



SUSTAINABLE AGRICULTURE COALITION

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Farm Coalition Endorses Payment Limitation Amendment

Washington, D.C., March 20, 2007 – The Sustainable Agriculture Coalition today endorsed a commodity program payment limitation reform amendment that will be offered by Senators Charles Grassley (R-IA) and Byron Dorgan (D-ND) this week as the United States Senate votes on the government-wide budget plan for the next five years. The amendment adjusts the funding levels in the budget plan based on the assumption that the 2007 Farm Bill will limit farm payments to \$250,000 per person per year and then apply the savings to conservation, nutrition, and renewable energy and rural development programs.

The amendment reflects legislation introduced many times by the two Senators that would place a limit of \$250,000 on the amount of commodity payments any one person can receive on an annual basis and close an array of existing loopholes in order to distribute scarce federal dollars in a more equitable way. That proposal is consistent with the payment limitation reform recommendations of the 2003 USDA Payment Limitation Commission report and 2004 U.S. Government Accountability Office report on the issue.

The Congressional Budget Office estimates the amendment would save over a billion dollars over the next ten years. The amendment would reinvest those savings, one third each, into farm conservation, food stamps, and renewable energy/rural development programs. The budget resolution approved last week by the Senate Budget Committee and pending before the full Senate provides for a 2007 Farm Bill “reserve fund” of \$15 billion in new funds which can be used if and only if the Agriculture Committee can come up with “offsets” of an equal magnitude.

“Passage of this amendment will send a strong message that Congress is finally prepared to level the playing field for family farmers by limiting the ability of the largest producers to bid land away from smaller and beginning operators,” said Ferd Hoefner, policy director for the Coalition. “Nearly every Senator has proposals for conservation or nutrition or renewable energy that would require new farm bill spending, but those proposals will remain just pieces of paper until the serious work of finding funding offsets begins. The Grassley-Dorgan amendment is a common sense, pro-family farmer way to jumpstart that serious work.”

The Sustainable Agriculture Coalition represents grassroots farm, rural, and conservation organizations from across the country that advocate for public policies supporting the long-term economic and environmental sustainability of agriculture, natural resources and rural communities.