

This document has selected parts of prepared report by McBee Strategic for the purpose of updating and summarizing activities for the week of 9/19/11 in Washington, DC:

Fiscal Year (FY) 2012 Appropriations

Continuing Resolution (CR)

Last week, Chairman Hal Rogers introduced a Continuing Resolution, H. J. Res. 79 which would continue government operations at a rate of \$1.043 trillion – the amount agreed to by the Budget Control Act – from October 1 through November 18. The bill is intended to give Congress time to negotiate and pass the necessary spending measures to keep the government running. The House initially attempted to pass the CR on Wednesday September 21 to enable Senate passage prior to the House and Senate's intended recess next week for the Jewish Holiday. However, the vote failed 195-230, as 48 Republicans joined an overwhelming majority of Democrats to kill the measure because they were concerned about the lack of disaster funding in the package. Included in the CR were \$3.7 billion in funds for emergency disaster relief and \$1.5 billion in cuts for Advanced Technology Vehicle Manufacturing (ATVM) Program. While some Democrats did not feel the emergency relief funding was enough, others opposed the cuts to the ATVM program, and the conservatives felt that the CR didn't include enough funding cuts overall.

The House eventually passed a CR early Friday morning, by a vote of 219-203 vote after an extended roll call allowed Speaker John Boehner the time to work his members and recover from the Wednesday vote when 48 of his own Republicans deserted him. However, before passage Senate Majority Leader Harry Reid warned he was prepared to block enactment and push the fight into next week when lawmakers had hoped to be on recess for the Jewish New Year, Rosh Hashanah as the level of disaster aid, \$3.65 billion over the next 13 months, is less than half of what the Senate wants and Republicans have insisted on about \$1.6 billion in offsets targeted at Democratic priorities. The bill now goes to the Senate and the House wait to find out if and when they are called back to vote.

Agriculture and Biofuels

President's Deficit Reduction Proposal Targets Ag Sector For Cuts

President Obama's latest deficit reduction proposal, released Monday, would cut \$33 billion in farm program support over the next 10 years. Specifically the proposal would target conservation funding, eliminate direct payments to farmers, and reduce support for crop insurance. The President would not, however, cut biofuels programs such as Biomass Crop Assistance Program (BCAP), which funds feedstock development, and Rural Energy for America Program (REAP), which funds renewable energy infrastructure in rural areas.

House Ag Chairman Frank Lucas (R-OK-3) and Senate Ag Ranking Member Pat Roberts (R-KS) in a joint statement called the plan "not credible," calling the White House's policy priorities indicative of, "a lack of knowledge of production agriculture and fail to recognize how wholesale changes to farm policy would impact the people who feed us."

The Administration's proposal stands at odds with the agriculture appropriations bill the House of Representatives passed in the spring, which gutted biofuels feedstock development programs, along with nutrition programs, but maintained levels for crop insurance. The Senate appropriations bill meanwhile, cut from REAP while leaving BCAP intact. One of the few areas of bipartisan overlap is the creation of savings through reductions in rural conservation programs.

While the President's proposal will have little impact on the FY12 appropriations cycle, it gives further depth to the range of possibilities for the Super Committee to consider in their deficit reduction deal and—likely in concert, the House and Senate Agriculture Committees to weigh in the language of the upcoming Farm Bill.

New York Takes the Lead on Farm Bill Priorities?

New York Senator and Senate Agriculture Committee Member, Kirsten Gillibrand kicked off the Senate's fall public Farm Bill discussion Wednesday with the release of her Farm Bill priorities. As an influential member in the House during the 2007 Farm Bill creation, expressed her desire for dairy reform, specialty crop support, increased access fresh produce including farmers markets, community supported agriculture, and supermarkets in low income areas, increasing access to credit to modernize the Farm Services Agency (FSA) loan program, including ending term limits for FSA support, and—posturing herself against perhaps the one area of bipartisan agreement—strengthening incentives for farmland conservation.