

C-SPAN- “Newsmakers”

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C-SPAN “Newsmakers” Interview with Secretary of Agriculture Tom Vilsack

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Ms. Greta Brawner: This week on Newsmakers the Agriculture Secretary Tom Vilsack joins us. Thank you, sir, for being here.

Sec. Tom Vilsack: You bet.

Ms. Brawner: Two reporters to help with questions. We have Ellyn Ferguson of CQ Roll Call, agriculture reporter, and Alan Bjerga, also agriculture reporter, for Bloomberg News. And Ellyn, I’ll have you begin.

Ms. Ellyn Ferguson: Mr. Secretary, as you know, this week the House and Senate farm bill negotiators held their first public session. One of the big sticking points is going to be the Supplemental Nutrition Assistance Program, or food stamps, as most people know it. Is the White House—well, let me back up a little—the President and the Treasury Secretary have both said it’s important to have a farm bill. Is the White House going to intervene on the negotiations on SNAP to try and help settle that issue? You know, the House Agriculture Chairman Lucas has repeatedly said he wants the senior managers in the White House to step in to help on that issue.

Sec. Vilsack: I think it’s important, discussing this issue, to really focus not on numbers, which, oftentimes in Washington, D.C., we focus on numbers and try to figure out what is the right number. I think that’s the wrong question. I think the right question is what is the right policy. And clearly USDA will be engaged, obviously to the extent that the committees need us to be engaged, in trying to make sure that the policy is right.

There’s obviously some concern on the part of some about the work requirements in SNAP and whether or not they need to be more stringent or more strict. I think it’s important for folks to recognize that we already have work requirements in the SNAP program, that those requirements really only apply to about 8% of the participants in the program, and that the reason why they have not necessarily

been utilized recently is because governors and state legislatures around the country have chosen to waive those requirements during a tough economy.

So the key here is to get the right policy. If you get the right policy, that will lead you to the right number. So to the extent that the committee needs our help and assistance, we are ready, willing and able to provide that.

Ms. Ferguson: Well, Chairman Lucas has been sending out SOS signals for several months on the SNAP issue. Doesn't the White House think he needs help?

Sec. Vilsack: Well, I think that Chairwoman Stabenow, Ranking Member Senator Cochran I think obviously understand what I've just explained, and I think that there are discussions and negotiations. I would imagine that that's an issue that will likely be dealt with after all of the other 90 some differences between the House and Senate version of the bills have been worked out.

Obviously that's a tough issue, and it's a big issue, and it's an important issue, but there are also a lot of other issues that need to be resolved, and so I think most of the focus today, most of the focus this week, most of the focus next week will likely be on some of those other key issues that need to get worked out—the commodity title, conservation compliance, the dairy portion of the commodity title, for example.

Mr. Alan Bjerga: Mr. Secretary, speaking more broadly on the SNAP program, November 1st was an important milestone in the program. It's the day of the expiration of the boost in benefits that was passed as part of the stimulus bill in February of 2009. In February of 2009, the unemployment rate was 8.3% and rising, and the number of people using the SNAP program was 33 million. Now we see the unemployment rate at 7.2% and falling, and yet there are 47 million people using the SNAP program. What does that say about the current state of our economy, and why are more people dependent on food stamps even as the economy improves?

Sec. Vilsack: Well, I think the first part of your question you answered: the economy is improving, and that's reflected in the fact that we have lower unemployment, the fact that we are seeing 7 million new jobs that have been created over the course of the last year or so, two years or so. That is an indication of an economy that's improving. Some of that improvement has not necessarily occurred in all parts of the country, and that's a concern that I have, and that's why it's important to get this farm bill done, because in rural America we've not seen much increase in employment.

To your question as to why more people are on SNAP, I think it's important to reflect and recognize that we have an important responsibility at USDA, and that is to do better outreach and better educating folks about the availability of SNAP. When we came into office, when the President came into office, there were a number of states where less than 50% of the people who were eligible already for SNAP were not participating in the program, and now those states you see

participation rates somewhere in the neighborhood of 60 to 65%. In fact I think we now have an historic high in terms of the number of people who are eligible for the program participating.

So I think the numbers are not necessarily a reflection of the current economic circumstance, they're a reflection of something more systemic in the American economy that has spanned the last several decades. And the President's talked a lot about this recently, about the need to rebuild the middle class, and the fact that the gap between rich and poor continues to grow in this country, and that's why it's important to have a farm bill, because it's a jobs bill, it's an infrastructure bill. It's why it's important to get our deficit under control, but also to invest in significant job creating opportunities like an infrastructure bill. So I think that's the reason you see more people on SNAP.

