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2007 Farm Bill Proposal

Agriculture Secretary Mike Johanns unveiled the U.S. Department of Agriculture's 2007 Farm Bill proposals on Wednesday.

According to the Administration, its Farm Bill proposals represent a reform-minded and fiscally responsible approach to supporting America's farmers and ranchers. While the current law has served its purpose, the time has come to move forward with a farm program that is market-oriented and considers more than commodity prices alone when determining the appropriate level of government support. The proposals continue this administration's commitment to increase conservation programs that protect our natural resources and focus support on renewable energy.

USDA's proposals reform commodity payment programs by converting the current price-based countercyclical program to a revenue-based program that is responsive to actual conditions and provides a strong safety net; reforming and modernizing the marketing assistance loan program for program commodities; and tightening payment limits and working to close payment loopholes.

The proposal includes an additional \$7.8 billion to protect our natural resources through conservation programs, \$1.6 billion in new renewable energy funding and increases trade program by nearly \$400 million to continue the creation, expansion and maintenance of agricultural exports, to name a few.

The 2007 Farm Bill proposals spend approximately \$10 billion less than the cost of the 2002 Farm Bill over the past five years (excluding ad-hoc disaster aid) and uphold the President's plan to eliminate the deficit in five years. These proposals authorize approximately \$5 billion more than the projected spending if the 2002 Farm Bill were extended.

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