



United States Senator

Kent Conrad

www.conrad.senate.gov

North Dakota

Summer 2008

Dear Friend:

Most North Dakotans know that agriculture is an important part of our state's economy. But many do not know that it is the largest sector of North Dakota's economy – a \$4 billion-a-year industry that employs one of every five people in our state. What happens with farming and ranching has a far-reaching impact: when times are good on the farm, they are good up and down Main Street in North Dakota's towns and cities as well.

And right now times are good in farming. Our producers have seen record prices at the elevator. Farm income is strong – expanding the state's overall economy. Businesses across North Dakota are growing, in line with the strengthening farm economy.

But we also know that what goes up can come down. Anyone who has been in North Dakota agriculture long enough can remember when prices weren't good, or has seen crops fail because of unforeseen disasters such as hail, flood or drought. That is why I am so pleased that Congress overwhelmingly passed a bipartisan Farm Bill this summer. This bill is a victory for every citizen of our state, from farmers and ranchers to Main Street business owners and workers. And it is a victory for American families who have to come expect an affordable, abundant and safe food supply for their kitchen table.

The 2008 Food, Conservation and Energy Act wisely invests our tax dollars in our shared priorities: disaster assistance for farmers and ranchers; an enhanced farm safety net; nutrition programs; stronger conservation measures; and the production of renewable fuels such as biodiesel and cellulosic ethanol. I am honored to have had a hand in writing and negotiating this Farm Bill.

Few pieces of legislation have as great an impact on North Dakota's families as this bill. In this newsletter, I provide an overview of the 2008 Farm Bill and what it means for North Dakota.

Sincerely,

KENT CONRAD

United States Senator



Washington: Senator Conrad addresses the media after the Senate overwhelmingly approves the 2008 Farm Bill. He is joined by Senators (L-R) Saxby Chambliss (R-GA.), Tom Harkin (D-IA) and Debbie Stabenow (D-MI).



Fargo: Senator Conrad is joined by North Dakota Congressman Earl Pomeroy and Minnesota Congressman Collin Peterson, Chairman of the House Agriculture Committee, to brief farmers, ranchers and business leaders on the status of Farm Bill negotiations.

The Right Bill for North Dakota

The 2008 Farm Bill builds on the strengths of the previous farm bill and invests in new opportunities, such as production of renewable fuels. Most important to family farmers and ranchers, it includes a standing disaster assistance program that provides timely, reliable help to recover from natural disasters.

New Disaster Assistance Program

- The \$3.8 billion standing disaster assistance program will help North Dakota farmers and ranchers cope with disaster-related crop and livestock losses.
- This fiscally responsible approach pays whole-farm shallow losses and provides coverage for quality losses not addressed by crop insurance.
- Help for farmers and ranchers will be reliable and timely.

Higher Commodity Supports

- The 2008 Farm Bill increases loan rates and target prices for North Dakota crops like soybeans, wheat, barley, canola, sugar, sunflowers, flax, oats, and honey.

New Energy Incentives

- The 2008 Farm Bill includes \$1.5 billion in new incentives to reduce our dependence on foreign energy and move our nation toward the next generation of fuel, such as cellulosic ethanol drawn from perennial grass mixtures suitable to North Dakota.

Conservation Improvements

- The 2008 Farm Bill provides \$4 billion in new resources for conservation efforts.
- That includes \$50 million for Senator Conrad's Open Fields initiative to increase voluntary access on private lands for hunting, fishing, and other recreation.
- New enrollment opportunities in the Conservation Reserve Program Wetlands Pilot for flooded prairie wetlands and in the Wetlands Reserve Program for land flooded by closed basin lakes, like Devils Lake.

Nutrition Improvements

- \$1 billion for the Fresh Fruit and Vegetable Snack Program to encourage healthy eating by schoolchildren.
- \$1.25 billion for The Emergency Food Assistance Program (TEFAP), helping feed the more than 52,000 North Dakotans that receive assistance from food banks and food pantries.

Livestock Marketing Reforms

- Includes a new Country of Origin Labeling program, helping identify meat produced by North Dakota ranchers as a product of the United States.
- Allows for the Interstate Shipment of state inspected meat for small plants with Federal certification – a new economic opportunity for small North Dakota meat plants.

Family Farms: Fueling America's Future

We have a unique opportunity in North Dakota to stimulate our economy while helping lead the country to greater energy independence. With its oil, coal and gas fields, North Dakota is already an important energy-producing state. But we know that our nation is going to need more domestic supplies of renewable energy, such as biodiesel and cellulosic ethanol. North Dakota is poised to be a key player in the production of our next generation of automotive fuel, and the 2008 Farm Bill lays a strong foundation with \$1.5 billion in incentives to produce renewable energy. That includes more than \$400 million in tax credits to help farmers and ranchers convert their own operations to renewable, alternative power.

Aid for those Devastated by Disaster

The impact of North Dakota's farm economy doesn't stop at the farm gate. It reverberates up and down every Main Street. So when a natural disaster strikes, wiping out millions of dollars in crops or livestock – as happened in 2005 and 2006 – millions of dollars are also lost to local businesses. That is why securing a standing disaster program was one of Senator Conrad's biggest goals for this Farm Bill. The fund means family farmers and ranchers who see significant losses from natural disaster can expect a timely, reliable hand in recovery. This should mean farmers and ranchers won't have to go to Congress and wait years for disaster relief. And the disaster fund is deficit neutral – not adding a dime to our national debt.



Washington: Senator Conrad fought tirelessly to include a disaster aid provision in the 2008 Farm Bill.

To learn more about Senator Conrad's work for North Dakota's family farms, log on to: www.conrad.senate.gov

A Reform Bill

One of our most important victories in passing the 2008 Farm Bill is the reform it contains. The bipartisan bill includes several reform measures designed to eliminate wasteful spending and increase transparency in government. Specifically, it:

- lowers the income cap for non-farm income to just \$500,000 by 2011, down from \$2.5 million for non-farmers;
- eliminates direct payments entirely for producers who record high on-farm incomes;
- and requires direct attribution of farm program payments to real, living people – an important step toward eliminating fraud.

North Dakota leads the nation in the production of 16 commodities, including wheat, barley, honey and oats.

Source: North Dakota Department of Agriculture



Bismarck: Senator Conrad discusses provisions in the Farm Bill with community leaders.

A Victory for Hunters and Anglers

The 2008 Farm Bill includes Senator Conrad's Open Fields legislation, which works with state run programs to provide incentives to farmers and ranchers who voluntarily open their land to hunting, fishing and other wildlife-related activities.

"Hunting and fishing are a part of our heritage. They are national traditions as old as America itself," Senator Conrad says. "Today, however, America's anglers and hunters have been limited in their access to hunting and fishing because, all too often, it is on closed, private land. Open Fields will change that by offering farmers and ranchers incentives to open their lands."

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Senator Kent Conrad's

Agriculture Report

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