Mr. Bjerga: A lot of the discussions in especially the House of Representatives' version of the farm bill centers on the administration of the program, eligibility, tightening up waste, fraud, abuse, those issues that you've heard of for several years. We're operating in an environment right now in which there's a lot of frustration with the administration of government programs, specifically the administration of healthcare.gov. When you see such a public frustration and skepticism about the operation of a government program in one area, do you think that makes it harder to get people to trust the administration of other government safety net programs such as the SNAP program?

Sec. Vilsack: Well, it is frustrating because a number of government programs are operating well. And since you mentioned the SNAP issue and fraud, waste and abuse, I'm proud to say that in this administration we've reached historic lows in both fraud rates and error rates in that program. We still have more work to do, and we're going to continue to focus on it.

Folks may not realize that last year we did 744,000 interviews and investigations of individuals in the SNAP program to ensure that folks were legitimately getting the benefits. I think nearly 40,00 people were disqualified from the program as a result of that effort. We focus on the businesses that are participating and benefiting from the SNAP program and making sure that they're the kind of business that is appropriate to be utilizing the SNAP program. And we saw, I think, 1,400 businesses last year that were disqualified from participation. So we are really focused on making sure that this program is available to the people who need it.

It is a program that obviously works because people get those benefits. They use them. Ninety-seven percent of those benefits are used within 30 days of receipt. And it is a program, I think, that consistently has been looking at reductions in error rates and fraud rates, and we're going to continue to focus on that. I think it's important for people to know who the SNAP program beneficiaries are. Again, what gets lost in the debate, when you talk about numbers and cuts, is who are these folks.

Well, I mentioned earlier that 8% of the folks on SNAP are folks who are in this area of should they be working, can they work and so forth. Ninety-two percent are not because they are senior citizens, they are people with disabilities, they're children, and they're folks that are actually in the workforce. These are people who are working, but they're working a part-time job or a full-time job that just simply doesn't pay them very much.

And when people begin to understand the SNAP program, understand the poverty reduction capacity of that program, understand the low error rate and fraud rate, they begin to have a better feeling about this program. That's why I think it's important to focus on the right policy, as opposed to numbers.

Mr. Bjerga: Well, Mr. Secretary, the numbers, the statistics that you're citing are very important numbers in terms of the size and scope of the program, the number of investigations you're doing on waste, fraud, and abuse, who the demographics are, etc.

If you're a person who doesn't qualify for the SNAP program, but you're struggling to pay your own bills, and you're in line at the grocery store and you see somebody walk up and they've got a shopping cart full of five hour energy drink and Doritos, and they pull out an EBT card and start to pay for their groceries with that, you're going to get angry. And that's not from a not understandable place. How do you respond to that perception that people see in their everyday lives that they then associate with this program?

Sec. Vilsack: Well, there are a couple things. First of all, we have really focused—you mentioned the EBT card, and the reason we use the EBT card as opposed to the old food stamps is to make it a little bit easier to avoid the stereotypes that often occur in these programs.

That individual standing in line may not understand that that individual who is using the EBT card has just worked two full-time shifts to make ends meet and is still working a part-time and a full-time job at minimum wage, and basically is trying to keep themselves awake so that they can make enough money to pay the bills for their family. They may not understand and appreciate that, number one.

Number two, we are cognizant of the need to encourage folks to make healthy choices and good choices and to stretch those dollars as effectively as we can. That's why we have websites like ChooseMyPlate.gov that basically give recipes and information on how people on SNAP can stretch that dollar, recipes that focus on fruits and vegetables and wholesome foods, stretching those resources.

It's why we invested a substantial amount of money in a research project recently in Holyoke, Massachusetts where we looked at trying to incent right behavior and good behavior and healthy behavior by seeing if point of sale incentives, providing a little bit extra cash, if you will, on that card if you buy certain fruits and vegetables, if that would incent more of those kinds of purchases, and in fact that's what's happening. So we're cognizant of this.

But there are some serious technology issues involved in this because over 300,000 products are sold in grocery stores across the United States. Every year 12[,000] to 14,000 new products are introduced into a grocery store. And it may seem a relatively simple thing to distinguish between various types of foods, but it is not as simple as it might seem.

I'll give you just a quick example. If you were to ask the question which is healthier, fully sugared Shredded Wheat or low sugar Shredded Wheat, and you asked and wanted to distinguish in terms of the utilization of a SNAP card on those two products, most Americans, I suspect, would say that fully sugared Shredded Wheat is probably not as good for you as the low sugar Shredded Wheat, but in fact the reason it's low sugar is because they've increased the sodium, so on balance, that sugared Shredded Wheat might be just a little bit better for you. How do you have an EBT card understand and appreciate the difference between those kinds of products?

So I think the key here is not necessarily to penalize or stigmatize, the key is to incent. The key is to give people information and trust that they're going to make, more times than not, the right decision.

