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Key Vote NO on the Senate Farm Bill, S. 954

Dear FreedomWorks member,

As one of our millions of FreedomWorks members nationwide, I urge you to contact your U.S. Senators and urge them to vote NO on the Senate's version of the Farm Bill, S. 954. While it is entitled the "Agriculture Reform, Food, and Jobs Act of 2013", this bill is a bloated microcosm of everything that is wrong with the federal government, containing corporate welfare, direct welfare, government subsidies and carve-outs for favored industries, and a brand new entitlement program to boot.

To begin with, what is popularly known as the "farm bill" could more accurately be described as the Food Stamp Reauthorization Act, with agricultural provisions attached. More than 80% of the nearly **trillion** dollars of spending in this bill go to the food stamp program, properly called the Supplemental Nutrition Assistance Program (SNAP). Enrollment in SNAP has increased by 70% just since 2008, in part because the eligibility requirements are so loose and fraud so rarely punished. Helping needy families acquire food would be best left to the states, instead of being concentrated in a wasteful federal program which is only incentivized to keep adding more people to the dole.

On the actual agricultural side of the bill, the Senate did finally do away with direct payments to farmers, a program that was meant to be temporary, and which was largely paid to large farm corporations which are in no need of assistance. However, the Farm Bill continues to be a hot mess of corporate welfare, filled with special carve-outs for the industries whose lobbyists have succeeded in earning the favor of Congress. These favored industries include cotton, peanuts, corn, soy, and (most notoriously) sugar, which actually receives its very own section in the bill.

Yet another poorly conceived part of farm policy is that way in which crop insurance is subsidized. It would be enough if the federal government merely paid for a portion of the crop insurance premiums for farmers who need the help. Instead, the government pays for, on average, 60% of the premiums, with wealthy major corporations receiving the lion's share of those subsidies. On top of that, the government also gives generous subsidies to the insurance companies themselves. The incentives are all wrong – farm companies are incentivized to take more risks because of their cheap insurance, while the insurance companies have no incentive to keep premium or administrative costs low because of all the free federal cash flowing into their coffers.

If all of this were not bad enough, this year's Farm Bill creates a brand new entitlement program called "shallow-loss" insurance. While ordinary crop insurance is designed to cover catastrophic crop loss, like from an early freeze or a severe drought, shallow-loss covers the difference when farmers see their revenues fall below an average of the previous five years. Not only is this an

unnecessarily generous subsidy in the first place, current farm revenues are at near-record highs, meaning that if revenues fall to even their average levels, farmers will receive a massive payout anyway.

And beyond (or as a result of) all of the bad policies contained within the bill, there is also the simple matter of its cost. A CBO estimate of the 2008 Farm Bill put its costs at \$714 billion over ten years, and yet in 2012 the CBO's ten-year estimate had already increased to close to **\$1 trillion**. Yet the Senate Agriculture Committee is touting this bill's "savings" of \$24 billion, which still leaves taxpayers with a \$950 billion bill. And that's before agricultural revenues inevitably fall to somewhere closer to average, in which case the shallow-loss program will add countless billions more to the total.

This bill is sold to the American people as being for the small family farm, with 40 acres and a cow, which struggles to make a living every year. In reality, the overwhelming majority of the agricultural provisions in this bill go to massive (and highly profitable) farm corporations which use their federal subsidies to help force small farmers out of the market. And all of the farm provisions in this bill are, in the end, used as a vehicle to get Republicans to vote for the fast-growing and tremendously wasteful food stamp program. This bill is the sort of abomination that only big government could assemble, a singular container for all of the forces that have created the out-of-control federal Leviathan.

Thus, I urge you to call your U.S. Senators and ask them to vote NO on the Senate Farm Bill, S. 954. We will score this bill's passage as a KEY VOTE when calculating the FreedomWorks Congressional Scorecard for 2013. The scorecard is used to determine eligibility for the FreedomFighter Award, which recognizes Members of Congress with voting records that support economic freedom.

Sincerely,

A handwritten signature in blue ink, appearing to read "MK", is placed on a light-colored rectangular background.

Matt Kibbe,

President and CEO

FreedomWorks