

AgriTalk

Mike Adams with House Ag. Comm. Ranking Member Collin Peterson (D., Minn.)
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Keith Good
FarmPolicy.com, Inc.
Champaign, IL
www.FarmPolicy.com

Mr. Mike Adams: All right. It is a busy time here in our nation's capital. Lots of budget proposals flying around, committee hearings and meetings going on. In fact, we have just been joined by the Ranking Member of the House Ag Committee, Collin Peterson. You've been in a hearing already this morning, so busy day.

Rep. Collin Peterson: Yep, in a hearing and meeting with constituents. Normal day around here.

Mr. Adams: Yeah, a lot going on. Well, let's talk about the dueling budgets now. It looks like we're finally going to get one out of the Senate. One came out of the House with Paul Ryan. You weren't very happy with that proposal.

Rep. Peterson: Well, it's... You know, it just looks to me like we're going to end up like we do with everything around here, we're going to end up with budgets that are extreme in both parties, in both bodies, and I don't know how you get them together. But what they've again put together is, I don't think, being taken seriously by anybody.

From what we can tell, there's \$32 billion of reductions in the Ryan budget in the commodity title. Now, we had 35 billion altogether, including everything. He apparently has an \$18 billion reduction in conservation in the budget. We can't really tell, but we think that's what it is. And then \$130 to \$150 billion reduction in food stamps, SNAP. Well, there's no way.

I mean, the Senate had a \$4 billion reduction last year in food stamps, and I had, you know, during this process where we were trying to get things together, I couldn't get them to get to ten billion. Now, we can identify—we had 16 billion in the House bill, and we could probably go above that, at least I could. But you've got to work this out between the two bodies.

So these budget documents I don't think are helping anything, and we'll have to see how it plays out. They're supposed to each pass a budget and conference it by May 15th, but I'd be very surprised if they're able to conference these budgets. Maybe I'll be surprised.

Mr. Adams: We just heard Chairman Lucas say he thinks, you know, there's a...you have that number out there, whatever it may be, 30, 32, whatever it is, but he thinks you can work around that, and—

Rep. Peterson: Oh, yeah, I mean—

Mr. Adams: —and decide how you come up with it. But will that be something that the leadership will actually allow to be voted on?

Rep. Peterson: Well, I met with John Boehner a couple weeks ago, and he said he wants us to get this done. He doesn't want to do another extension. So that's a good sign. And I think part of what held us up last time, you had some Republicans that thought the Senate was going to go Republican, Romney was going to win, and so they wanted to wait till this year because they thought they could get a different bill. Well, that didn't work out. So I think that impediment is gone.

So, you know, we're waiting to see if we get some kind of better consensus about what they want us to do. Is the number 30 billion, is it 35 billion, whatever it is. And what I told John would help us the most is if he and Harry Reid, the two leaders, could make a deal and give us a number. And whatever the number is, if it's 30 billion, 35 billion, 25 billion, we can do it. But give us a number that's agreed to so we don't get caught up in this war between the two chambers.

And the other place they could really help us is give us a number on SNAP, whatever it is—10 billion, 15 billion—we'll do it. But what the problem is, which it is with everything around this place, is that you've got the House going one way, you've got the Senate going another way, and then how do you get things together?

And on the Ag Committee, we're fine if they leave us alone. We produced a bill 39 to 11, and the Senate produced a bill. But in the House, when you get drug up on getting all this other stuff, that's where the problems are. So we're hopeful that we can avoid that and we can go to the floor and fight this thing out, because I think we have the votes and we can do a bill if they just let us go to the floor.

Mr. Adams: You worked very hard on dairy reform as part of the farm bill. Is there still support for that, do you think? Will that be part of this?

Rep. Peterson: Well, it will be or I don't think there will be a bill. And I told Boehner that. Because in my state, my farmers can live with the current law. It's fine. The one group that needs the bill is dairy, because the dairy program is not working. And so in my opinion, it's got to be part of this. And as far as I know, we still have good support for the dairy title in the committee and on the floor. And I told Boehner as far as I know, we've got the votes, and our intention is to move ahead with that.

