

The Oklahoma Farm Report- Radio Oklahoma Network

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Ron Hays with House Ag. Comm. Chairman Frank Lucas (R., Okla.)

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Keith Good
FarmPolicy.com, Inc.
Champaign, IL
www.FarmPolicy.com

Mr. Ron Hays: Talking today with the Chairman of the House Agriculture Committee, Oklahoma Third District Congressman Frank Lucas. Congressman, first of all, congratulations. It looks like the Republican Caucus leadership has once again reelected you as chair for 2013-2014, second term in that chairmanship.

Rep. Frank Lucas: Absolutely. It's always good to know that your colleagues respect the work that you've attempted to accomplish and want to give you an opportunity to finish that process, to continue to be chairman. I will admit being chairman in a time when we're writing a farm bill is always daunting, as I've observed in my tenure in Congress. But in a time of writing a farm bill with these kind of national deficits, this kind of national debt makes this almost more fun than I can stand. But we're gonna get her done, Ron, and I appreciate my colleagues in the United States House giving me a chance to finish the job.

Mr. Hays: Okay. Let's talk about this current term. The calendar year is ticking down pretty quickly. At this point I know there's still a lot of folks, a few folks out there talking about regular order and trying to go through and get floor action and all that. Is there really much of an opportunity, you think, if you get down really honest with how many days left, that we could do regular order of a five-year farm bill?

Rep. Lucas: My goal is still to do regular order and to finish the five-year farm bill. But Ron, right now, with what many of the pundits refer to as the "fiscal cliff," the increases in tax rates for everybody that's coming on the last day of this year, with the dramatic automatic spending cuts in sequestration disproportionately that will affect the Department of Defense, literally there's not enough political oxygen, it seems, left in this town for anybody to do anything but focus on that fiscal cliff issue. So in all fairness, while the candle has not gone out completely, it's flickering rather dimly.

Now that said, it puts us in a position, though, where some things start to happen rather quickly. January 1, 2013 the first really dramatic change of the expiring old

farm bill happens. The 1949 Dairy Act has to be put back into place. That is something that I'm not sure the Department of Agriculture, USDA, has a real clue here in the nation's capital as to how they do. That's got to be addressed.

I have said for months now that, whether it's the \$23 billion in savings that the Senate version of the bill achieves or the \$35 billion in entitlement reforms and savings the House bill achieves, if there is indeed some kind of a big agreement worked out to address the national debt, the taxes, the cuts, they need offsets, savings in other places, to make those adjustments. And Agriculture, at 35 billion, is willing to do its part in the House committee version of the bill, so there is a place for us.

But that said, something has to happen on dairy policy in the next month. We cannot go back to the '49 law. Matter of fact, Ron, as you and I speak, in 30 minutes I'll walk out the door to go down the street to the United States Department of Agriculture and have lunch with the Secretary with my Ranking Member, Mr. Peterson, with the Senate Ag Committee Chairman Ms. Stabenow, with my dear neighbor from Kansas, Ranking Member Senator Roberts.

And at that meeting I intend to make a very forceful case to my friend the Secretary that I'm doing everything I can, from my spot as chairman of the House Ag Committee, but we're now to a point where this big picture sense, the big fiscal cliff issues, are literally in the hands of the Speaker and the President to sort out. I'm doing my part in working with the Speaker and working through the Speaker's staff, but I need my friend Collin and I need Debbie and I need the Secretary to do everything they can to make sure that the President of the United States, sitting on the other side of that table, their fellow Democrat, understands these issues have to be addressed.

So I think it'll be fascinating to get a report from the Secretary on how they're preparing to implement the '49 law, because I don't think it's actually possible to implement the '49 law.

Mr. Hays: Mr. Peterson has been quoted in the media, I think a couple of folks, maybe Mr. Hagstrom in particular, Jerry Hagstrom, I think actually had him quoted as saying that he would prefer to have permanent law instead of an extension.

Rep. Lucas: My problem is, though, sitting as Chairman of the House Agriculture Committee, I have to do the responsible thing. There are issues that deal with baseline. For our listeners' benefits, that's a term that refers to how you pay for year-to-year for ongoing programs. I've got \$8 or \$9 billion in programs under the '08 Farm Bill that have no baseline. I've got the dairy language that goes back to 1949.

Even if we could work out all the understandings, if we could put everything together, whether you have a complete bill in the part of some final giant package that addresses taxes and cuts, sequestration, as they call it here, before the end of the year, even if you could do all of that, Ron, there is time required when you shift away from direct payments in the safety net over to revenue insurance, or as the House-Senate bill calls for, or as the House bill calls for, revenue insurance with a price insurance

option, making that bold change from one safety net to the other, I can't, in good faith, look at my folks in Oklahoma and across the country and say, well, in the way it's worked out, your safety net ended on September 30 of 2012, and we'll get the new safety net up and going by October 1 of 2013, but for the next year you're flying economically naked. I can't do that.

