

**WEEKLY UPDATE**  
**SUSTAINABLE AGRICULTURE COALITION**  
**March 5-9, 2007**

**URGENT ACTION NEEDED**

**The Budget is coming! Farm Bill priorities hang in the balance!** In the next two weeks, both the Senate and House Budget Committees will be marking up their respective versions of the U.S. budget for 2008. This budget resolution will determine how much money will be available to the Agriculture Committees for the 2007 Farm Bill for the next five years and to the Appropriations Committees for agricultural appropriations for 2008.

This is the first, and in some respects the most critical, step in the farm bill campaign. Without adequate resources via the budget resolution, the new farm bill provisions we are striving for in conservation, rural development, research, organics, beginning farmers, and community food will be very difficult if not impossible to achieve. Make that a “ditto” for our drive to modestly increase spending levels for our top sustainable and organic agriculture priorities in the annual appropriations bill.

Please, this action request is as urgent as they come -- we need everyone who has a member on the House and/or Senate Budget Committee (and everyone else too) to respond quickly, getting the word out through your lists and networks and associations. The Senate mark-up votes are scheduled for this coming Thursday, so Senate calls are particularly urgent, starting Monday. Thirty six states are represented on the budget committees, and member groups in the other fourteen can urge grassroots communications directly to the committee chairs. (Note: Thirteen states have multiple members, including a few with as many as four members on Budget.)

An action alert template as well as a list of Budget Committee members is posted on our website -- [www.msawg.org](http://www.msawg.org). As always, we encourage you to use the action alert “as is” or to tailor it to your audience and make it specific to your Members of Congress. Either way, we need you to act fast!

Our “ask” is simple and urgent – we want the Budget Committees to include no less than \$20 billion in additional spending for the 5-year farm bill and enough funding for appropriations for the agricultural spending bill to gain \$1 billion over the 2006 levels, levels which have now been frozen in place for 2007 as well. The Budget Committees only set funding levels, not funding priorities, but clearly we still want them to know that there are urgent needs and enormous opportunities to help move toward a new farm, fuel, and food system.

Please be in direct contact with SAC Grassroots Organizing and Outreach Coordinator Aimee Witteman if you need any help or have any questions, and please also report back to her to tell her what you have done and who you have contacted – [awitteman@sustainableagriculturecoalition.org](mailto:awitteman@sustainableagriculturecoalition.org) or 202-547-5754.

**THIS WEEK**

**SAC Farm Bill Fly-In and Lobby Day:** Thanks to everyone who made this week’s *Roots to Reform* farm bill summit and lobby day a huge success! The collective energy of 150 farmers, ranchers, rural community and food system advocates calling for farm bill reform was magnetic and inspiring. A full day of advocacy and sustainable agriculture policy workshops on Wednesday laid the groundwork for taking “the message to the Members” the following day with visits to over 80 Senators and Representatives. As we heard from many of the legislators with whom we met, the current budgetary environment will make our 2007 Farm Bill mission not a little challenging. But at the same time, several delegations received commitments from members to incorporate SAC policy priorities into legislation and even take the lead on support for programs such as the Beginning Farmer Initiative. In addition to the individual congressional visits, the whole group heard from the staff directors of the House and Senate

Agriculture Committees, Senate Ag Chairman Tom Harkin (D-IA), and new House Ag Committee member Tim Walz (D-MN).

Here are some comments from participants:

“Awesome opportunity and experience! I enjoyed sharing my experiences and learning from folks that have been “in the trenches.” I would love the opportunity to be a voice for sustainable agriculture in the future as well.”

“I am inspired and energized by my experience at the summit and in our meetings...”

“This was a wonderful opportunity to really affect some change and develop my leadership skills.”

“We’d come back in a heartbeat anytime.”

**Democrats Unveil Emergency Supplemental Bill while Bush Threatens Veto:** The \$100+ billion supplemental appropriation for 2007 for the war in Iraq and other purposes is getting closer to congressional action. The House Appropriations Committee will mark up the supplemental spending bill this coming week, with floor action likely the week after. Senate action will likely follow quickly on the heels of House action. As you have likely been reading in your daily newspaper, the Democratic leaders and the White House are locked in a major disagreement over the conditions that will be attached to the war spending. Several notches below the controversy over war spending is a debate over how many railroad cars will be attached to the Iraq spending locomotive. Somewhere between \$12 and \$20 billion in additional spending for Katrina relief, children’s health care, homeland security, veterans benefits, and such will be in the mix. At least four major agriculture and farm bill items also hang in the balance.

