



The 2007 Farm Bill

by **Troy Smith**

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— **Randy Russell**

DENVER, CO (Feb. 2, 2006) — What might beef producers expect as Congress forges the 2007 Farm Bill? During a Cattle Industry Convention Issues Forum, agriculture advocate and Capitol Hill insider Randy Russell talked about the political climate and factors sure to affect future Farm Bill legislation.

With regard to federal spending, Russell said all ag interests will be clamoring for a smaller slice of the pie. Presenting an overview of the \$2.5 trillion federal budget, Russell said Congress will be reluctant to trim spending for Social Security, Medicare and Medicaid, or defense. Nondefense discretionary spending and other mandatory spending (which includes farm programs) together represent only 30% of the budget. However, those areas will bear the brunt of cuts to reduce deficit spending.

Russell said USDA's own budget reflects a lopsided approach to spending. Of the 2006 budget's near \$57.3 billion, 90% of the total goes toward price supports (32%) and food stamps (58%). Conservation programs receive 7%, with the remaining 3% going toward export/trade and miscellaneous items. Conservation spending is likely to be pared further.

Russell said the coming debate has the makings of “a perfect storm.” Budget constraints, stymied World Trade Organization (WTO) negotiations and newcomers to the Farm Bill party will impact agriculture. Animal rights/welfare interests want a piece of the action, and animal agriculture won't like whatever they are proposing. Radical “environmental” groups will be present, looking for ways to dismantle farm programs.

Among key livestock issues, Russell expects resolution of the Country-of-Origin Labeling issue — probably with an effective date set for September 2008. He also expects Congress to enact mandatory individual animal identification (ID). Livestock contracting arrangements should receive continued scrutiny, and more restrictions on production practices will be proposed as activists try to sway public opinion and push for new legislation.

On the bright side, Russell said, NCBA is respected in Washington, due to its market-oriented approach and consistent message. The organization has been most effective by outworking its opponents.

“Challenges associated with the

2007 Farm Bill debate are great. Most of what can happen is negative,” Russell warned. “It will

require NCBA and its membership to be up to the challenges and take on their opponents.”



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