So even if we work everything out, you're talking about, whether you want to call it an extension of existing law or a transition period to the new bill, I've got to have some protection for my folks out there in the countryside. And extending the '08 language till the next bill kicks in seems to me only a reasonable, rational thing. And bear this in mind, Ron—and I pointed this out to a number of my colleagues up here—yes, I'm chairman of the House Agriculture Committee. Yes, I'll be chairman for the next two years. And yes, I'll be a member of Congress for the next two years.

But in fact, I am a farmer by trade, and I come from a part of the world where, if the recent generation or those from outside of the country don't understand the issues we deal with, they need to watch Mr. Burns' documentary about the Dust Bowl and the panhandle and the Southwest and the Southern Plains in the 1930s. I'm very sensitive about the things that we can't control—the weather—but also about the things that we do control that, when they're messed up, as farm policy was in the '20s and '30s, as it was in the late '70s going into the early '80s, my folks, my neighbors, my fellow farmers across the country pay a huge price.

So understand, I come at this from a farmer's perspective. I want a five-year farm bill. But even if I am able to work out with my colleagues the best farm bill in the world, I've still got to have a transition period to get to that. So I just ask everyone to show some flexibility as we slug our way through these challenges.

Mr. Hays: I guess at this point, really the best hope of getting that five-year bill of some type lies within dropping it into this grand deal between the White House and the Speaker.

Rep. Lucas: There's two scenarios, Ron, where I think you could see all this work out. One, you'd have a complete bill dropped into the grand package. Or potentially you might see, because of the complexity of the tax code issues and the cuts in other areas of government, you may see a bill that spells out specifically what cuts have to be achieved by different parts of the government, including the farm bill.

You'd see a bill that spells out targets about the changes in the tax code, that would spell a date certain sometime in the spring—and here historically, in the past, we've called that budget reconciliation, where you have a mandatory date, a mandatory number, and if the committees of responsibility don't function, then the Budget Committee comes in and does it for them—a process by which the real number is agreed to for savings, for instance, in the farm bill, and a real date to accomplish that, with an expedited procedure to pass the bill comes through, and then they would count our savings. You have to have a transition period, an extension, to get to that point.

But there is a way to work this process out without falling off the end of the cliff on dairy policy on January 1 and still enable us to get our work done. But this requires the Speaker and the President to achieve some understanding that then everybody will show some willingness to support, and we're still days away from working that out. I would tell you, Ron, my plane ticket is not Christmas day to go home, but my last plane ticket is dated December twenty-something.

Mr. Hays: One other question on that and then we'll wrap up, because I know you do need to make that travel arrangement to go down the street, most certainly. But when you start talking about maybe being able to drop in all or a good part of this bill into this grand package, that kind of gives us some protection against too many amendments, or bogging down with a lot of floor time with this bill, right?

Rep. Lucas: Exactly. Any arrangement that either moves big chunks of a complete package through before the end of the year or a process that sets into motion mandatory savings and mandatory cuts and deductions, those kind of things, has to be crafted in a way that is referred to as expedited. That means not subject to the Senate 60 vote rule on cloture, subject to limited amendment. There is a record of doing this in the past in what is referred to as budget reconciliation—speeding up the process, expediting. Think about the way the trade agreements are handled here, negotiated, that kind of thing.

I cannot at this juncture predict what's going to happen. I just know the magnitude of the effect of the tax increases that will hit everybody on January 1, the magnitude of cutting almost 10% of the Defense Department budget out in the automatic cut. The magnitude of those issues are so massive, something has to happen. If we can achieve \$35 billion in savings in the farm bill, somebody needs us. And if they want our savings, they have to give us a process to complete our farm bill work. That's the polite message I've been delivering to all of the decision-makers here in the nation's capital for weeks.

Mr. Hays: The nutrition, obviously a discrepancy between the two measures, and then the differences in the commodity title.

Rep. Lucas: Exactly. And this is a scenario where ultimately, in that discussion between the two principals, Ron, they have to decide which is the more appropriate way, the Senate's \$4 billion in reform or the House's 16 and a half billion dollars in reform. I suppose ultimately they would have to make the decision about do you have options or not have options in the commodity title. I think if you look at the country as a whole, having options in the commodity title is pretty easy.

The nutrition number becomes really difficult for some of my liberal friends. But we demonstrated in the House that we can save 16 and a half billion dollars and not take one calorie off one qualifying, needy person's plate in this country. I can say that in good faith.

Mr. Hays: Thank you, Congressman. Chairman of the House Agriculture Committee Frank Lucas talking with us today from his Washington, D.C. office. Have a good

day, everybody. Ron Hays, Radio Oklahoma Network and
OklahomaFarmReport.com.

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