

WEEKLY UPDATE
SUSTAINABLE AGRICULTURE COALITION
June 25-29, 2007

ACTION NEEDED

Help Get Us in the Real Bill!: As you will read below, House Agriculture Chair Collin Peterson (D-MN) today announced that the Committee will mark up two farm bills – a real bill with real money, and a “reserve” bill with fake money. Between now and when the full House Agriculture Committee meets to markup the farm bill (now scheduled for the week of July 16, but as usual, this is a moving target), please contact members of the House Agriculture Committee and urge them to support amendments that restore and increase funding for several of our sustainable agriculture priorities and get them out of the reserve bill and into the real bill, including the Conservation Security Program, Farmers Market Promotion Program, Organic Transition and Research, and the Beginning Farmer and Rancher Development Program. An action alert with full details is available [here](#) on our online Farm Bill Action Center.

Plan Now for the SAC Summer Meeting!: This is a reminder to make your reservations for SAC’s annual summer meeting! We will be gathering August 5-7 at the Pere Marquette Lodge and Conference Center at Pere Marquette State Park in Grafton, Illinois. Please see the [attached flier for information on how to make a reservation at the lodge](#). A block of rooms are reserved through July 13, so please act soon. [Also attached is a meeting agenda](#). If you have questions about making arrangements or the agenda, please contact Tazuer Smith at the SAC office: tsmith@sustainableagriculturecoalition.org

THIS WEEK

Chairman Peterson Proposing Two House Farm Bills Strategy: Today, House Agriculture Chairman Collin Peterson (D-MN) announced that he will introduce two separate pieces of legislation next Friday for consideration by the Committee the week of July 16. One will be the actual farm bill, with no net increase in funding, but with quite a few changes relative to what a straight extension of the current farm bill would look like. This bill will be the primary farm bill and the one with the real funding. A second farm bill will include only funding provisions from the farm bill “reserve” account that does not become real money unless and until other spending cuts or tax increases are provided as offsets. Passing two different farm bills out of committee is a novel idea, one more strange quirk to what has already become one of the stranger farm bill processes of all time.

In the real bill, Peterson proposes to save money relative to baseline in the commodity title by changing the timing of the receipt of direct and counter cyclical payments (a well worn smoke and mirrors gimmick to look like you are saving money), eliminating all payments for farms with less than 20 base acres (because, after all, we all know it’s the smallest farms that are the cause of all the problems!), enacting a partial version of sodsaver (reducing insurance coverage for crops planted on newly broken out grasslands), and cutting administrative and operating expenses from crop insurance companies. All together, Peterson believes he will save over \$3 billion over 5 years and \$5 billion over 10 years.

Obvious among the missing ingredients to Title 1 savings is payment limitation reform, which Peterson is not including but continues to warn his committee that they will likely face a payment limit measure on the floor (and we are only two happy to help make that prediction come true!).

Some of the savings would be used for commodity rebalancing for wheat, barley, oats, and minor oilseeds. In addition, the savings would go to restore funding for the Wetlands Reserve Program (a SAC priority), to increase funding for the Environmental Quality Incentives Program (without any meaningful reform), provide mandatory funding for the Administration’s Rural Water Enhancement Program

(evidently with an emphasis on the Chesapeake Bay), and about \$685 million for fruits and vegetable programs. We are also told the package includes the \$22 million in mandatory funding for Organic Certification Cost Share, \$3 million for the Organic Data Initiative, and some funding for socially disadvantaged and possibly for beginning farmers. We do not yet have any details on that last item.

As of today, no funding will be provided in the real money bill for the Conservation Security Program, for food stamp and nutrition program enhancements, or for the energy title, plus of course Peterson had previously made the decision to put no new money at all into the rural development or agricultural research titles. The “reserve” bill, with its contingency funding waiting for offsets, will total about \$17.5 billion, with \$6 billion for food stamp increases, \$5 billion for a permanent disaster program, \$1 billion additional dollars for fruits and vegetables, \$1 billion for a CSP funding increase, and \$2 billion for energy crops and energy programs. The expectation is that some items in the reserve fund bill with “true up” and be switched over to the real bill as funding offsets are prescribed. Leading candidates for the “truing up” process are specialty crops, food stamps, energy, and CSP. But nothing at all makes any of these switchovers a certainty, and only an intensified campaign by supporters of those provisions will put them in striking distance.

The first step in that campaign is to try to get CSP into the real bill in full committee markup. Also on our to do list for full committee will be getting real mandatory for the Farmers Market Promotion Program, Organic Conversion Program, Organic Research and Extension, and, if it is not in the mark, the Beginning Farmer and Rancher Development Program. Please make maximum use of the action alert at the top of this newsletter!

Senate Mark Advances: Drafts of all titles except the commodity title have been circulated by Senate Agriculture Chairman Tom Harkin (D-IA) to other Committee offices for their review and comment. This is the first step in putting together the chairman’s mark for committee consideration later this year.

