Congressman Lucas Asks USDA's Vilsack, What is Your Cap and Trade Plan for Agriculture?
June 3, 2009

On Wednesday, Ranking Member Frank Lucas sent a letter to Secretary of Agriculture, Tom Vilsack, asking him for the specifics on how production agriculture can benefit from a cap-and-trade program. This request comes on the day Congress Daily reported that Secretary Vilsack vows to advocate for an offsets program for agriculture and forestry in the Waxman-Markey bill, and would like USDA to administer the program. To date, the Obama administration and the Agriculture Secretary have not provided any specific plan for farmer participation in a carbon offsets program.

The Waxman-Markey climate change and energy bill (H.R. 2454), which includes a cap-and-trade component, was passed by the Energy and Commerce Committee. Elements of the bill have now been referred to eight other committees, including Agriculture, for consideration.

The letter to Secretary Vilsack is included below:

The Honorable Thomas J. Vilsack
Secretary
The United States Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Dear Secretary Vilsack:

Ever since the Obama administration first outlined a proposal for implementing a cap-and-trade system earlier this year, you have touted the economic benefits such a system would provide for agriculture producers. You have been quoted as saying climate change legislation would be a "net winner" for farmers, and that it could generate anywhere from "$25 billion to maybe as high as $100 billion of economic activity for rural America, for farmers and ranchers." According to a report from today's Congress Daily, you claim that you would push Congress to include an offsets program for agriculture and forestry in the Waxman-Markey bill and that USDA should administer the offsets program. However, you have failed to provide a plan with any of the details for how our agriculture producers can realize these so-called benefits.

Certainly, you are aware that the House Energy and Commerce Committee passed the Waxman-Markey climate change and energy legislation (H.R. 2454) on May 22. And, that bill, which is now more than 1,100 pages long, mentions agriculture only seven times. Even then, the bill does not recognize the role agriculture can play in providing carbon offsets, and it does not provide a meaningful way for farmers to participate in carbon credit programs. With this in mind, I am skeptical about how any agriculture

producer could become a "net winner" under a cap-and-trade program. Right now, this bill will only serve to create a national energy tax that will dramatically increase the operating costs for our producers and hurt American agriculture.

Others in the agriculture community share my skepticism. So far, 34 agriculture groups including the American Farm Bureau Federation, American Farmers and Ranchers, National Corn Growers Association, National Chicken Council, and National Turkey Federation have sent letters to Members of Congress encouraging them to oppose the Waxman-Markey bill. Meanwhile, no large farm groups have endorsed it.

Frankly, Mr. Secretary, we in the agriculture community are waiting for you to substantiate your claims that agriculture will only benefit from a cap-and-trade program. We are waiting for the details of your plan that will make our farmers and ranchers "net winners."

Time is of the essence. The bill has been referred to the Agriculture Committee for consideration, and it is expected to come to the House floor before July 4. This is one of the most significant pieces of legislation that this Congress will consider, and it is imperative that Congress go through regular order, conduct hearings, and carefully study this issue and its impact on production agriculture and rural economies. There is too much at risk to only speak in generalities, Mr. Secretary. It is time for you to provide a real plan for how you intend to protect rural America from this harmful legislation.

I look forward to your response.

Sincerely,
Frank D. Lucas