House Speaker Nancy Pelosi told the National Farmers Union convention last weekend that the bill will contain a \$4.3 billion agricultural disaster aid package. It has also been widely predicted by congressional agricultural leaders that the one-month extension of the MILC dairy payment program that is so critical to the farm bill spending baseline will be in the package. Less clear, but still pending, would be provisions to restore funds to the Conservation Security Program or to provide farm bill baseline spending for the Wetlands Reserve Program (which is out of money going into the new farm bill cycle). We are, naturally, staying closely on top of this situation and advocating strongly for CSP and WRP. We will keep readers posted on developments.

**Thicke Testifies on Farm Bill Research Title:** On Wednesday, the Senate Agriculture Committee at a hearing on the Farm Bill Research Title heard from a panel which included Iowa organic dairy farmer and milk processor Francis Thicke along with Dr. Alan Leshner, CEO of the American Association for the Advancement of Science, Dr. Jeff Armstrong, Dean of the College of Agriculture and Natural Resources at Michigan State University, and Dr. William Danforth, Chancellor Emeritus of Washington University in St. Louis MO. Francis is a member of the Practical Farmers of Iowa and serves on the Board of the Organic Farming Research Foundation, and once served as the National Program Leader for Soil Science for the Extension Service. All the testimony is posted at <http://agriculture.senate.gov/Hearings>.

Francis focused his testimony on three areas that are prominent in the SAC 2007 Farm Bill Platform. First is the value of continuing the Initiative for Future Agriculture and Food Systems (IFAFS) as a key program for competitive grants in integrated and applied research, education and extension. He noted that IFAFS should be continued as the complementary component to any structure in the next Farm Bill provided for basic and fundamental agricultural research. Thicke also urged the Committee to provide organic research with a fair share of USDA research dollars to keep pace with the growing share that organic products have in the retail markets. He then turned to the need for a reinvigorating public plant and animal breeding with increased support for classical breeders and partnerships involving ARS and CSREES with farmers, ranchers, and non-profit organizations with the goal of increasing publicly

available seeds and animal germplasm for sustainable and organic production systems. Francis also addressed the need for increased funding for SARE and ATTRA. Finally, he urged the Committee to immediately redress the defunding of ATTRA in the joint resolution for FY2007 Appropriations which incorrectly identified the ATTRA as an earmark.

The main show at the hearing was the battle between Dr. Danforth and the proposed National Institute for Food and Agriculture favored by parts of agribusiness versus Dean Armstrong and the proposed "Create 21" restructuring of USDA's research agencies favored by the heads of the land grant colleges. Both sides have hired major DC agricultural lobby groups at very considerable expense to duke it out over their respective, competing proposals. Both have suggested that the farm bill baseline funding for the IFAFS program be transferred to their proposed new creations, a move to steal funds that SAC strongly opposes.

**Chairman Peterson Suggests Extending Current Commodity Programs:** During a teleconference with reporters on Thursday, House Ag Committee Chair Collin Peterson (D-MN) stated his support for extending the 2002 Farm Bill commodity programs in the next Farm Bill without revisions. Peterson noted that the Farm Bill budget for current set of commodity payments could go as low as \$7.8 billion during the 2007-2012 period for the next farm bill, but stated that budget projections are often wrong and that farmers could well need the current support structure again in the future. He also noted that the tight budget projections meant there would be no money to take from commodity programs for other Farm Bill programs. Peterson indicated once again that he had urged the congressional Budget Committees to provide \$6 billion more funding in the farm bill specifically for biofuels.

**Bill to Exempt CAFO Waste from Superfund Introduced:** On Thursday, Sen. Blanche Lincoln (D-AR) introduced S. 807 to exempt manure from the Superfund and Community Right to Know Acts. Rep. Collin Peterson (D-MN) introduced a companion bill H.R. 1398. Both statutes already contain exemptions for the normal application of fertilizer, including manure. The primary purpose of the legislation is to protect large-scale CAFOs which over-apply animal waste from legal action brought by cities and other entities trying to protect their water supplies from pollution and to prevent the public from obtaining an accounting of the extent of pollutants released by these large-scale industrialized operations. EPA's proposed Clean Water Act regulation for CAFOs contains numerous loopholes which allow the unchecked dumping of CAFO waste, including the exemption from regulation of CAFO waste that is applied to land not directly controlled by the CAFO operator.

