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Sec. Vilsack promises more \$ for rural America – & some cuts

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Agriculture Secretary Tom Vilsack is proud of \$28 billion in stimulus funds that USDA is pumping into rural America to create jobs and offset the recession. He also reports that USDA is vetting all USDA spending to eliminate waste, fraud and abuse.

In a teleconference with reporters Wednesday to mark the Obama's administration's first 100 days, Vilsack noted that USDA support includes more funds for domestic feeding programs to help both low-income families and dairy farmers, for specialty crop programs to help both nutrition and farmers, for overseas aid programs to help both hungry people overseas and farmers here at home, and for food safety programs to help both consumers and farmers. Along with passing out more money, Vilsack says that USDA will be "working with members of Congress to take a look at crop insurance and other aspects of the budget to make sure that we are not only supporting the President's priorities but also doing it in a fiscally responsible way."

Vilsack said his priority is "getting the economy going. It's putting resources into rural communities to create jobs and doing the work that Americans want done." But at the same time, he warns, budget cuts are needed "because I think it is fairly clear that we are not going to be able to sustain trillion-and-a-half, two-trillion dollar deficits over the course of the long haul. So we have to be fiscally responsible."

Specifically, Vilsack said that to "eliminate wasteful spending" at USDA, "One of the first things I did after the inauguration was to sit down with all the USDA's leadership and ask that they provide to me reform ideas on a weekly basis. So far, we've identified nearly \$30 million in annual savings by instituting a variety of reforms and efficiencies." As examples, he said, "we're working to combine 1,500 USDA employees from seven locations into a single facility in early 2011. That will over the course of a 15 year lease save USDA and taxpayers \$62 million."

In the more sensitive area of policing farm program payments, Vilsack said: "We're collaborating with the Department of Treasury to identify potential fraud and improper payments in farm programs. A report from the U.S. Government Accounting Office showed that between 2003 and 2006, USDA may have made more than \$49 million in

payments to ineligible recipients. Savings under this proposal could reach up to \$16 million annually. We've also proposed changes in farm programs and we're pushing for overall reform of the Federal Crop Insurance program."

Additionally, Vilsack added, "We've taken several other reform steps amounting to \$1.6 million in savings to reduce unnecessary travel, reducing postage by utilizing electronic communications and reorganizing existing processes. And finally we've selected the National Finance Center, run by the office of Chief Financial Officer, to provide data center hosting services for USDA's new financial system, the Financial Management Modernization Initiative. The estimated savings to the department will be over \$17.5 million over the next three years."

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