

## PolicyPennings by Daryll E. Ray & Harwood D. Schaffer

# It's time to decide: A new farm bill or a one-year extension

It is now September. The 2008 Farm Bill expires at the end of the month. Members of Congress have returned to Washington from their August recess. After passing the buck to the Supercommittee, fighting over increasing the debt ceiling, and arguing over how much to take from farm programs vs. nutrition programs, Congress will use their few days in the national capitol before fall electioneering to pass the 2012 Farm Bill, warts and all. Right?

Maybe not.

When Congress left for their August recess, farm groups hoped that farmers would put pressure on their Congressional delegation to get the legislation through the House and into the conference committee where differences between the House and Senate bills could get ironed out.

In late August, 39 (now 46) ag groups formed a coalition, called "Farm Bill Now," to put additional pressure on Congress to make the 2012 Farm Bill a must pass piece of legislation. But the day after Labor Day, DTN Ag Policy Editor Chris Clayton wrote "As much as Sen. Charles Grassley would like a new farm bill, the member of the Senate Agriculture Committee acknowledged Tuesday [Sept. 4] that it's far more likely a new bill isn't forthcoming.

"I would imagine at this late stage and with farm legislation sunseting Sept. 30 that is it most likely we will have a one-year extension of the farm bill," Grassley...told reporters in a weekly call."

Undeterred, the Farm Bill Now coalition greeted the returning Congress with a rally on Wednesday, September 12, pressing for adoption of the 2012 Farm Bill before the end of September.

Despite the rally and pressure from home, it would appear that farm and nutrition legislation is not the highest thing on the minds of many members of Congress; it's the fall election. Both parties are focused on votes that will embarrass members of the other party.

As Jennifer Steinhauer writes in the New York Times, in the Senate "the Democratic leadership is... considering yet another vote on Representative Paul D. Ryan's budget, for no other apparent reason than to embarrass Republicans facing tough re-election battles.

In the House, Republicans will vote on a bill that seeks to phase out the Energy Department's loan guarantee program that financed Solyndra, the bankrupt maker of solar power equipment [that received one of these loans from the Obama administration]."

Right now the farm bill is stuck in the House. Some Democrats won't vote for it because it cuts the SNAP (Supplemental Nutrition Assistance Program, formerly known as food stamps) budget too deeply and some Republicans will not vote for it because they want to make deeper cuts in SNAP as well as other programs that are a part of the farm bill.

Some of the concern over SNAP is the result of a significant increase in the cost of this entitlement program over the last four years. The stated concern is to make sure that people do not remain dependent upon SNAP. The problem is that most of the increase in the use of SNAP benefits has not come from the historically poor, but from the newly poor—people who were once middle class until they lost their jobs following the 2008 economic collapse.

Concern has also been expressed over the cost of farm programs in general and so a number of environmental programs have taken a hit in funding.

By delaying the passage of a full farm bill with the passage of a one-year extension, those who want to maximize the cuts that get made to both farm and nutrition legislation get two hits. They can wrest cuts this year in exchange for the extension and then next year when sequestration comes into effect—remember, that was the price for getting the debt ceiling raised in 2011—they can make deeper incisions.

In the longer run, it may be the historically poor, the environment, and the farm safety net that pay the price.

Daryll E. Ray holds the Blasingame Chair of Excellence in Agricultural Policy, Institute of Agriculture, University of Tennessee, and is the Director of UT's Agricultural Policy Analysis Center (APAC). Harwood D. Schaffer is a Research Assistant Professor at APAC. (865) 974-7407; Fax: (865) 974-7298; [dray@utk.edu](mailto:dray@utk.edu) and [hdschaffer@utk.edu](mailto:hdschaffer@utk.edu); <http://www.agpolicy.org>.