



More delays on jobs bill, biodiesel tax credits and ag disaster

By Stewart Doan

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A bipartisan jobs bill that easily passed the U.S. Senate earlier this week by a 70-28 margin is running into major roadblocks and creating new uncertainties for farmers.

Sources tell *Agri-Pulse* that Senate Majority Leader Harry Reid has agreed to add a \$1.5 billion disaster assistance package for farmers championed by Ag Committee Chairman Blanche Lincoln (D-AR) to legislation extending unemployment insurance and COBRA subsidies for jobless workers. Ag Committee staffers gave farm and commodity groups a heads-up Thursday in hopes they would try to persuade GOP senators to support the farm relief measure. Floor debate on the underlying legislation is slated to begin next week.

"We have been advised that disaster assistance will be included in what is known as the second JOBS bill, which could be considered by the Senate as early as next week," explained National Cotton Council Chairman Eddie Smith in a speech this morning at the MidSouth Farm & Gin Show in Memphis:

"Although not yet finalized, recent language would deliver assistance – in a manner similar to a direct payment—to eligible producers in counties with a primary Secretarial disaster declaration. Producers will likely have to certify a five percent economic loss for at least one crop of economic significance on the farm. We also understand that there will be financial assistance for losses associated with cottonseed, specialty crops, aquaculture, poultry and grazing," said Smith.

It's unclear whether the proposal by Reid will also contain a one-year extension of the \$1/gallon biodiesel tax incentive – a provision sought by Iowa's Chuck Grassley and other Midwest Republicans. Our sources reported that the extension was included, only to note that there were several different drafts circulating and it was unclear whether the tax credit would be in or out of the final package.

Reid has asked for unanimous consent to approve the package of provisions that expire Sunday, which also include 30-day extensions of flood insurance, highway funding and small business loans. But Sen. Jim Bunning (R-KY) repeatedly objected to the unanimous consent requests. On the Senate floor Thursday, Bunning complained about how the measures aren't adequately paid for. He criticized Reid for killing a bipartisan Finance Committee bill to address the unemployment rate two weeks ago.

“All the spending portions of that compromise of those programs were paid for in that bill,” Bunning said. “Now explain that to the American people.” Bunning demanded that Democrats add a provision to the bill that would pay for its various extensions by tapping unspent bailout funds from the Troubled Asset Relief Program.

Reid would be facing a much different outcome if "the leader of the senate decided that a bipartisan compromise jobs bill was not as important as his partisan jobs bill that just passed just before all of this debate," Bunning said.

On the House side, jobs legislation also faces an uncertain future as members of the Blue Dog Coalition, the Congressional Black Caucus, the Progressive Caucus and others have all complained about various aspects of the Senate bill. Fiscal conservatives worry that the costs of the measure are not fully offset and liberals say the \$15 billion measure does not go far enough to build new highways and infrastructure. The House passed a \$154 billion companion the House passed late last year, but lawmakers are not expected to take further action on the Senate bill until next week.

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