



## SUSTAINABLE AGRICULTURE COALITION

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### FOR IMMEDIATE RELEASE

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#### House Re-Opens Farm Bill in Appropriations

*Deep Cuts in Rural Development, Ag Research, Conservation, and Renewable Energy*

The fiscal year 2004 agricultural appropriations bill approved by the House subcommittee June 17 and headed to a vote in full committee on June 25 re-opens the 2002 farm bill. According to an analysis by the Sustainable Agriculture Coalition, based on Congressional Budget Office figures, the appropriations bill proposes to slash funding for key family farm, rural development, conservation, and research farm bill programs by \$445 million. The bill would reduce rural development farm bill funding by 99%, agricultural research by 98%, renewable energy by 31%, and conservation by at least 17%. The bill also prohibits funding for implementation of country-of-origin labeling for meat. The subcommittee's revamping of farm bill funding levels leaves commodity programs, which account for nearly three-quarters of total farm bill spending, untouched.

"The backdoor effort to eliminate funding for the Conservation Security Program, Value-Added Producer Grant Program, and other innovative initiatives to support family farms and the environment is unwise," said Ferd Hoefner, Washington Representative for the Sustainable Agriculture Coalition. "The agricultural appropriations funding problem - an allocation \$393 million below this year's levels - is real, but raiding the farm bill and taking away conservation and rural development funding is not the answer. If the very compromises that enabled the farm bill to pass are scuttled by the House bill in this manner, then we are likely headed for a re-run of the entire farm bill debate later this summer."

#### House Appropriations Bill Reductions to Farm Bill Spending (\$ millions)

Farm Bill Program Area	Farm Bill FY 04 Baseline	Reduction in House Appropriations Bill	Additional FY 04 Cut - CTA*	Percentage Cut
Commodity Programs	17,280	0		0%
FSA Conservation (CRP)	1,829	0		0%
NRCS Conservation Programs	1,729	134	159	17%
Rural	170	168		99%

<b>Development</b>				
<b>Research</b>	123	120		98%
<b>Renewable Energy</b>	74	23		31%

*\* The FY 03 Omnibus appropriations bill included a partial fix to the conservation technical assistance funding crisis that resulted from a Department of Justice farm bill-related ruling. However, the omnibus failed to provide funding for technical assistance for the Conservation Reserve Program and Wetlands Reserve Program, which has resulted in the Administration making a \$159 million reduction in FY 03 to other farm bill conservation programs. The House subcommittee FY 04 bill does not address this problem and thus assumes a continuation of current policy. The resulting FY 03 cut of \$159 million is used in the above analysis as a baseline, though in reality the number will be considerably higher due to the increased costs associated with the CRP enrollment that just ended. Most of the technical assistance costs for that new sign-up will fall in FY 04.*

The House bill proposes to eliminate the Conservation Security Program, Value-Added Producer Grants program, On-Farm Renewable Energy and Energy Efficiency grants, Initiative for Future Agriculture and Food Systems, and Broadband Access for Rural Areas, among others. Significant cuts are also made to the Wetlands Reserve Program and the Environmental Quality Incentives Program. The savings gained by the appropriators through these offsets are:

- Conservation Security Program - \$53 million
- Value-Added Producer Grants - \$40 million
- Renewable Energy and Energy Efficiency Grants - \$23 million
- Initiative for Future Agriculture and Food Systems - \$120 million
- Broadband Access for Rural Areas - \$20 million
- Wetlands Reserve Program - \$56 million
- Environmental Quality Incentive Program - \$25 million