What Happened to the Farm Bill?

The farm bill is very important because it governs federal farm and food policy. It governs domestic nutrition programs and international food aid.

The October 2012 issue of Bread for the World Louisiana reported: The House and Senate left Washington without taking action on the farm bill—a bill governing federal farm and food policy. The current Farm Bill is set to expire on September 30, 2012. This legislation governs domestic nutrition programs, including SNAP and international food aid programs that are vital to hungry and poor people. Leadership in both chambers has indicated that they will take action on the Farm Bill after the elections, during the lame duck session of Congress.

The Farm Bill was included in legislation enacted to avoid the fiscal cliff. The Food Research & Action Center reports the following.

The American Taxpayer Relief Act of 2012 – (H.R. 8 passed on January 1, 2013 by a vote of 89-8 in the Senate and a vote of 257-167 in the House) - takes steps to avert the so-called fiscal cliff by delaying scheduled across-the-board spending cuts ("sequestration") scheduled for many programs on January 1st and continuing many tax provisions scheduled to expire on January 1st. It includes a nine-month extension of many (but not all) 2008 Farm Bill provisions, with no cuts to Supplemental Nutrition Assistance Program (SNAP) benefits or eligibility.

Specifically, the American Taxpayer Relief Act of 2012:

- Extends emergency unemployment compensation for one year (estimated to assist two million people whose benefits would otherwise have expired);
- Delays the “sequester’s” across-the-board cuts for two months. The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and other low-income discretionary programs are among those included in a potential sequester. Not included in a sequester are SNAP, child nutrition, TEFAP commodities, and Commodity Supplemental Food Program;
- Extends most of the tax cuts enacted in 2001, 2003, and 2010 for individuals with income below $400,000 and couples with income below $450,000;
- Increases capital gains tax rates to 20% for individuals with income above $400,000 and couples with income above $450,000;
- Phases out personal exemptions and (partially) itemized deductions for individuals
with income over $250,000 and couples with income over $300,000; and

- Increases the estate tax rate from 35% to 40% for estates in excess of $5 million (level below which estates are exempt remains at $5 million for individuals and $10 million for couples – but is now indexed for inflation).

- Extends for five years several tax credit provisions that were scheduled to expire: the Child Tax Credit, including refund ability provisions passed in 2001 and 2009; simplification rules for the Earned Income Tax Credit (EITC), as well as the credit for families with three or more children; the higher credit rate of 35% for the Dependent Care Tax Credit, as well as the increase in eligible expenses to $3,000 for one child and $6,000 for two or more children; and the American Opportunity Tax Credit, which helps families pay for college.

The Act also extends the Farm Bill through the end of the 2013 Fiscal Year (9/30/13). It generally extends most provisions of farm policy as they were in effect on September 30, 2012. It does make some adjustments to how certain programs are funded for the duration of the extension. The Farm Bill extension:

- Does not cut SNAP benefit levels or change current eligibility standards;
- Continues funding for the Seniors Farmers Market Nutrition Program and the Community Food Projects;
- Authorizes $79 million for SNAP’s employment and training programs for FY 2013 (continuing the reduction funding contained in FY 2012); and
- Cuts $110 million from the nutrition education and obesity prevention grant program (SNAP-Ed) for FY 2013.

**Louisiana Delegation divided on The American Taxpayer Relief Act Vote**

Senators Landrieu and Vitter in favor.

Representatives Alexander and Richmond in favor.

Representatives Scalise, Landry, Fleming, Cassidy and Boustany against.

**Can’t Balance the Budget on the Backs of People Living in Poverty**

The nation needs to substantially reduce future deficits, but not at the expense of hungry and poor people. Programs meant to support people living in poverty can be made more effective, but not by cutting benefits that harm struggling families.

The federal budget is a moral document that reflects our priorities as a society.

The budget includes two types of spending: discretionary and mandatory (or entitlement) expenditures. Discretionary spending is subject to the annual appropriations process where Congress sets the level of spending on programs. These programs include education, various social service programs, housing, environmental stewardship, and defense, and equals approximately one-third of all federal spending.
Mandatory spending, approximately two-thirds of the federal budget, includes entitlement programs such as the Supplemental Nutrition Assistance Program (food stamps), Social Security, Medicare, Medicaid, and low-income tax credits. These expenditures are not part of the appropriations process—simply put, if someone meets a set of criteria, they receive the benefit. Congress, however, can control this spending by limiting eligibility or rules on spending.

IN A 36 MONTHS PERIOD, ALMOST 1 OUT OF 3 AMERICANS LIVES IN POVERTY AT LEAST FOR 2 MONTHS

Revenue is low because of the Bush era tax cuts, unpaid wars and because millions of people are out of work or underemployed. Putting people back to work in decent jobs must be a primary goal of any deficit reduction plan.

Let your members of Congress know that you support a balanced approach to deficit reduction that includes revenues and cuts that are fair and not carried on the backs of the poor, elderly and children. Call 1-800-826-3688.

In sharing responsibility for deficit reduction government and other institutions have a shared responsibility to promote the common good of all, especially ordinary workers and families who struggle to live in dignity in difficult economic times.

Another side of deficit reduction is what the government brings in. Difficult economic times require shared sacrifice by all. This includes raising adequate revenues, eliminating unnecessary military and other spending, and addressing the long-term costs of health insurance and retirement programs fairly.