A similar bill introduced last year was successfully opposed by SAC, numerous environmental groups, the National League of Cities, the U.S. Conference of Mayors, the American Association of Water Utilities, the National Association of County & State Health Officials and the State Attorneys General of California, Connecticut, Kentucky, New Jersey, New Mexico, Oklahoma and Wisconsin. Earlier this week, SAC signed onto a letter with many of the same partners opposed to the re-introduced measure.

**House Creates Select Committee on Energy Independence and Global Warming:** On Thursday, by a vote of 269-150, the House voted to create a new Select Committee on Energy Independence and Global Warming, which will be chaired by Rep. Edward Markey (D-MA), with James Sensenbrenner (R-WI) as the ranking Republican. Rep. John Dingell (D-MI), chair of the House Energy and Commerce Committee, initially opposed sharing issues covered by his committee with another committee. To resolve disagreements about the scope of the new committee's jurisdiction, Speaker of the House Nancy Pelosi (D-CA) stipulated that the new committee will not have the power to write legislation. Eight other House committees, including the House Agriculture Committee, have some authority over energy and global warming issues. Any legislation proposed by the new committee will have to work its way through other committees. In addition, the new committee is scheduled to expire at the end of 2008.

## USDA NEWS

**CRP Reenrollment Results:** In hotly awaited news, USDA on Friday announced the results of Conservation Reserve Program (CRP) participants' decisions about re-enrolling or leaving the program. USDA is now predicting that 4.6 million acres (1.4 million of which is in the Corn Belt) will leave the program over the next three years, while 23.2 million acres will be re-enrolled. The remaining approximately 9 million acres is not up for renewal during this time period. The 4.6 million acre number is almost exactly the number we at SAC predicted last spring, and represents no significant change in the percentage of landowners deciding to re-enroll compared to a year ago – it is still running at slightly over 80 percent renewal. Said Secretary Johanns: "The percentage of landowners choosing to remain in CRP is consistent with what we have seen in the past, despite speculation that re-enrollment would drop significantly due to high corn prices."

Still in the offing is Johanns' decision about whether or not to allow landowners the opportunity to leave the program prior to the expiration date of their contracts – the so-called "early out" option. Meanwhile, the Administration has already soured its relationship with parts of the wildlife and hunting communities by announcing there will be no new CRP sign-ups this year or next year. The only CRP sign-ups over the next two years will be conservation buffer enrollments under the continuous CRP process that SAC was instrumental in developing. For a detailed look at the new re-enrollment information, go to [www.fsa.usda.gov](http://www.fsa.usda.gov) and click on CRP.

**RMA Funds Available:** USDA's Risk Management Agency (RMA) this week announced the availability of funds for its partnerships and cooperative agreements initiative, and on Monday will be announcing the availability of community outreach partnership grants. Visit the RMA website ([www.rma.usda.gov/aboutrma/agreements/](http://www.rma.usda.gov/aboutrma/agreements/)) to view the Request for Proposal documents published for the Targeted States Program, Commodity Partnerships Program, Commodity Partnership Small Session Program, and Community Outreach and Assistance Partnership Program. RMA annually funds partnership agreements to conduct risk management and crop insurance education, community outreach, and research. Eligible applicants include state and local government agencies, public and private institutions and organizations, and individuals. Applications for the first three programs are due April 23, 2007 and for the fourth by May 1, 2007.

Note that the Targeted States program (\$4.5 million total) is for the northeast states plus NV, UT, and WY. In the northeast, a priority purpose of the grant (one grant is made in each state) is for education on Adjusted Gross Revenue or Adjusted Gross Revenue-Lite insurance policies. These have been of great interest to SAC since they are aimed at diversified and value-added producers. The Commodity Partnership program (\$5 million total) is also prioritizing AGR and AGR-Lite education in several regions of the country.

