

# United States Senate

WASHINGTON, DC 20510

March 1, 2005

The Honorable Judd Gregg  
Chairman  
Committee on the Budget  
United States Senate  
624 Dirksen Building  
Washington, DC 20510

The Honorable Kent Conrad  
Ranking Member  
Committee on the Budget  
United States Senate  
624 Dirksen Building  
Washington, DC 20510

Dear Chairman Gregg and Senator Conrad:

We write to underscore the importance of maintaining the commitments made to American farm families, rural communities, low income families and children, risk management and conservation under U.S. farm policy.

We share your commitment to deficit reduction and look forward to working with you to achieve this goal. But it is important to consider what U.S. farm policy has already contributed to deficit reduction. U.S. farm policy for commodities has already achieved \$16 billion in savings compared to the March 2002 CBO cost estimate. Meanwhile, mandatory funding for conservation, rural development, trade promotion, research, renewable energy, and forestry initiatives have all sustained cuts in the last two years totaling more than \$2 billion. These numbers do not include another \$38 million in annual cuts to Federal Crop Insurance resulting from the renegotiation of the Standard Reinsurance Agreement with crop insurance providers.

U.S. farm policy for commodities amounts to about one half of one percent of the total federal budget, while helping sustain an economic sector representing 17 percent of the nation's GDP, 25 million jobs, and \$3.5 trillion in economic activity. Yet while this area of farm policy has already saved an amount equal to 26 percent of the total amount proposed to be saved over the next five years, the most recent budget proposal contemplates yet another \$7 billion in net savings over the next 10 years from both commodities and crop insurance. Additionally, these proposals actually increase the odds of Congress being forced to enact additional emergency assistance in the future. These reductions are in addition to a proposed 9.6 percent cut to discretionary agriculture funding. This reduced funding will cause USDA to absorb 16.5 percent of the cuts in federal discretionary funding, while accounting for just 2 percent of the total.

The Honorable Judd Gregg  
The Honorable Kent Conrad  
March 1, 2005  
Page Two

The recently proposed cuts to U.S. farm policy, when added to the more than \$18 billion in mandatory savings already achieved, bring to rest a disproportionate burden of deficit reduction on the shoulders of our nation's farm families, rural communities, environmental protection, and other important rural initiatives

Besides being an economic engine for our country and helping to provide Americans with the safest, most abundant, most affordable food supply in the world, U.S. farm policy is also about U.S. global competitiveness at a time when foreign subsidies and tariffs are 5 and 6 times higher than our own. Unilaterally disarming U.S. farm policy would be especially ill-timed now as negotiations to level the global playing field continue under the Doha Round of the WTO. The importance of a strong farm economy to our nation's overall economy can be found in a December 12, 2003 Wall Street Journal article entitled, "Farm Belt Becomes Driver for Overall Economy," as well as the 1980s farm financial crisis that rocked the economic foundation of even our largest cities.

Conservation initiatives under U.S. farm policy are also remarkably successful in rehabilitating wetlands, wildlife and wildlife habitat, curbing soil erosion, and improving air and water quality through voluntary, incentive based practices. We hope to build on this success rather than turn back.

Today, millions of low income families and school aged children in America rely on the food nutrition assistance provided by USDA. As we work to reduce hunger and improve healthy eating habits, the importance of U.S. farm policy is only enhanced. Congress worked in a bipartisan way to ensure the integrity of nutrition assistance and we are pleased the food stamp error rate is now at an all-time low.

We believe these important priorities for our nation are worth defending and we hope you will consider our strong commitment to them as you craft the Budget Resolution for fiscal year 2006.

The Honorable Judd Gregg  
The Honorable Kent Conrad  
March 1, 2005  
Page Three

Thank you for your consideration as you undertake the difficult task of working to craft a budget resolution.