Ms. Ferguson: Mr. Secretary, let's get back to policies on SNAP. Are there any proposed changes in the House farm bill that the administration would find acceptable or be willing to compromise on?

Sec. Vilsack: Well, I think a mistake is being made by the House, with all due respect to the work that the House has done. When they propose eliminating categorical eligibility, what they fail to realize is that is an efficiency operation that will save states, and is saving states significant sums of money.

Categorical eligibility works in the following way. If an individual goes into a human services office in any state and applies for Medicaid, applies for Temporary Assistance for Needy Families, the way this currently works is that they automatically qualify for SNAP. They don't have to go through another application process.

They don't have to go to another office with another person behind a desk and fill out additional applications where the information would be relatively the same and very similar to what they provide in the TANF application or the Medicaid application, so this is an efficiency that states are utilizing to ensure that they don't have more workers than they absolutely need to get the work done. So when you basically say doing away with categorical eligibility, you're going to disqualify millions of otherwise qualified folks for the program and you're going to impose an additional administrative burden on states.

On the issue of able-bodied workers, which the House has proposed, again, it fails to recognize that we already have a provision in the law that requires folks to work or go to school if they're receiving SNAP benefits, and if they fail to do that, and they're able-bodied, they don't have dependents, in that circumstance

they only get three months of benefits every 36 months. States waive those. Now, the reality is states waive them for good reason. You can't say to someone find a job when unemployment rates are high. You can't say to someone find a job in a county where the major employer has just announced 1,000 layoffs. And so states have to have that flexibility and the capacity to make decisions.

Now, both the Senate and the House have looked at the Low Income Heating Assistance Program, and there may be ways of making sure that that program is run effectively and efficiently. But again, it's about the policy. It isn't really about the numbers.

And I think that one policy that hasn't been discussed that ought to be discussed in this context is saying to states, we provide you somewhere between 350 and 400 million dollars a year to states, and all we're asking you to do with that money is to provide and establish a process in which your state workforce development office that knows where the jobs are, and your state economic development office that knows where the jobs are, better communicates with your human services department that knows who the SNAP beneficiaries are who are capable of working.

We provide hundreds of millions of dollars for states to make that connection to make it a little bit easier for that SNAP beneficiary to find the job that allows them to reduce their need for SNAP or perhaps eliminate it.

Ms. Ferguson: Are states penalized now for not doing a good job?

Sec. Vilsack: They are not penalized and there is no accountability, there is no significant accountability, in my view, on that area and I think that is one place where you could get the policy right, you could utilize resources more effectively, and in doing so you would have fewer people in need of the SNAP program and you would reduce the cost of the program as a result-- the right way.

The difficulty with the House approach is that they are going to take somewhere between three and four million people, who would otherwise qualify for the program and disqualify them or make it much, much more difficult for them to access the program. That's not going to be beneficial to the struggling families, it's not going to be beneficial to the communities and the grocery stores that are dependent on those customers coming in and being able to buy enough food to take care of their families.

Just one last thing, and this is a particularly rural issue. When you look at the folks in rural America that are low income, what you will see is that 36% of their family budget gets spent on food, the average American spends about 10% of their family budget on food. So those low income folks, when you have a \$36 a month cut, which is basically what we now see November 1st when the stimulus increase was reduced, \$36 a month means a lot to those families. And it means a great deal to the grocery stores in those small, rural communities that are

struggling to survive who that need that additional opportunity for that customer to come in and basically take care of their families.

So you have to look at the people and the challenges behind this program to understand that you have to get the policy right.

Ms. Brawner: Mr. Secretary, do you have some numbers for the American public to better understand the impact that the stimulus money for food stamps has had since 2009?

Sec. Vilsack: Well, I will say this. If you look at poverty reduction what you are going to find is that the SNAP program reduces the incidence of poverty and the impacts and affects of severe poverty. So it is one of the most effective poverty reduction programs we have, number one.

Number two, every dollar that is spent in SNAP that benefits a struggling family also benefits the economy because it generates \$1.85 in economic activity, and it just stands to reason that if you can buy more at the grocery store, you will buy more at the grocery store. If you can buy more that means the grocer has to stock more, that means the grocer has to purchase more that has been packaged and processed, and trucked to their facility- all of those are jobs in the supply chain.

And it also means obviously that farmers, ranchers and producers have to sell more, and have market to sell more. It has an impact. What we're able to do with this additional support was to give folks a little extra help during a tough time, stimulate the economy most effectively because within 30 days those moneys are in the economy circulating around.

