

Congress of the United States
Washington, DC 20515

Dear Colleagues,

With the Conference Committee for the Farm Bill under negotiations, we are pushing to add signatures to our bipartisan, bicameral letter. The purpose of this letter is to ensure that Conferees know the broad support for maintaining the “actively engaged” provisions that are in the Senate Farm Bill in the final Farm Bill Conference Agreement. These provisions are aimed at reducing abuses related to what it means to be “actively engaged” in farming.

Letter originals are **Grassley-Durbin-Meadows-Kind-Blumenauer**.

Deadline: Friday, September 7th at 9:30 a.m.

Republican signers: Rep. Mark Meadows, Rep. Mark Walker, Rep. Mark Sanford, Rep. Ted Budd, Rep. Scott Perry, Rep Bill Posey, Sen. Chuck Grassley

Democrat signers: Rep. Ron Kind, Rep. Tim Ryan, Rep. Earl Blumenauer, Rep. Jim Cooper, Rep. Pete DeFazio, Rep. Chellie Pingree, Sen. Dick Durbin

Please email (chad.yelinski@mail.house.gov) with Rep. Meadows or Andrew Brandt (Andrew_Brandt@grassley.senate.gov) with Sen. Chuck Grassley if your boss would like to sign on.

August, 2018

The Honorable Pat Roberts
Chairman
Committee on Agriculture, Nutrition, and Forestry
United States Senate
328A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Mike Conaway
Chairman
Committee on Agriculture
United States House of Representatives
1301 Longworth House Office Building
Washington, DC 20515

The Honorable Debbie Stabenow
Ranking Member
Committee on Agriculture, Nutrition, and Forestry
United States Senate
328A Russell Senate Office Building Washington,
DC 20515

The Honorable Collin Peterson
Ranking Member
Committee on Agriculture
United States House of Representatives
1305 Longworth House Office Building
Washington, DC 20515

Dear Chairman Roberts, Chairman Conaway, Ranking Member Peterson, and Ranking Member Stabenow:

The Farm Bill is an \$860 billion spending bill that impacts every single American. While there are significant differences between the House and Senate bills, there is one area where overwhelming bipartisan, bicameral agreement exists— allowing only one additional manager per farm entity to be eligible for \$125,000 in farm subsidies or \$250,000 if the manager is married.

We believe in a safety net for farmers that provides assistance when there is a sudden change in markets or a natural disaster. We do not believe the farm safety net should provide unlimited payments to farmers year. Unfortunately, current law also allows most farmers who organize their farms as general partnerships or joint ventures to designate an unlimited number of farm managers for the purposes of collecting additional farm subsidies. The impact of this loophole is that large farms crowd out young and beginning farmers by increasing the price of land and cash rent. The fact that few young people are starting farms and staying in rural America is not surprising considering they have to compete with established farmers who have millions in equity and access to unlimited farm subsidies.

To provide a farm safety net we can all be proud of, we urge you to maintain Sections 1704, 1705, and 1706 of the Senate passed Farm Bill in the final conference agreement. Sections 1704 and 1705 reduce abuses related to what it means to be "actively engaged" in farming. Section 1705 still allows any farmer to get up to \$500,000 per year in subsidies from taxpayers. Additionally, Section 1706 of the Senate farm bill sets the income eligibility threshold for farm subsidies at no more than \$700,000 per individual or \$1.4 million per married couple. In combination, these modest reforms will help ensure that farm subsidies are better targeted to real farmers and make the programs more defensible to the taxpayers.

The House Farm Bill significantly expands eligibility of farm subsidies by eliminating the current means test altogether and making extended family members eligible to collect farm subsidies. With our national debt at \$21.3 trillion, we cannot afford to give cousins, nieces, and nephews \$125,000 in farm subsidies when they may have nothing to do with the farm. We strongly urge you to reject sections 1603 and 1604 of HR. 2. A Congress committed to fiscal restraint should not extend farm payments to distant relatives or make billionaires like Charles Schwab, Warren Buffet, and Bill Gates eligible for farm payments.

To ensure that farm subsidies are going to the small farmers they were intended for, we must close the actively engaged loophole that enables large farms to collect multiples of the \$125,000 subsidy limit. As the Government Accountability Office recently found, too many "farm managers" who do not work on the farm are the beneficiaries of these programs. Many of these "farm managers" live in America's largest cities.

As you finalize the 2018 Farm Bill, we urge you to support these common sense reforms that limit farm payments to farmers who work on farms and that tighten an existing means test so that billionaires are not receiving farm subsidies.

Sincerely,

Mark Meadows
Member of Congress

Chuck Grassley
United States Senator