



California Association of Wheat Growers

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## Newsletter

July 6, 2010

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House Ag Committee Passes Cuban Trade Bill

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*June 30, 2010 by Bob Meyer*

*Filed under News, World Ag News/Trade*

The House Agriculture Committee has passed the H.R. 4645, the Travel Restriction Reform and Export Enhancement Act. Introduced by Chairman Collin Peterson of Minnesota and Congressman Jerry Moran of Kansas, the bill would clarify how U.S. farmers and agricultural businesses can conduct sales to Cuba and removes long-standing travel restrictions. It would also allow exports to Cuba to meet the same payment requirements as exports to other countries eliminating the current requirement that payments to U.S. ag sellers pass through banks in other countries.

The passage drew praise from the National Association of Wheat Growers, National Corn Growers Association and National Farmers Union. The bill now goes to the full House; a companion bill has been introduced in the Senate. Senator Robert Menendez (D-NJ), a Cuban-American says he will filibuster the bill in the Senate.

### House Subcommittee Looks at Conservation Program Work

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The House Agriculture Committee's Subcommittee on Conservation, Credit, Energy, and Research met Thursday to hear testimony on the status of conservation programs.

Witnesses included Natural Resources Conservation Service Chief Dave White and Farm Service Agency Administrator Jonathan Coppers, who oversees the Conservation Reserve Program.

A second panel was made up of representatives from the National Association of Conservation Districts and other conservation associations as well as agronomists in academia and business.

The witnesses shared the latest implementation details for each major program and discussed and new initiatives associated with this important area of USDA's work.

As growers are likely familiar, many conservation programs are oversubscribed, meaning there is more demand for participation than there is funding. Members and witnesses touched on this problem, even as there was some discussion about the desire to redirect some conservation funding to the reauthorization of childhood nutrition programs, scheduled for this year.

In light of early discussions concerning the 2012 Farm Bill, the panelists also concurred that conservation programs are meeting a vital need on the farm and in the public eye, showing urban dwellers that the farm bill provides environmental services in addition to the farm policy safety net.

Full opening statements, including comments on individual program issues, are accessible at <http://agriculture.house.gov/hearings/statements.html>.

Schwarzenegger Backs Delaying Water Bond Vote Until 2012, Key Campaign Supporters Agree

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Gov. Arnold Schwarzenegger said Tuesday he will work to postpone the vote on the \$11.1 billion water bond, now on the November ballot, to 2012 to "avoid jeopardizing its passage." "After reviewing the agenda for this year, I believe our focus should be on the budget -- solving the deficit, reforming out of control pension costs and fixing our broken budget system," he said in a statement. "It's critical that the water bond pass, as it will improve California's economic growth, environmental sustainability and water supply for future generations."

### **Senate Holds First 2012 Farm Bill Hearing, Messages Echo House Testimony**

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Saying her goal is to strengthen the safety net for family farmers and that Congress must "look before we leap," Sen. Blanche Lincoln (D, AR), chair of the Senate Agriculture Committee, this week held the first of several planned hearings on reauthorization of the 2012 Farm Bill.

Lincoln, facing a tough reelection challenge from Rep. John Boozeman (R, AR), reminded her panel she is the daughter of an Arkansas rice farmer who understands the challenges farmers face. Testifying at the hearing were Secretary of Agriculture Tom Vilsack, American Farm Bureau Federation President Bob Stallman, National Farmers Union President Roger Johnson, and producers from Arkansas, Georgia, New York and North Dakota. Lincoln said she wasn't going to immediately jump to "some new fangled idea cooked up in Washington or in some college professor's office," but rather would begin her rewrite of federal farm program legislation from the current version of the law, saying "current law serves as the benchmark from which we will work." Sen. Pat Roberts (R, KS) took shots at Vilsack, urging the secretary to promote the interests of all farmers and ranchers and criticized new regulation, cuts to crop insurance and a "meager trade agenda." Vilsack, unlike in his opening statement to the House Agriculture Committee, gave a strong defense of conventional farming and ranching, but also pushed for Congress to find ways to increase the number of small and medium-sized operations. Sen. Saxby Chambliss (R, GA), ranking committee member, asked Vilsack about the Administration's "five pillars" - rural broadband access, trade, renewable energy, conservation and research - and asked the Secretary "where does production agriculture and community and risk management programs fit into that picture of those five pillars." Sen. Mike Johanns (R, NE) told Vilsack he wanted an analysis from USDA's chief economist detailing how money is being paid through traditional counter-cyclical payments versus crop insurance payments, and he wanted to see more detail on how the allocation program is working.

