

PolicyPennings by Daryll E. Ray & Harwood D. Schaffer

No farm bill served-up by supercommittee so back to square one

The failure of the supercommittee of the US Congress to come to an agreement on a 10 year deficit reduction package puts the crafting of the 2012—or will it now be 2013—Farm Bill back into the hands of the members of the House and Senate agriculture committees. As long as the 6 Republicans and 6 Democrats on the Joint Select Committee on Deficit Reduction—the supercommittee’s official name—were attempting to come to a workable compromise between reduced spending and enhanced revenue, the fate of the farm bill was in their hands.

And like any good card player, the supercommittee held its cards close to the vest so as to keep from becoming embroiled in the competing interests that usually shape the farm bill. The process was to accept input from stakeholders and the leadership of the two ag committees and then craft legislation that would meet the farm bill’s share of the deficit reduction package. Once the whole package—including both domestic and military spending—was put together, the committee could release it, knowing that its proposal had to be voted up or down with no amendments.

The result of this process was a farm bill that was being written in secret by 12 legislators, an activity that has been described as undemocratic. During the last week of negotiations, we received a phone call from a prominent ag-state reporter whose state’s member on one of the ag committees told the reporter that he/she had no idea about what was in the farm bill portion of the supercommittee’s work. The reporter wanted to know if we could recall a similar situation in the past where the farm bill was being written in secret; we couldn’t.

As of the writing of this column, we still have no clear idea of what was going to be in the supercommittee’s farm bill except that it would lean heavily on insurance products and eliminate direct payments, the ACRE program, and the SURE program. There were also rumors that rice and cotton would each be treated differently from other major crops.

But all of that is behind us now and the question is “Where do we go from here?”

Unless an agreement is reached on the overall

budget before then, the failure of the committee triggers automatic spending cuts of \$1.2 trillion over 10 years beginning with the 2013 fiscal year. It is expected that agriculture’s share of that will be \$15 billion over the 10 years, which is less than the \$23 billion in savings that leadership of the House and Senate ag committees offered to the Joint Select Committee on Deficit Reduction. The question is where will the money come from: nutrition programs, major crop programs including crop insurance, conservation, specialty crops? And, what about those three dozen or so programs without baseline funding? At this point everything is up for grabs.

And then there are those who think that the partisan paralysis that prevented the supercommittee from coming to agreement might also make it difficult to get a farm bill past both chambers of Congress. In that case both parties might want to kick the can down the road and write farm legislation after the 2013 elections—apparently because both sides think that they will come out the winner next November.

There is another messy detail. The current legislation expires on September 30, 2012 and without some continuing resolution, the farm program reverts to the 1949 legislation. We have heard that threat before and mostly what it does is goad Congress into doing something, as very few members want to face what in today’s world would be an expensive program with provisions written for another time and set of circumstances.

Our guess? There will be a lot of wrangling and arm twisting before the dust settles as each commodity and interest group angles for biggest piece of pie that they can get. It is going to be a while before the farm bill begins to take shape.

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