Mr. Adams: We're talking with Ranking Member of the House Agriculture Committee, Minnesota Congressman Collin Peterson. You mentioned SNAP. That seemed to be a big part of the holdup last year. Leadership didn't seem to want to cut SNAP benefits going into an election. Well, the election's behind us now. What do you think we're going to do with the SNAP program?

Rep. Peterson: Well, as I said earlier, it's going to...I think the House is willing to do more than the Senate. It's going to be a question of how we work that out. But what we did in the House bill was tighten up on the eligibility that was allowed over and above the federal rules. We have 28 states that are qualifying people for SNAP that would not qualify under the federal rules based on this categorical eligibility. We eliminate that. And we also raise the threshold on this LIHEAP exemption. So the combination of that saved about 17 billion. And I frankly think those changes should be made. They were put in the law in 1996 as kind of a part of the compromise on welfare reform.

And so now we have states that are qualifying people because they have higher income threshold. So like in North Dakota, people that are up to 200% of poverty get SNAP benefits. In Minnesota, across the river, it's 130, which is the federal rules. And what's ironic is the states, the liberal states that you'd think would have the higher thresholds—California, New York, Minnesota—they don't. They're at 130%. The states that have the higher threshold are the Republican states—North Dakota, Wyoming, Texas, Arizona.

So, you know, if you get down into the policy and you don't get hung up on the numbers, and just look at the policy, there's things that can be changed and should be changed.

Mr. Adams: We've got a couple minutes left. Let's talk sequestration. A lot of discussion about especially furloughing of meat inspectors, and whether there's flexibility there to keep that from happening, and whether the Secretary sought flexibility. Do you think it's being handled properly?

Rep. Peterson: Well, you know, whether the Secretary...who would he seek flexibility from? It was the Congress that passed the law that didn't allow for flexibility. It was us that did it, not him – you know, so I think the outcome here is going to be with the CR that's being worked on, that there's going to be flexibility given to the military and to the Ag Department. And once that flexibility is given to them, the meat inspector issue is going to go away.

The problem he's got now is that the way it's written by Congress is that it has to be cut 5.1% in each line item. So 87% of the FSIS budget is salaries. They've already cut significant administrative expense. There's really nothing else to cut. If you do, then you undermine the structure that keeps the meat inspectors going, so he doesn't have any choice. If the law stays the same and it says that 5% has to come out of every line item, there's nothing there to cut except for salaries.

And so then, at that point, what he's going to have to do, if flexibility is not given, is he's going to have to try to stagger this so that maybe instead of shutting down a plant, maybe it's just going to be one day a week every now and then that people could live with. And that's what he was looking at.

So I think this has been political, like a lot of things around here. People want to blame each other for everything. He's doing the best he can. And he doesn't want to furlough meat inspectors. And if we give him the flexibility, I don't think he will.

Mr. Adams: You don't think there's a "make it hurt" agenda being put in place?

Rep. Peterson: Oh, I think there is.

Mr. Adams: Oh, there is?

Rep. Peterson: Yeah. But it's not being done by Tom Vilsack.

Mr. Adams: Above him?

Rep. Peterson: Yeah. You know, I mean, I think there is some of that going on, you know. I don't think there's any question about it. They're trying to stir people up and try to build support for a different outcome, more taxes maybe, or whatever. Well, it ain't gonna happen. You know, I mean, I try to—

Mr. Adams: I want to clarify. You're a Democrat and you're saying that isn't going to happen?

Rep. Peterson: No, it's not going to happen. The House is not going to raise any more taxes, period. And I tried to tell Obama and those guys, when they did the fiscal cliff thing, that this is it. They had this idea they were going to get more. There's no way. Not in this place over here. So we need to deal with this, you know. I mean, it's...

And I think the White House is coming to the realization of where this thing is really at, you know, so now we're going to try to work with it as best we can. But at some point we've got to start cutting these budgets. All of them, not just one little part. Everybody in the country's going to have to take less, and at the end of the day, we're all going to pay a little more, and that's what's going to happen.

Mr. Adams: Well, thank you so much.

Rep. Peterson: All right, thank you.

Mr. Adams: Good to see you again. Ranking Member of the House Agriculture Committee, Congressman Collin Peterson.

[End of recording.]