In his press availability this week, Harkin suggested he would include substantial but not radical changes to the commodity title. Among the changes that might be included are updating crop bases to eliminate land from the program that has not been farmed recently, the sodsaver provision, an adjusted gross income test applied to direct payments only, a movement toward revenue-based counter cyclical payments (or crop insurance enhancement as some refer to it), and major payment limitation reform (though Harkin says this might be a floor issue if it cannot be dealt with in committee). None of these are yet in the certain category, but all are under serious review and discussion.

The draft titles that are being reviewed by committee members and staff include the new Comprehensive Stewardship Incentives Program (CSIP) that combines the EQIP and CSP program under a common framework, the Beginning Farmer and Rancher Opportunity Act programs, Value-Added Producer Grants enhancements, the Rural Micro-enterprise bill, a comprehensive set of organic farming provisions, and many other policy innovations supported by SAC.

Senate Immigration Bill Blocked – Ag Jobs to Farm Bill?: On Thursday, Senate supporters of a comprehensive immigration bill (S.1639), with a vote of 53-46, were unable to come up with the 60 votes needed to end debate and move the bill forward. The bill has struggled through the last few months with stops and starts, but most Senators indicated that this was the final action this year on comprehensive legislation. With Senate action on comprehensive immigration reform at an end, the House may also stop working on its version of the bill. President Bush had declared comprehensive immigration reform to be his top domestic issue in this Congress. Republicans opposing the measure were not swayed by the President’s support. It is unlikely that comprehensive reform will be taken up again by Congress until after the 2008 elections.

Senator Dianne Feinstein (D-CA) indicated that she wants to move the AgJOBS provisions of the bill separately, with an agricultural guestworker program and other measures, when the Senate version of the farm bill comes to the Senate floor. If farm and energy-related tax issues are also taken up, as expected, with the Farm Bill, reauthorization could become an even more politically complicated, intriguing, and lengthier process.

Birds and Bees on the Hill: On Monday, the National Coalition for Food and Agricultural Research sponsored a Hill briefing for congressional staff by Dr. May Berenbaum of the University of Illinois titled "The Birds and the Bees and the GNP: How Pollinator Decline Can Affect the U.S." Dr. Berenbaum highlighted the often overlooked but indispensable role of pollinators in agriculture, as well as the potential causes of pollinator decline. She emphasized the value of taking preventative measures to halt the current decline such as protection of pollinator habitat, and mentioned the difficulties of attempting to discern the cause of the decline while lacking a coherent national policy on the issue. Her presentation coincided with the introduction by Senator Barbara Boxer of S. 1694, the Pollinator Protection Research Act of 2007, which would provide funding for research on the colony collapse disorder among domesticated honey bees and the decline of native pollinators.

Lots of Letters!

• **Farm Letter Opposes House Farm Bill Preemption Provision:** SAC joined other farm and sustainable agriculture organizations on letter delivered Tuesday to members of the House Agriculture Committee urging them to support removal of a provision in Chairman Peterson's mark which would preempt state and federal regulation of any article of commerce that USDA has passed or inspected or declared to be of non-regulated status. The letter focused primarily on "non-regulated" status, the term which USDA uses when it approves genetically engineered crops for commercial release. Groups representing rice growers in AR, CA, and MO were among those who signed the letter. In response to the contamination of mid-South rice stocks with a GE rice variety and concerns over planting of GE "pharma" rice engineered to produce drugs, these states have initiated state overview of GE crop releases. Bill Wenzel, National Director of the Farmer to Farmer Campaign on Genetic Engineering, coordinated the letter. A copy of the letter will be on our website soon.

• **Big Four State Governors' Farm Bill Letter:** On Tuesday, the Governors of TX, NY, FL and CA released a 'Big Four' letter urging the Chairs and Ranking Members of the House and Senate Agriculture Committees to address several issues in farm bill reauthorization. The letter noted that taken together the four states represent over a third of America's farmers. The Governors cited the need for increased funding for specialty crop programs, including the addition of specialty crops in commodity, conservation, and disaster assistance programs. Other priorities included adequate resources for managing invasive species and the necessity of expansion for all conservation programs. The Governors also stressed their support for the Food Stamp Program, especially the Food Stamp Nutrition Education Program and the Fruit and Vegetable Snack Program. The letter expressed support for organic agriculture, stating the desirability of government assistance for farmers transitioning to organic agriculture. The letter is on the web at www.ny.gov/governor/press/0626072BigFourFarmBillLetter.pdf.

• **California Congressional Delegation Farm Bill Letter:** On June 19, twenty-six Democratic members of the California House delegation representing urban and suburban districts sent a letter to House Ag Committee Chairman Peterson (D-MN) and Ranking Member Bob Goodlatte (R-VA). The letter urged them to support programs that will increase access to high-quality fruits and vegetables, support family farms, promote local food systems and connections to regional agriculture, and leave a legacy of healthy air, water and land for the nation's children. The letter specifically cited the needs included in the "Big Four" letter discussed above, as well as specifically referring to the Farmers' Market Promotion Program, organic agriculture, Value-Added Producer Grants, a fully-funded Conservation Security Program, the

Beginning Farmer and Rancher Development Program, and outreach to Socially Disadvantaged Farmers and Ranchers. A press release, with a link to the letter, is posted on the California Coalition for Food and Farming website at www.calfoodandfarming.org/docs/CaliforniaDelegationPR.pdf. Thanks to Kari Hamerschlag and other members of the Coalition for their work on this letter.

