposal provides "maximum flexibility to the committees to legislate. . . What we did is leave open to the committees of jurisdiction, the maximum flexibility to make these judgments. So they can write climate change legislation, if it is paid for. . . that was the President's proposal that it be paid for. . . So we have not pre-judged a legislative outcome. We have made it possible for the committees of jurisdiction to do what the President is asking for on climate change, to do what he is asking for on health care, on energy and education, but all of them will have to be offset" with budget savings.

Conrad himself has pre-judged one specific detail – the proposal in the President's budget to end direct farm program payments to farmers with gross sales over \$500,000 per year. Conrad told Agri-Pulse that the proposed change "probably wasn't as well thought through as it might have been, because it wasn't based on income. It was based on sales." He says that he plans to find other ways to reduce Agriculture Department spending "where it would not do damage."

Conrad's budget proposal leaves the nutrition, conservation, renewable energy, and farm safety net improvements included in the 2008 Farm Bill unchanged. However, given the current fiscal situation, the proposal recognizes that all areas of the federal budget need to be examined for savings. Even though the 2008 Farm Bill received over 80 votes in the Senate and was fully paid for, Conrad's budget would support targeted savings in agriculture, including the President's proposal for market access, and some savings in the Environmental Quality Incentives Program and the federal crop insurance program.

The budget proposal leaves a number of issues up to the authorizing committees to set the levels of spending behind each policy. It does not include specific funding for the Conservation Reserve Program, for instance, since funding levels can't be set until all enrollments have come in. Overall, while the Senate budget proposal can identify areas for potential savings, it is always up to the authorizing committees to set the actual levels and then for the appropriations committees to set actual spending levels.

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