DeLauro Renews Push for Single Food Safety Agency

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Rep. Rosa DeLauro (D, CT), chair of the House Appropriations Committee subcommittee on ag/FDA, said she'll introduce legislation this month to begin the process of folding USDA and FDA's food safety oversight authority into a single agency. She cites a National Academy of Sciences (NAS) report released this month entitled "Enhancing Food Safety: The Role of the Food & Drug Administration" as her evidence of the need for the new agency since the report talks about expanded FDA authority, mandatory recall authority, and "that the federal government move toward the establishment of a single food safety agency to unify the efforts of all agencies and departments...with responsibility of the U.S. food supply."

### **"Overtime After 8 Hours for Ag" Bill Passes Assembly - On to Governor**

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A bill that would require employers pay overtime for agricultural field works after 8 hours instead of 10 passed the Assembly on Thursday 46-26 vote. In addition to the overtime provisions, the law would apply the same meal and rest period requirements on agricultural employees that employers must provide all workers.

SB 1121 (Florez) is supported by farm worker advocates, the California Rural Legal Assistance Foundation and union representatives and opposed by many agricultural groups including the Pacific Egg & Poultry Association are working hard to encourage the Governor to veto this costly and burdensome bill.

House Ag Appropriations Approves FY2011 Spending Bill

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The House Appropriations Committee's subcommittee focusing on agriculture programs approved its FY2011 allocations this week despite there not being a budget resolution to guide the appropriations process in either chamber.

The agriculture appropriations measure includes just over \$23 billion in total discretionary spending, \$204 million below the FY2010 level and \$27 million below the request from the Obama Administration.

The Subcommittee has jurisdiction over funding for USDA, the Food and Drug Administration (FDA) and related agencies. While many programs of interest to wheat growers, including most farm safety net and conservation programs, are funded with mandatory money that is not allocated each year, other important programs, including research and market development programs, are part of the final discretionary figure.

This year, the Subcommittee provided \$312 million for USDA's cornerstone research grant program, the Agriculture and Food Research Initiative (AFRI). This represents an increase from the \$262.4 million allocated in the final FY2010 appropriation and another step toward full funding at the 2008 Farm Bill-authorized level of \$700 million. The AFRI money is also part of a total budget of \$1.36 billion, a 1 percent increase, for the National Institute of Food and Agriculture, its parent agency.

The McGovern-Dole food aid program was funded at \$266.5 million, \$57 million over the Administration's request, 27 percent over the FY2010 funding, and 167 percent over the FY2009 appropriation of \$100 million.

P.L. 480 Title II, the Food for Peace program, was funded at \$1.69 billion, which was the Administration's request and is the FY2010 funding level.

Other notable funding levels include:

- \$68 billion, with a \$5 billion reserve, for SNAP, the food stamp program. This represents a 17 percent increase worth nearly \$10 billion. Subcommittee Chairwoman Rosa DeLauro (D-Conn.) said one in eight adults and one in five children now receive food stamps.
- \$7.1 billion for the Women's, Infants, Children (WIC) program, 2 percent below last year.
- \$19 billion for child nutrition programs, including the National School Lunch Program.
- \$3.773 billion for FDA oversight work, approximately \$214 million above FY2010 funding and a total of \$535 million with user fees.
- \$1 billion for the Food Safety Inspection Service.
- \$261 million for the Commodity Futures Trading Commission, equal to the Administration's request.

Neither the House nor the Senate has passed budget resolutions this year, and it looks unlikely

that either chamber will be able to garner the votes necessary to do so. Still, the current budget year ends Sept. 30, at which time new appropriations bills of some fashion will need to have been approved.

More details of the bill passed by the Subcommittee this week, including a summary chart comparing FY2010 enacted levels with the Administration request and the Subcommittee's action, are available at <http://appropriations.house.gov/>.

## **I Love Farmers; They Feed my Soul**

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"I Love Farmers" is a nonprofit group of young agriculture students and farmers dedicated to their involvement in the next generation of farming and agricultural business. They have given farming a fresh and exciting look and are engaged in social media communication and overall promotion of the importance of farmers.

To make donations and or find out more about their mission check out their website at:

ilovefarmers.org