The Small Sessions program (\$500,000 total) will be awarded to about 50 groups at about \$10,000 each for training and information events, with about 5 grants to be made in each of the 10 RMA regions of the country. The Community Outreach program (\$5 million) is perhaps the most flexible and diverse of the lot, dealing with farm and financial management, marketing, conservation planning, insurance and other risk management tools and approaches. Please refer to the RMA website for more information and for direct links to the Federal Register notices containing the Requests of Applications (RFAs).

**NOSB Meeting:** Monday's Federal Register will announce the next meeting of the National Organic Standards Board (NOSB) for March 27-29 in Washington, DC. Comments may be submitted in writing to Valerie Frances at USDA via the internet at [www.regulations.gov](http://www.regulations.gov). The meeting agenda and the proposed recommendations can be viewed at [www.ams.usda.gov/nop](http://www.ams.usda.gov/nop) or by calling Valerie at 202-720-3252. Requests to make oral remarks at the meeting must be received by March 16 by calling Valerie or emailing her at [valerie.frances@usda.gov](mailto:valerie.frances@usda.gov).

**Sales Halted of Conventional Rice Seed Contaminated by GMO Rice:** On Monday, USDA ordered seed dealers not to sell a conventional rice variety, Clearfield CL131 rice, because the seed's developer BASF reported that Clearfield CL131 seed stocks appear to be contaminated with genetically engineered traits from GE rice not yet approved for commercial use. USDA's Animal and Plant Health Inspection Service will be conducting tests to confirm the finding of contamination. This discovery comes on the heels of last year's discovery that much of the commercial rice stocks in the mid-South had been contaminated with an unapproved rice variety LLRICE106, which was genetically engineered by Bayer CropScience to resist the Liberty Link herbicide. On February 28, USDA, throwing caution to the wind, announced that it intends to approve the plan of the Ventria company to plant over 3,000 acres in Geary County, Kansas this Spring with rice genetically engineered to produce the human proteins lactoferrin, lysozyme, or serum albumin.

## **DULY NOTED**

**Brief Filed in Support of Anti-Corporate Farming Law:** An item we missed earlier -- on March 1, the Farmers' Legal Action Group filed with the U.S. Supreme Court an amicus brief in support of the Petition for Writ of Certiorari filed by the Nebraska Secretary of State and Attorney General, requesting that the Court review the ruling that struck down Nebraska's Initiative 300. The Initiative is a state constitutional measure that restricts non-family-owned corporations from engaging in farming and ranching in Nebraska. The Federal Court of Appeals for the Eighth Circuit ruled in 2006 that the measure violates the Commerce Clause of the U.S. Constitution. Organizations represented by FLAG on the amicus brief include SAC members the Center for Rural Affairs, the Land Stewardship Project, Institute for Agriculture and Trade Policy, Dakota Rural Action, and the Illinois Stewardship Alliance, as well as the National Farmers Union, National Family Farm Coalition, and others. A copy of the brief is posted on the web at [www.flaginc.org/topics/news/amicus/20070301\\_I300\\_MotionAmicus.pdf](http://www.flaginc.org/topics/news/amicus/20070301_I300_MotionAmicus.pdf).

**Ag Outlooks:** At last week's USDA Ag Outlook conference, the Department announced that corn acreage this year will increase 8.7 million acres to reach its highest point in over 60 years. Meanwhile, soybean acreage is projected to fall 5 million acres to 70.5 million, the lowest in more than 10 years. Cotton acres, some of which will convert to corn, will fall to the lowest levels since 1990. USDA predicts a record 26 percent of corn bushels will be used for ethanol in 2007.

This week, the Food and Agricultural Policy Research Institute released its baseline projects, estimates which are often used by Congress in preparing the farm bill. FAPRI's baseline has corn prices above \$3 for every year over the next decade. FAPRI also predicts commodity program spending for the major crops will drop from \$16 billion in 2005 to just under \$8 billion this year, dropping to under \$7 billion by 2016 (assuming current programs and rules). Nearly 80 percent of the total is direct (Freedom to Farm) payments (again, assuming current law is left in place). Not surprisingly, FAPRI shows higher net incomes for grain farmers and lower net incomes for livestock feeders. For the complete report, go to [www.fapri.org](http://www.fapri.org).