

Agriculture Legislative Monitor

Congressman Jim Nussle

Manchester, Iowa

Summer 2006

Jim Nussle's Agenda ...

*Expand Iowa's
Economy to Create
Jobs*

*Improve Iowa
Education and
Expect Better Results*

*Access to Quality
Health Care for All
Iowans*

*Secure Our Nation
and Support Our
Troops*

*Strengthen Iowa's
Agriculture and
Encourage Fair
Trade*

*Responsible Budgets
and Common-Sense
Taxation*

*Promote Iowa as an
Energy State*

*Retirement Security
for All Iowans*

*Honor Promises
Made to Iowa's Vet-
erans*

Nussle Agenda to Strengthen Iowa's Agriculture and Encourage Fair Trade

"Strengthening agriculture is a critical economic strategy for Iowa. The foundation of our state's economic strength is our land and the productivity of our family farms. Iowa's farmers are the best in the world at the work they do, but the agricultural economy has changed dramatically over the past 20 years. We must continue finding ways to increase demand for our agricultural products and expand trade opportunities in the global marketplace."

Jim Nussle

Jim is working to achieve a positive legislative agenda for Iowa's agriculture. Jim has worked on Iowa's agriculture priorities since coming to Congress and will continue to work on these goals in the 109th Congress.

Goals to Strengthen Iowa's Agriculture and Encourage Fair Trade:

1. Encourage New People to Enter Agriculture
2. Establish Responsible Conservation and Environmental Protection
3. Budget for Agriculture Emergencies
4. Improve Tax Fairness for Farmers
5. Review and Oversight of Agribusiness Mega-Mergers
6. Provide Incentives for Alternative Uses of Iowa's Crops
7. Create New Markets Around the Globe for Iowa's Products
8. Negotiate Fair Trade Agreements

To achieve these goals, Jim has sponsored and co-sponsored many pieces of legislation. As the House Budget Committee Chairman, he has written many agriculture-related items into his budget. You will find more details on the following pages.

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Nussle's Agriculture Agenda Legislation:

Fiscal Year 2007 Agriculture Appropriations Act (H.R. 5384)

- Provides \$18.4 billion in discretionary funding for the USDA; \$76.1 billion mandatory spending under the farm bill.
- Provides \$1.05 billion for the Farm Service Agency (FSA); provides \$1.2 billion for the Agricultural Research Service.
- Provides \$791 million for conservation programs, an increase of \$9 million over FY 2005.
- Includes \$90 million to detect and prevent Bovine Spongiform Encephalopathy; includes \$80 million to detect and treat the Avian Flu.
- *Approved by the House of Representatives on May 23, 2006.*

Research and Incentives for Adding Value to the Land

Independence From Oil With Agriculture (IOWA) Act (H.R. 5208)

- Seeks to cut fuel and energy costs by expanding and making permanent tax credits for electricity derived from wind and biomass and small ethanol and biodiesel producers.
- Increases the Renewable Fuels Standard for ethanol and biodiesel from 7.5 billion gallons per year by 2012 to 12 billion gallons.
- Expands the availability of E85 fueling stations, by permanently extending the tax credit for installing E85 fuel tanks.
- *Introduced by Rep. Nussle on April 26, 2006.*

Energy Policy Act (H.R. 6)

- Bolsters our national security by reducing our dependence on foreign oil.
- Encourages domestic energy production and better energy conservation measures.
- H.R. 6 includes many provisions introduced as part of Rep. Nussle's Energy Independence Act (H.R. 4652).
- Creates a Renewable Fuels Standard (RFS) **to increase the demand for ethanol and biodiesel to 7.5 billion gallons per year by 2012.**
- Simplifies and continues the ethanol tax incentive, and extends the tax incentive for biodiesel production.
- Extends and expands tax credits for electricity derived from wind, and biomass.
- Updates tax credits for small ethanol and biodiesel producers, energy efficient appliances, construction of new energy efficient homes/energy efficiency improvements for existing homes, and purchasing an alternative fuel vehicle.
- *Approved by Congress on July 30, 2005. The President signed this bill into law on August 8, 2005.*

Renewable Fuels and Transportation Infrastructure Enhancement Act (H.R. 3119)

- Simplifies and extends ethanol tax incentive.
- Creates tax incentive for biodiesel.
- *Co-sponsored by Rep. Nussle. Enacted as part of the Energy Policy Act.*

Transportation Equity Act: A Legacy for Users "TEA-LU" (H.R. 3)

- Provides significant funding to upgrade and expand U.S. highways, state and county roadways.
- *Approved by Congress on July 29, 2005. Signed into law by the President on August 10, 2005.*

Highway Reauthorization Tax Act (H.R. 3971)

- Simplifies and extends ethanol tax incentive through 2010 and properly credits highway trust fund with ethanol tax receipts.
- *Enacted as part of the American Jobs Creation Act signed into law on October 22, 2004.*

Water Resources Development Act (H.R. 2864)

- Authorizes and directs the nation's largest water resources program to carry out various studies, projects and programs relating to navigation, flood damage reduction, shoreline protection, dam safety, water supply, recreation and environmental restoration and protection.
- Begins construction of navigation improvements at locks and dams along the Mississippi to improve river traffic and trade.
- Improves and strengthens the navigation capacity on the Mississippi and Illinois rivers, by directing the Army Corps of Engineers to implement the determinations in the Upper Mississippi River Basin Navigation Study.
- Gives priority consideration for flood mitigation projects in Dubuque and Scott Counties.
- *Approved by the House of Representatives on July 14, 2005.*

Local Railroad Rehabilitation and Reinvestment Act (H.R. 876)

- Provides tax incentives to provide for track maintenance and restoration for local short line railroads.
- *Co-sponsored by Rep. Nussle. Enacted as part of the American Jobs Creation Act.*

Fair Trade and Competition for Iowa Farmers and Renewable Energy Producers**Trade Act of 2002**

- Facilitates international trade by allowing the President to make agreements that can be approved by Congress without amendment.
- Helped to create four new Free Trade Agreements since enactment.
- *Approved by Congress on August 1, 2002. Signed into law by the President on August 6, 2002.*

U.S.-Central American Free Trade Agreement (H.R. 3045)

- Expands opportunities to export products to the more than 44 million consumers of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and the Dominican Republic.
- Lowers duties from as high as 35 percent for corn, 47 percent for pork, 20 percent for soybeans, 30 percent for beef, and 60 percent for dairy.
- *Approved by Congress on July 28, 2005. Signed into law by the President on August 2, 2005.*

Resolution to Resume Exports of U.S. Beef to Japan (H.Res. 137)

- Expresses the House of Representatives' concern about Japan's embargo of U.S. beef. This embargo began in December 2003.
- Directs the U.S. Trade Representative to impose economic retaliation on Japan if the embargo is not lifted.
- *Co-sponsored by Rep. Nussle.*

Pork Exports to Mexico

- In June 2004, Mexico placed an embargo on unprocessed hams from the United States.
- *On December 14, 2005, Rep. Nussle wrote to Mexican Ambassador Carlos De Icaza to share his concerns about the embargo.*
- *Mexico announced on December 21, 2005, it will terminate its ban.*

Continuing the Tariff on Brazilian Ethanol

- In April 2006, some congressional leaders suggested suspending the tariff on Brazilian Ethanol.
- *Rep. Nussle was joined by the Iowa Delegation in writing a letter to House Speaker Dennis Hastert to share their concerns about lifting the tariff.*
- *On May 17, House Leadership decided to protect Iowa farmers and renewable fuel producers by keeping the Brazilian Ethanol Tariff in place.*