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Bush Budget Cuts Farm Bill Conservation and Rural Development Funding

The President's fiscal year 2005 budget proposal for USDA cuts key 2002 Farm Bill conservation, rural development, and agricultural research programs. The Administration proposes to cap the Conservation Security Program and to reduce mandatory funding for the Environmental Quality Incentives Program, Wildlife Habitat Incentives Program, Value-Added Producer Grants Program, Initiative for Future Agriculture and Food Systems, and Renewable Energy Systems and Energy Efficiency Improvement Program, among others. The proposal also would scale back discretionary funding for sustainable agriculture research and education by 22 percent and organic farming research by 29 percent, while eliminating the flagship sustainable and organic farming outreach and information program.

"The 2002 farm bill passed in large part because Congress significantly increased mandatory funding for conservation, rural development and other non-commodity titles," said Ferd Hoefner, Policy Director for the Sustainable Agriculture Coalition. "Once again the President's budget raids these funds to cover other, preferred programs. Once again, we will urge Congress to stick to its deal and not turn its back on aid for environmental protection and family farm survival."

The 2002 Farm Bill established the landmark Conservation Security Program (CSP) as an uncapped, entitlement program, but, at the urging of the Administration, it was capped in the FY 03 omnibus appropriations bill to offset costs for disaster relief. The FY 04 omnibus bill signed into law by the President a week ago returned the program to its original uncapped status. The President's FY 05 proposal would reduce the program from the OMB estimate of \$240 million for an uncapped program to \$209 million, eliminating over 2,000 farmers from participation.

"Before the ink is even dry on the new law the White House has found another emergency use for CSP funding," said Hoefner. "Sustainable farmers are tired of the games. The Administration is a full year overdue in implementing the program on the ground, and each successive budget round arrives with a new way to scale back the program. All those who care about moving toward a farm policy that supports family farms and the environment should urge Congress to reject the proposed cap and urge USDA to start enrolling farmers without further delays."

Highlights of the Bush proposal with respect to reductions in farm bill mandatory spending include:

- The Conservation Security Program, which as a result of the recently passed omnibus appropriations bill is an uncapped entitlement program in FY 05 and all future years, would be re-capped by the White House, this time at \$209 million, or \$31 million less than OMB estimates the program would cost to run as an uncapped program, a 13 percent cut.
- The Environmental Quality Incentives Program would be scaled back from \$1.2 billion to \$1.0 billion, a 17 percent cut.
- The Wildlife Habitat Incentives Program would be cut \$15 million to \$60 million, an 18 percent cut.
- The Value-Added Producer Grants program would be scaled back from \$40 million to \$15.5 million, a 61 percent cut.
- The Initiative for Future Agriculture and Food Systems would be reduced from \$140 million to \$36 million, a 74 percent cut.

- The Renewable Energy Systems and Energy Efficiency Improvement program would be reduced from \$23 million to \$10.8 million, a 53 percent cut.

The President's budget proposes eliminating the highly-rated and effective Appropriate Technology Transfer for Rural Areas or ATTRA program. Currently funded at \$2.5 million, the program is the major source of sustainable and organic agriculture production and marketing information for farmers, extension agents, and other agricultural professionals. The proposed budget also would scale back funding for the Sustainable Agriculture Research and Education (SARE) program by 22 percent to \$13 million. The proposal would also reduce the research and extension program to help farmers transition to organic agriculture by 74 percent to just \$500,000.

The Sustainable Agriculture Coalition represents farmer, rural and conservation organizations that advocate public policies supporting the long-term economic and environmental sustainability of agriculture, natural resources and rural communities.