



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 26, 2018
(Senate)

STATEMENT OF ADMINISTRATION POLICY
Senate Amendment to H.R. 2 – Agriculture Improvement Act of 2018
(Sen. Roberts, R-Kansas)

The Administration appreciates the work of the Senate Agriculture, Nutrition, and Forestry Committee to reauthorize the farm bill in a timely manner to provide support to our Nation's farm and rural communities.

In particular, the Administration welcomes the Committee's adoption of some of the reforms proposed in the President's Fiscal Year (FY) 2019 Budget for the United States Department of Agriculture (USDA). The bill moves in the right direction to tighten existing income limits for eligibility for some farm subsidies from \$900,000 to \$700,000, but the Administration urges the Senate to go further in reducing the income limit. The bill would also adopt market-based interest rates for electric and telecommunication loan borrowers, thus removing unnecessary subsidies.

The Administration encourages the Senate to include more farm safety net reforms from the FY 2019 Budget for USDA that would better target payments to farmers who need them most.

The bill misses key opportunities to reform the Supplemental Nutrition Assistance Program (SNAP). Most notably, the bill does not strengthen work requirements for able-bodied working age adults. The bill also fails to close eligibility loopholes and target benefits to the neediest households as proposed in the President's Budgets for FY 2018 and FY 2019. It also fails to better align SNAP Employment and Training with other Federal workforce programs.

The bill lacks meaningful regulatory reform, and the Administration opposes dozens of additional burdensome requirements for new reports, studies, and pilots.

The Administration is concerned that the bill does not incorporate any of the conservation program changes proposed in the FY 2019 Budget that prioritized funding for programs that have shown positive outcomes while eliminating funding for those programs with limited outcomes. Unfortunately, the bill would also reverse streamlining improvements that were made in the conservation title of the 2014 farm bill and instead expand conservation programs through increased Conservation Reserve Program acreage caps and the introduction of multiple new programs.

The Administration would support a reform of P.L. 480 Title II food aid that maximizes resources in responding to global food crises while promoting food security. The current bill does not include meaningful reforms.

The Administration looks forward to working with the Senate Agriculture, Nutrition, and Forestry Committee to address these and other issues with the farm bill as the process moves forward.

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