

AgriTalk

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Mike Adams with Secretary of Agriculture Tom Vilsack

Note: This is an unofficial transcript of an *AgriTalk* interview.



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Mr. Adams: And welcome back to AgriTalk. We're very happy to have with us Secretary of Agriculture Tom Vilsack, as we head into the Thanksgiving holiday, still without a farm bill. And I know, Mr. Secretary, this is a great concern for you, as you have talked repeatedly about the need to get this done and get it done soon. What are your thoughts on what you're seeing in the process right now?

Sec. Vilsack: Well, Mike, I'm obviously thankful for American agriculture and I'm thankful that we've got a conference committee and leaders in that conference committee that have been talking and trying to work through the difficult issues that separate them. Obviously I think all of us are frustrated at the amount of time it's taking, because everyone realizes the need for certainty about what the farm policies are going to be. And obviously livestock producers are anxious to get the assistance that they could have if we got a bill done. And obviously there are a lot of benefits to rural America from a completed farm bill.

So we're just going to continue to work with the conference committee, providing technical assistance and encouraging the leaders of that committee to continue talking, working towards that compromise that we all know is necessary to get it done. I think it's important and necessary for not just rural America, but for all of America to see Congress working and getting something done. It's been a pretty tough road here the last couple of months, and I think it's time for us to have a little success.

Mr. Adams: There's been some question of what is the real deadline here. We've talked about having something done by the end of the year or going back to permanent law and milk prices jumping way up. Would that happen at the beginning of the year or is there a little bit of flex time there where they could come back after New Year's and work on something beginning of January without us seeing that dramatic price increase in milk prices?

Sec. Vilsack: Well, I think we have to be realistic about this. If there is no appearance that there's going to be a deal or if things break down and folks continue to be sort of in their corners and there isn't a middle ground to be had, then obviously we're going to have to start working towards and triggering permanent law.

Some people have suggested that's going to take a while to implement, but the reality is it's not that we haven't been thinking about this at USDA, we have been. We have a pretty good sense of what we would need to do. We've reached out to some of the folks, particularly in the dairy industry, to get their views about this. So we would be in a position, in short order—I don't want to put a timeline on it—but in short order to get something done on the permanent law side.

But boy, I tell you, that's not something that I want to do, I'm reasonably certain that's not anything that anybody in Congress would want to have happen, and I'm sure that no consumer is anxious to see that happen. So hopefully we continue to see progress.

It's not just the permanent law issue, it's also the Brazilian cotton issue, which is a trade dispute that we lost in the WTO, and there are consequences for inaction there. They can begin assessing retaliatory tariffs against many of our products, including exposing some of our intellectual property and destroying the protections that intellectual property has, which would be a first, frankly, in trade discussions, as I understand it.

So there are a lot of adverse consequences in not getting it done, the lack of certainty, the lack of disaster assistance for livestock producers, and the benefits to jobs, to research, to trade, to conservation that would come from getting a bill and having certainty about the policy. It's remarkable to me that we can't get to yes. And I think it's just absolutely important that we do get to yes before the end of the year.

Mr. Adams: How do you prepare for all these scenarios? I mean, you're looking at the possibility of a new farm bill, but you're also looking at the possibility of a one-year extension, a two-year extension. At USDA, how are you preparing for all this?

Sec. Vilsack: Well, on top of that, Mike, of course we don't have any certainty about the budget, either—*[laughs]*—so there are some difficulties. But we've asked our team, we've put together a farm bill team. I've asked the Deputy Secretary, Krysta Harden, to be in charge of basically overseeing the day-to-day operation of that team.

I've directed that team to essentially begin having a full understanding of what's being considered by the committee, what is likely to occur in terms of things where there has already been agreement, and having each mission area and each title of the farm bill, if you will, prioritize the rule-making process that would be required to institute and to implement any new policy, and then within the entire

USDA to then further prioritize what rules would have to essentially be done immediately, what could wait a bit. And we're going to have that in order.

