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Lawmakers Reject Obama Plan to Cut Farm Aid February 26, 2009 By Kara Rowland

Top Democrats and Republicans are already shooting down President Obama's plan to cut farm subsidies, dealing a blow to one of the cost-savings promises he laid out in his congressional address Tuesday night.

"We'll have to see what specifically the president is talking about, but we just finished the farm bill last year, and I don't think we'll open it up," said Rep. Collin C. Peterson, Minnesota Democrat and chairman of the House Agriculture Committee.

Likewise, the ranking Republican on the Senate Agriculture, Nutrition and Forestry Committee, said the farm bill, which lasts for five years, "should not be changed midstream."

"I believe it is premature to make any sweeping changes to the makeup of the farm safety net before we have even had the chance to implement the current farm bill," said Sen. Saxby Chambliss of Georgia.

The pushback came a day after Mr. Obama called for cutting subsidies to farm businesses in his address to Congress, one of a few examples of how he can save \$2 trillion from the federal budget over 10 years, and as other Democratic leaders took issue with what they see as White House moves into their domain.

Senate Majority Leader Harry Reid of Nevada in no uncertain terms defended the right of lawmakers to direct federal dollars, or earmarks, to their districts despite the efforts by Mr. Obama to curb the time-honored practice as he puts the finishing touches on his first fiscal budget to be released Thursday.

"We are a separate branch of government," Mr. Reid said.

"Since we've been a country, we have had the obligation, as a Congress, to help direct spending. We cannot let spending be done by a bunch of nameless, faceless bureaucrats buried in this town someplace, to take care the needs of the state of Nevada, Washington and New York."

Mr. Reid acknowledged that the earmark process had been "abused" in recent years. House and Senate Democrats say that the number of such special requests will be lower in the new budget and that the projects and the members requesting the earmark will be fully disclosed.

Also Wednesday, Sen. Robert C. Byrd of West Virginia, president pro tem of the Senate, blasted Mr. Obama for stepping beyond his constitutional boundaries in naming so many

"czars" to oversee policy. The senator said czars circumvent the usual Cabinet officials who have to go through Senate confirmation and answer to Congress as well as the president.

"Too often, I have seen these lines of authority and responsibility become tangled and blurred, sometimes purposely, to shield information and to obscure the decision-making process," Mr. Byrd said in a letter written to Mr. Obama Monday and released two days later.

An administration official, speaking on the condition of anonymity, defended the arrangement as the best way to get things done in Washington.

"The czars were put in place to help coordinate the policy process. For issues like climate change and health care the input of multiple agencies is essential to the decision-making process and our goal is to move forward with our policy agenda as efficiently as possible," the official said.

As for the spending on pet projects, the White House said Mr. Obama remains determined to fight the problem but shied from saying he would use the threat of veto to limit their use.

"Without having looked specifically at a piece of legislation, I'm hesitant to throw out the word - that four- letter word 'veto'," White House spokesman Robert Gibbs said.

The president demanded that there be no explicit earmarks in the \$787 billion economic stimulus package passed last week, but the same discipline is not carrying over to the regular appropriations bills.

The omnibus spending bill passed by the House Wednesday contains thousands of earmarks, requested by lawmakers of both parties. The specific items funded are almost always for programs, grants or other federal projects directed to the state or district of the lawmakers requesting them.

In his Tuesday address, Mr. Obama said new spending on health care, energy and education would be matched with cuts to "education programs that don't work," an end to no-bid contracts in Iraq, and an assault on waste and fraud in Medicare.

But the farm payments pledge was his most specific. "In this budget, we will ... end direct payments to large agribusiness that don't need them," Mr. Obama said.

The White House on Wednesday declined to lay out more specific budget cuts, promising they will become clear when Mr. Obama submits his 2010 budget.

Mr. Obama said all sides will have to sacrifice favored programs to bring the deficit under control, but the opposition to farm payment cuts underscores just how difficult that

will be, with every program in the federal budget having support of at least some members of Congress.

The ranking Republican on the House Agriculture Committee, Rep. Frank D. Lucas of Oklahoma, said Mr. Obama didn't seem to understand the agribusiness programs he was talking about.

"With the president last night calling for, in essence, what he referred to payments to big agribusiness - I'm not sure he really appreciates or understands the definition of that phrase," Mr. Lucas said, noting that direct payments go to entities that own farms and grow crops, not conglomerates that process them. "If he's referring to other things, then that's not the direct payment program."

He said Mr. Obama's comments build on a speech earlier this month by Agriculture Secretary Tom Vilsack in which the former Iowa governor urged farmers not to rely on direct payments.

"It's kind of ironic that the secretary and the president are talking about doing away with relatively small amounts of money compared with [the financial and automaker bailouts] that help assure us of the safest and most abundant food supply in the world," said Mr. Lucas, who expressed his concern in a letter to Mr. Vilsack late Wednesday.

Jon Doggett, a vice president of public policy at the National Corn Growers Association, said the group is seeking clarification on Mr. Obama's use of the term "agribusiness." "There is an adjusted gross income test that would preclude large agribusiness from getting farm program benefits," he said. "There's just not big corporations that own and operate farms."

A spokesman for the U.S. Department of Agriculture would not comment on Mr. Vilsack's position on direct payments, and the White House declined to comment on Mr. Obama's plan, saying the details will be released Thursday in his budget.

During the presidential campaign, Mr. Obama had proposed limiting direct payments to only farms with incomes of \$250,000 or less. That's just a third of the current \$750,000 farm income limit set in the 2008 farm bill.

The president's proposal this week did gain some important support.

"I am encouraged that President Obama called for limitations on commodity payments to large agribusinesses," said Sen. Tom Harkin, Iowa Democrat and chairman of the Senate Agriculture Committee. "In these trying economic times, we need every dollar to go where they are needed the most. We enacted some reforms in the farm bill, which can hopefully now go further with the backing of this president."

But Bob Stallman, president of the American Farm Bureau Federation, said they oppose the plan.

"At this point, even deeper cuts in agricultural supports would have drastic impacts at the farm level and would certainly curtail much-needed economic activity without yielding deficit reduction of any significant degree," he said.