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Congress of the United States
House of Representatives

Washington, DC 20515

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SUBCOMMITTEE ON OVERSIGHT
SUBCOMMITTEE ON SOCIAL SECURITY

NATURAL RESOURCES COMMITTEE
SUBCOMMITTEE ON NATIONAL PARKS,
FOREST, AND PUBLIC LANDS
SUBCOMMITTEE ON FISHERIES, WILDLIFE,
AND OCEANS

December 1, 2010

Chairman Collin Peterson
U.S. House of Representatives
Committee on Agriculture
1301 Longworth House Office Building
Washington, DC 20515

Ranking Member Frank Lucas
U.S. House of Representatives
Committee on Agriculture
1301 Longworth House Office Building
Washington, DC 20515

Dear Chairman Peterson and Ranking Member Lucas:

As the House Committee on Agriculture considers its legislative plan for the 112th Congress, we are writing to encourage the Committee to move forward with the reauthorization of the farm bill in 2011. While public statements have indicated that the Committee is likely to delay legislative action until 2012, the ongoing Brazilian cotton dispute and the widespread recognition of inefficient and wasteful spending within farm programs make it clear that this delay will come at a great cost to the American people.

Every year that Congress fails to reform its outdated cotton programs, American taxpayers are forced to pay \$147.3 million in "technical assistance" to Brazilian agribusiness. In December 2009, the World Trade Organization found that the GSM-102 Export Credit Guarantee Program serves as an illegal export subsidy and that support prices for the marketing loan program benefits and counter-cyclical program payments have distorted the marketplace and lowered market prices. Not only would making sensible reforms of these programs eliminate the need to subsidize Brazilian cotton producers by half a billion dollars, it could also save taxpayers an additional \$2 billion per year.

Financial pressures to act on the deficit have increased focus on wasteful spending across the government. Every serious study of how to reduce the deficit includes proposals to save billions of dollars from agricultural subsidies. Recently, the President's National Commission on Fiscal Responsibility and Reform released the Chairmen's mark, which included a reduction in farm payments by \$3 billion per year for the next ten years. The Center for American Progress's "A Thousand Cuts" report laid out a series of options that would reduce direct subsidies between

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50%-75%, saving taxpayers \$7-\$11 billion by 2015. The CATO Institute's "Downsizing Government" project calls for an annual \$30 billion cut in farm programs. The Brookings Institute's Bill Galston and New America Foundation's Maya MacGuineas cut farm subsidies as part of their "The Future is Now" plan. The Bipartisan Policy Center's Debt Reduction Task Force's "Restoring America's Future" report includes substantial cuts to direct payments and crop insurance, while limiting the growth in conservation programs, for a total of \$29 billion cut by 2020.

The costs of delaying action on the reauthorization of the farm bill have a direct impact on our deficits and cannot be ignored. As the Committee puts off action, it continues to force American taxpayers to subsidize American agribusinesses and Brazilian cotton farmers, while it ignores key reforms that could save taxpayers billions of dollars. Furthermore, many Congressional analysts consider it unlikely that Congress would pass a farm bill in 2012, as legislative action would coincide with an ongoing presidential election. By not completing the reauthorization in 2011, Congress is increasing the likelihood that it is unable to pass the farm bill in the 112th Congress. We urge you to move forward and immediately begin making the necessary reforms to improve the effectiveness of our farm programs to ensure taxpayer dollars are being used appropriately.

Sincerely,



Ron Kind
Member of Congress



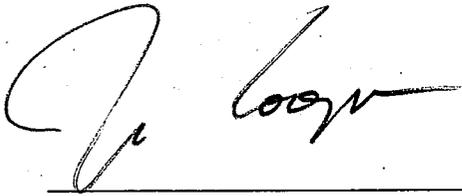
Jeff Flake
Member of Congress



Earl Blumenauer
Member of Congress



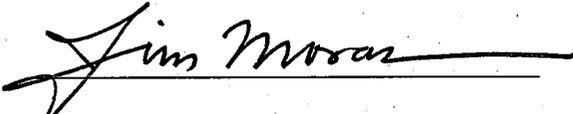
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Member of Congress



Jim Cooper
Member of Congress



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