

News from the House Agriculture Committee

U.S. House of Representatives
Committee on Agriculture



Collin C. Peterson, Minnesota
Chairman

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Opening Statement
Chairman Collin C. Peterson
House Agriculture Committee

RE: H.R. 6849, a bill to amend the commodity provisions of the Food, Conservation, and Energy Act of 2008 to permit producers to aggregate base acres
September 18, 2008

This Committee is meeting today to consider H.R. 6849, a bill introduced by my colleagues on this Committee, Representatives Bob Etheridge and Jerry Moran, the Chairman and Ranking Member, respectively, of the General Farm Commodities and Risk Management Subcommittee.

This bill would amend the Farm Bill to permit producers to aggregate base acres and reconstitute farms to avoid the prohibition on receiving direct payments, counter-cyclical payments, or average crop revenue election payments when the sum of base acres of a farm is 10 acres or less.

On June 30, the Department published a notice stating their intent to “not approve requests for farm combination reconstitutions of farms having base acres of 10 acres or less if the request was received after the date of enactment of the 2008 Farm Bill,” which would be May 22 of this year.

The Department’s notice is a substantial change from what was in place prior to the most recent Farm Bill and runs contrary to what Congress intended when it wrote this provision and passed the bill.

The USDA’s decision to eliminate such a large number of base acres could affect hundreds of thousands of producers, threatening the farm safety net that Congress made clear they qualified for.

H.R. 6849 would allow farmers to aggregate base acres from multiple working farms to meet the 10 base acre minimum, honoring ongoing lease agreements. In addition, the Etheridge-Moran bill would require the Secretary to allow reconstitution of farms where a producer wants to combine farms with 10 base acres or less to create one farm with greater than 10 base acres, as was common practice before passage of the Farm Bill.

In recognition of the difficulties in paying for this fix over a ten year period, I am introducing a substitute to solve the problem temporarily by suspending the application of this provision for two years at a cost of \$20 million. The bill will be fully paid for by a reduction in mandatory IT funds provided in the Farm Bill for the Risk Management Agency for fiscal years 09, 10, and 11.

It is my hope that we can make clear to the farmers and ranchers of America that the Farm Bill will be implemented as Congress intended.

I urge the Committee's support and at this time would yield to my friend and ranking member Mr. Goodlatte for an opening statement.

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