



SUSTAINABLE AGRICULTURE COALITION

110 Maryland Avenue N.E. Phone 202.547.5754
Washington, D.C. 20002 Fax 202.547.1837
www.msawg.org

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Contact: Ferd Hoefner
PH: 202-547-5754

BALL BACK IN ADMINISTRATION'S COURT ON COMMODITY PAYMENT REFORM

Washington, D.C. July 8, 2008 – The Sustainable Agriculture Coalition encouraged USDA Secretary Schafer to respond favorably to a letter he received today from Senators Byron Dorgan (D-ND) and Charles Grassley (R-IA) on farm program payment reform rulemaking. The letter from the Senators focuses the Secretary's attention on a provision in the conference report of the recently passed farm bill that directs USDA to write new regulations to implement long-standing requirements that commodity payment recipients be "actively engaged in farming" and preventing "schemes and devices" to dodge payment limitations.

The letter suggests USDA use the provisions of the Dorgan-Grassley farm bill amendment on this issue as guidelines for writing the new rules. The Senators suggest that the directed rulemaking provides a second opportunity for the Administration to make good on its oft-stated support for increased commodity program reform during the farm bill debate over the past two years and leave a "lasting legacy."

"Every thorough examination of farm program payment abuse in recent years, from the U.S. Government Accountability Office to the USDA Payment Limitation Commission to the reports of outside experts have focused on the actively engaged in farming rules and on the incredibly complex and abusive schemes and devices used by mega-farms to collect millions of dollars from the taxpayer," noted Ferd Hoefner, SAC Policy Director. "The legal and quasi-legal loopholes are large enough to drive a huge combine through."

"We should know very soon if the Administration's farm bill position on payment reform was more than rhetoric," continued Hoefner. "As today's letter from Senators Dorgan and Grassley make clear, the ball is now in their court. If they want real, lasting reform, they will use this mandated rulemaking process to close the loopholes and clean up the abusive practices that cost the taxpayers millions while putting family farms at a competitive disadvantage with the nation's largest landholders."

A copy of the letter is available from the Senators' offices.

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