Sincerely,

*Norm Coleman* *Blanche L. Lincoln*

Norm Coleman  
United States Senate

Blanche L. Lincoln  
United States Senate

*Pat Roberts*

Pat Roberts  
United States Senate

*Max Baucus*

Max Baucus  
United States Senate

*Conrad Burns*

Conrad Burns  
United States Senate

*Patrick Leahy*

Patrick Leahy  
United States Senate

*James M. Talent*

James M. Talent  
United States Senate

*Tom Harkin*

Tom Harkin  
United States Senate

The Honorable Judd Gregg  
The Honorable Kent Conrad  
March 1, 2005  
Page Four



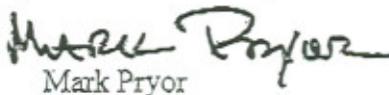
David Vitter  
United States Senate



Debbie Stabenow  
United States Senate



Johnny Isakson  
United States Senate



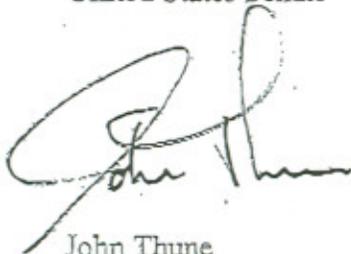
Mark Pryor  
United States Senate



Arlen Specter  
United States Senate



Mary E. Landrieu  
United States Senate



John Thune  
United States Senate



Tim Johnson  
United States Senate

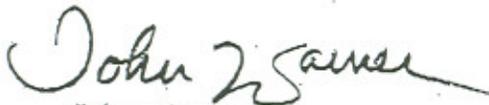


Christopher S. Bond  
United States Senate



Herb Kohl  
United States Senate

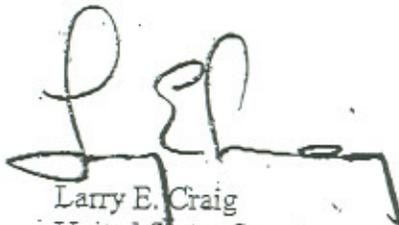
The Honorable Judd Gregg  
The Honorable Kent Conrad  
March 1, 2005  
Page Five

  
John W. Warner  
United States Senate

  
Ken Salazar  
United States Senate

  
Elizabeth Dole  
United States Senate

  
Patty Murray  
United States Senate

  
Larry E. Craig  
United States Senate

  
Maria Cantwell  
United States Senate

  
George Allen  
United States Senate

  
Mark Dayton  
United States Senate

  
Kay Bailey Hutchison  
United States Senate

  
Carl Levin  
United States Senate

The Honorable Judd Gregg  
The Honorable Kent Conrad  
March 1, 2005  
Page Six

Richard C. Shelby  
United States Senate

Byron Dorgan  
United States Senate

Mel Martinez  
United States Senate

Frank R. Lautenberg  
United States Senate

Richard Burr  
United States Senate

Ron Wyden  
United States Senate

James M. Inhofe  
United States Senate

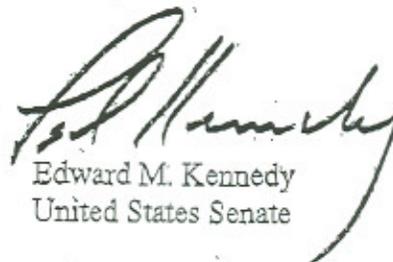
Benjamin E. Nelson  
United States Senate

Barack Obama  
United States Senate

The Honorable Judd Gregg  
The Honorable Kent Conrad  
March 1, 2005  
Page Seven



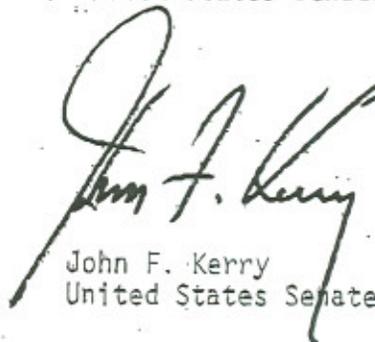
James M. Jeffords  
United States Senate



Edward M. Kennedy  
United States Senate



Richard J. Durbin  
United States Senate



John F. Kerry  
United States Senate



Evan Bayh  
United State Senate

The Honorable Judd Gregg  
The Honorable Kent Conrad  
March 1, 2005  
Page Eight



Barbara A. Mikulski  
United States Senate



John D. Rockefeller IV  
United States Senate

The Honorable Judd Gregg  
The Honorable Kent Conrad  
March 1, 2005  
Page Nine



Paul S. Sarbanes  
United States Senate



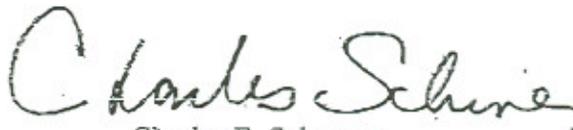
John Corzine  
United States Senate



Russell D. Feingold  
United States Senate

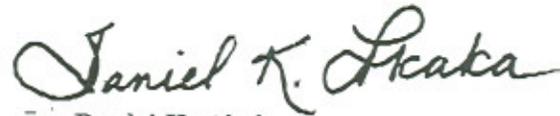


Christopher J. Dodd  
United States Senate



Charles E. Schumer  
United States Senate

The Honorable Judd Gregg  
The Honorable Kent Conrad  
March 1, 2005  
Page Ten



Daniel K. Akaka  
United States Senate



Hillary Rodham Clinton  
United States Senate