



06-24-09

Farm Bill implementation hearing airs long list of complaints

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In the first of two hearings on implementation of the 2008 Farm Bill, American Farm Bureau President Bob Stallman told House Agriculture Committee members Wednesday that despite quick action by Agriculture Secretary Tom Vilsack to correct problems, farmers “have had numerous frustrations with the implementation of the Farm Bill.”

Stallman noted that the outgoing Bush administration issued rules that were “inconsistent with congressional intent,” as with the definition of actively engaged, the 10 acre provision, and the elimination of base from federal lands. He said Vilsack responded by extending the comment period on payment eligibility, changing implementation of the 10 acre rule, and reversing the base rule. But Stallman also pointed out that “a year after the passage of the Farm Bill, there are no rules for the disaster program, let alone a target date for when producers will receive assistance under these programs. . . We urge USDA to work to implement the program as quickly as possible.”

In the House Agriculture Subcommittee on General Farm Commodities and Risk Management hearing Stallman also urged USDA to act carefully in working with IRS on payment eligibility investigations in order to protect producer confidentiality. And because many farms have unique situations, Stallman said Farm Bureau has “urged USDA to reconsider changes to the payment eligibility rule. . . The proposed changes to the definition of actively engaged hurt farmers and create uncertainty across the countryside. . . While farmers will have to live with the new definition of actively engaged for 2009, we hope that more logical rules will prevail in 2010 and beyond.”

National Cotton Council Chair John W. Hardwick added more details on the proposed changes in payment limitations and eligibility. He said the changes “are very significant changes yet we do not know their full impact. . . we know that program benefits are going to be reduced or denied to a number of operations. But until sign-up is complete, we won’t know the extent of the impact.” Hardwick said “We strongly recommend the interim regulation be amended to eliminate the changes in the definition of actively engaged and other provisions not contemplated by the 2008 farm law amendments.”

National Corn Growers Assoc. (NCGA) Chair Ron Litterer testified that NCGA and other farm groups welcome the Farm Bill’s new Average Crop Revenue Election

(ACRE) program. He said ACRE “represents a fundamental change in U.S. commodity programs by reducing market distortions in planting decisions, cutting direct payments and lowering loan deficiency payments.” But he pointed out that ACRE presents challenges due both to its complexity and to “the prior administration’s opposition to ACRE” and that “many FSA offices remain ill equipped and not properly trained to adequately explain the ACRE program to producers.” Accordingly, he called for “a modification in sign up procedures that would enable producers and landowners interested in ACRE to file an ‘Intention’ to Elect and Enroll into ACRE.”

Erik Younggren, Secretary-Treasurer of the National Association of Wheat Growers began by praising USDA’s Farm Service Agency staff for “doing yeoman’s work to sort through these rules and regulations and effectively communicate to producers.” But he also voiced “the extreme frustration currently felt in the countryside regarding implementation of the 2008 Farm Bill, particularly regarding newly created programs and significant rule changes. It has been more than a year since the bill was initially passed, and growers are frustrated with the lack of quality information on how, or when, these programs will be put in place and how they might function for individual operations. . . many farmers across the country are being required to make management decisions that will impact the future of their farming operations without knowing what is needed to comply with relevant rules.”

Specifically, Younggren called on USDA to finalize rules for the Supplemental Revenue Assistance (SURE) program “as soon as possible, and if possible, in advance of the August 14 deadline by which growers are required to make farm program election decisions.”

Echoing other witnesses’ concerns about SURE, payment eligibility, and other issues, National Farmers Union President Roger Johnson said “As rural America is dealing with one of the most severe economic crises in history, the goals of the 2008 Farm Bill will be tested. In order for programs contained within the 2008 Farm Bill to be successful, USDA must implement the provisions as intended by Congress. . . For programs awaiting regulatory action, we urge the department to be cognizant of congressional intent and timely in getting programs up and running.”

For written testimony from the first “Farm Bill Implementation” hearing, go to: <http://agriculture.house.gov/hearings/statements.html>. The second hearing on Farm Bill implementation follows on June 25th, with testimony from USDA’s James Miller, Under Secretary of Agriculture for Farm and Foreign Agricultural Services.