We're also, I think, beginning to think about what those rules would look like, who would be assigned to work on the development of those rules. And I think we showed in 2009, when we implemented the vast majority of the 2008 Farm Bill in relatively quick order that we're capable of working. We just need to have the certainty of what the programs are going to be, and we obviously need a certainty of our budget so we don't have any disruptions or shutdowns like we did in October.

Mr. Adams: Again, for clarification, if we get to December 31st, there's no farm bill, how much flexibility do you have? What is the timetable for implementing permanent law if there's no bill done at the end of this year?

Sec. Vilsack: Well, I would say this, Mike, I would say, number one, if we have no progress by the end of the year and it looks relatively certain that people are still deadlocked on this, we will obviously begin the process, and have already begun thinking about the process that would lead to an implementation of permanent law. Now whether that takes a week or two weeks or a month, I'm not in a position to say today precisely when we would actually turn the lights out and pull the trigger, so to speak.

But I can tell you that if we don't see movement by the end of this year, we're going to read into that an inability and a reluctance of this Congress to get their job done and get their work done. And the reason we will see that that way is because we've been through this before. We had a year extension with a promise that it would get done.

And the fact that people are talking about the possibility of another extension I think is unrealistic, given, number one, there don't appear to be the votes for an extension; number two, if there are votes for the extension, it's probably at the risk of losing direct payments, and if you lose direct payments without using some of the savings from losing direct payments to reconstruct a new safety net, you will find it very difficult, if not impossible, to fashion a new farm bill. So it's clear to me that there's really only one option here, and that is that they've got to get their work done.

Mr. Adams: We're talking with Secretary of Agriculture Tom Vilsack. Part of that debate is over the so-called King Amendment concerning interstate commerce. You have expressed some concerns, as others have, with the King Amendment. But others have said, hey, this is what's—this is good for agriculture, it's not something that, as some have raised the possibility that it's going to cause problems in other areas. I know Congressman King told us he feels it's narrowly written enough that these other areas would not come into play with broad interpretations. But you have expressed concerns. Could you explain those concerns for us about the King Amendment?

Sec. Vilsack: Well, candidly, this is an effort to try to create a standard that is very difficult to create in a way that doesn't have implications in other parts of our economy, in other parts of commerce. And there are clearly constitutional issues that would be raised about the appropriateness and propriety of this action by Congress.

And with due respect to Congressman King, it's very, very difficult for Congress to craft something this complex in a way that is tight enough to avoid any challenge and to successfully resolve any challenge. So I think what you would be doing is you would be creating a great deal of uncertainty in terms of precisely what the rules and standards are going to be. It would have unintended consequences, no doubt about that. It would be tied up in litigation for an extended period of time.

And it clearly makes the passage of a farm bill far more complex and more difficult. To me, we've had enough difficulty dealing with the traditional issues of a farm bill—whether it's the commodity title, whether it's conservation compliance, whether it's the dairy provisions, or the SNAP and nutrition assistance programs—that's enough difficulty for one conference committee to assume.

But then when you start adding these extraneous issues in trying to solve an individual state's issue, I think it just becomes very, very difficult, and I just think it's very, very difficult for the legislative body to fully understand and appreciate all of the unintended consequences, all of the advantages some would take of language that's not very, very specifically and narrowly crafted.

It's been my experience as a state senator, my experience as a governor, now my experience as the USDA secretary, and meaning no disrespect to folks in Congress, legislators don't necessarily always do a particularly good job of crafting things. That's why we have regulations and that's why we have the fuss over regulations, because of the lack of clarity. And if anybody doubts that, I would just simply direct them to another issue that's being discussed in the context of the farm bill, and that's catfish inspection. We still have uncertainty about precisely what Congress meant when they passed catfish inspection years ago.

Mr. Adams: Thank you, Mr. Secretary. Have a happy Thanksgiving.

Sec. Vilsack: Likewise, Mike. Take care.

[End of recording.]