• **U.S. Mayors Call for Farm Bill Reform:** To add a local voice to state and national calls for farm bill reform, last weekend the U.S. Conference of Mayors adopted a resolution calling for farm bill changes to improve public health and protect the environment for all Americans. The resolution calls for strengthening and expanding core federal food assistance and agricultural conservation programs and for new investments in fruit and vegetable production, organic farming, farmers markets and other programs designed to help small and mid-sized local farmers to meet the growing demand for local, healthy food.

The 12 co-sponsors of the mayors' resolution included: Gavin Newsom, San Francisco; Richard Daley, Chicago; Manuel Diaz, Miami; Michael Bloomberg, New York; David Cicilline, Providence; David Coss, Santa Fe; Frank Cownie, Des Moines; Ronald Dellums, Oakland; James Humphrey, Ft. Meyers; Dan Furtado, Campbell, CA; Sharon Goldsworthy, Germantown, TN; and Theresa Estness, Wauwatosa, WI. Mayors R.T. Rybak of Minneapolis and Chris Colman of St. Paul also supported the resolution, although their names were not included in the final resolution in time. A copy is posted at www.farmandfoodproject.org/congressional_letters.asp.

WTO NEWS

Presidential Fast-Track Trade Authority Expires: Last week the WTO agricultural trade negotiations came to a seeming halt. On Saturday, the President's legislative authority to fast-track trade agreements expires. Under the fast-track authority, Congress may only vote yes or no on the terms of an agreement, without making amendments. It is highly unlikely that a Democratic-led Congress will vote to restore trade promotion authority to President Bush. The stall-out of WTO negotiations coupled with fast-track authority expiration could well mean little further effective action on revising WTO agricultural trade rules until after the next Presidential election.

USDA NEWS

Conservation Innovation Grant Awards: On Wednesday, USDA announced the Conservation Innovation Grant (CIG) program awards for 2007, with \$20 million going to 51 projects in 36 states. A list of the awards with brief narratives is posted at www.nrcs.usda.gov/programs/cig/2007awards.html.

Eleven of the projects focus on CAFO air and water pollution, including a \$1 million grant awarded to the Environmental Credit Corporation which will provide lagoon covers and carbon credit services to hog CAFOs in North Carolina and dairy CAFOs in New York to link CAFOs with anaerobic manure treatment lagoons to the Chicago Climate Exchange. SAC notes that research has shown that covering waste lagoons increases the levels of methane, one of the most potent greenhouse gases. In contrast, an award of about \$930,000 was made to North Carolina State University to support the adoption in North Carolina of pasture-based hog production. North Carolina currently has a moratorium on the establishment of new large hog CAFOs. Other awards also focused on biomass and biofuels production and carbon and pollution credit trading schemes.

Some highlights for sustainable agriculture include awards to the Heifer Project International for hands-on training for limited resource farmers in 5 southern states on sustainable prescribed grazing livestock systems, to the Wildlife Habitat Federation to demonstrate conservation and producer benefits from the production and marketing of native prairie grass seed, and to the Solomon Valley Resource Conservation

& Development Area in Kansas which will work with the Kansas Black Farmers Association on a project with limited resource farmers to incorporate an Ethiopian crop, teff, into their farming systems.

DOE NEWS

Bioenergy Research Centers Funded: On Tuesday, the Department of Energy announced that is providing \$125 million each to new research centers which will partner with universities, national laboratories and private companies, for work on cellulosic ethanol and other bioenergy alternatives to fossil fuels. The three new centers are:

BioEnergy Science Center led by the Energy Department's Oak Ridge National Laboratory in Tennessee. Collaborators include: Georgia Institute of Technology in Atlanta, the Energy Department's National Renewable Energy Laboratory in Golden, Colo., University of Georgia, and the University of Tennessee.

Great Lakes BioEnergy Research Center will be led by the University of Wisconsin in Madison, in collaboration with Michigan State University. Other collaborators include: the Energy Department's Pacific Northwest National Laboratory in Richland, Wash., Lucigen Corp. in Middleton, Wis., University of Florida, Oak Ridge National Laboratory, Illinois State University and Iowa State University.

Joint BioEnergy Institute led by the Energy Department's Lawrence Berkeley National Laboratory near Berkeley, Calif. Collaborators include: Sandia National Laboratories, Lawrence Livermore National Laboratory, University of California-Berkeley, University of California-Davis and Stanford University.

DULY NOTED

From the Corn Belt to the Gulf: Resources for the Future has published a new book on the role of nutrients from the Corn Belt in the formation of the hypoxic zone in the Gulf of Mexico. The book entitled, *From the Corn Belt to the Gulf*, explores how new agricultural policy can help alleviate this problem, and at the same time improve water quality overall, enhance biodiversity, improve the quality of life for the people who live and work in Corn Belt communities, and relieve downstream flooding. A video featuring two of the books editors and a powerpoint presentation are on the web at www.rff.org/cornbelt.