

AFBF: It's Time to Implement the Farm Bill

WASHINGTON, D.C., June 24, 2009—In testimony today on Capitol Hill, American Farm Bureau Federation President Bob Stallman said it was a long, hard road to passage of the 2008 farm bill, however it is now time to implement the bill.

Testifying before the House Agriculture Subcommittee on General Farm Commodities and Risk Management, Stallman outlined major components of the farm bill that need quick action, including disaster assistance, payment eligibility and the collaboration between the Internal Revenue Service and the Agriculture Department.

“Many farmers faced major disasters in 2008,” said Stallman. “Disaster assistance rules need to be released so that farmers who have had their operations devastated can receive help.” According to AFBF, a year after the passage of the farm bill, there are no rules for the disaster program, let alone a target date for when producers will receive assistance under these programs. The organization is urging USDA to implement the program as quickly as possible.

Stallman also said that the payment eligibility rule put forward in late December 2008 needs to be fixed by 2010. “The late date left the incoming Obama administration with very little time or opportunity for change before the rule would have to be implemented,” said Stallman. “While USDA is clearly now making progress on these rules, the delays have left a great deal of uncertainty in the countryside during this planting season.”

Further, Stallman said AFBF had concerns with changes to the definition of “actively engaged” for purposes of determining farm program eligibility, saying it will hurt farmers and create uncertainty across the countryside. Under the old

rules, producers had to meet a two-pronged test: they had to show that they contributed capital, land and/or equipment, and they contributed labor and/or management to the operation. The new rule takes the labor and management requirement to an entirely new level by further mandating that this management be “separate and distinct” and “identifiable and documentable,” but provides no clarification as to what this means, according to AFBF.

“This lack of clarity will almost certainly result in a multitude of standards being applied across the country,” said Stallman. “The changes in this rule impact every farm, no matter the size, crop or region.”

Finally, Stallman testified that AFBF would be keeping a very close eye on the USDA/IRS collaboration announced earlier this year by Agriculture Secretary Vilsack.

“Any proposal that allows IRS information to become public through the Freedom of Information Act (FOIA) is unacceptable to Farm Bureau,” said Stallman. “It is critical that no information obtained by USDA through the IRS be subject to FOIA rules.” He also noted that once producers are red-flagged by the IRS, it is critical that any additional investigation required be handled at a centralized Farm Service Agency office by trained experts and not local offices due to privacy concerns.

“The farm bill touches the lives of every producer in this country,” concluded Stallman. “It’s Farm Bureau’s goal to ensure that the best interests of farmers are of paramount importance during this implementation process.”