The cut that has now occurred takes, I'm told, somewhere around- over the next ten years- \$11 billion out of that system. So as we start talking about savings and about the Farm Bill and the cost and budget reductions, folks have to recognize that's one reduction that has occurred within the Department of Agriculture's activities, we reduced our payments to crop insurance several years ago, that was roughly \$6 billion- \$4 billion of which went to deficit reduction, our operating budget is a billion dollars less than it was when I came into office, that is an additional savings, and on top of that we are still talking within the context of both the House and Senate bill, additional savings.

So the Ag Department, the ag sector, the rural parts of this country are very serious about deficit reduction, but we have to do it in a smart and effective way.

Mr. Bjerga: Mr. Secretary, along with SNAP of course as you have talked about with other USDA programs, the Farm Bill really is something that touches every American, especially in their food consumption habits. One of the deadlines that Farm Bill negotiators are running up against right now- and this has happened before, and it is always something that worries the public, is the potential increase in milk prices starting early next year as Farm Bill programs revert to an underlying Bill passed in 1949.

As you start to hear more discussions of the “milk cliff” approaching on January 1st the USDA would have to do rule making, they would have to implement this program. If a Farm Bill weren’t passed by January 1st, would you be ready to do that?

Sec. Vilsack: We are in the process now of reaching out to processors and those who might be impacted by the decisions we would have to make, asking for input and information as to how best to implement the permanent law should that occur.

I mean the reality is that we would have to figure out ways in which we would bolster the market to the point where it would nearly double the cost. We would be out in the marketplace purchasing product for about \$38 a hundredweight based on current calculations. The market is spending about \$18 a hundredweight, so you can see a significant increase. That would mean the government would end up purchasing a substantial amount of milk and butter and cheese. It might benefit food banks, it might benefit school lunch programs, but it would disadvantage grocery stores and consumers because it would create shortages.

It would also create chaos in the ag economy because if you’re a dairy producer, are you sure this is going to last for an extended period of time? If so, for how long? Do you make decisions about increasing your herd because you see this as an opportunity or are you uncertain that this is going to be a situation that’s going to last for a couple weeks and then ultimately Congress will get its job done? The best way to avoid all of this, Alan, is for Congress to get a farm bill passed before the end of the year. That’s the best and most effective way.

Mr. Bjerga: Well, one area where we already have a surplus of a commodity because of existing farm programs is in sugar. You had high production this year, low prices. They often go hand-in-hand in agriculture. And the government is now holding onto a stockpile as part of farm programs. What are you going to do with all this sugar you have?

Sec. Vilsack: Well, we’re trying to figure that out right now. And part of what we’re doing is using the Feed Stock Flexibility Program to use it to produce renewable fuel, and that’s going to continue. We’ve also developed a creative way of kind of substituting the current sugar for imports, and we’re working with folks that are involved in that, so we are slowly but surely beginning to reduce that surplus, and we’re pleased with the fact that it looks like next year’s crop is not going to be quite as large.

Let me say, in the remaining time we have here, that we’ve talked about sugar, we’ve talked about dairy, we’ve talked about SNAP. What we haven’t talked about is the enormous potential of this bill to impact the economy. It is a jobs bill, because we will be investing literally billions of dollars in business development in rural communities. It’s an energy bill. Again, money is going to be invested in renewable energy and bio-based products that can change the economy in rural America and in all of America.

It's a research bill because this bill will provide resources to land grant universities to come up with new innovations. In the last couple of years, because of our research initiatives, I think 364 patent applications have occurred just from USDA sponsored grants. It's a conservation bill, and the ability to protect our soil and water, and to create new ecosystem market opportunities from the investments in conservation. It's a trade bill because this creates the resources by which we can promote agricultural trade.

Part of what is lost in the discussion in this town and in the media is the scope of this bill. We focus so narrowly on the commodity title and on the SNAP title and the nutrition title that we fail to recognize everything that's in between. And that's why I'm encouraging Congress to get this done because there's so much benefit that can occur. Yes, there are consequences, and we've talked about them, if it doesn't get passed in time. But the benefits are huge.

And frankly, if we want to talk about infrastructure, if we want to talk about jobs, if we want to talk about renewable energy, if we want to talk about trade, it's in this bill. So if people recognize that, I think that they'll encourage their members of Congress to get this done and get it done quickly.

Ms. Ferguson: Can I ask you why, if this is so important and has such a widespread effect, the administration still seems to be standing on the sidelines?

Sec. Vilsack: I don't think that's a fair characterization of what we're doing, Ellyn.

Ms. Ferguson: What are you doing?

Sec. Vilsack: Well, we are providing the technical assistance and the creative thought and ideas that are requested from the committee. We're working every single day, our staff and teams are working. I'm meeting with and talking to Chairman Lucas, Chairwoman Stabenow, ranking members, other members of the conference committee. So that process is ongoing. I'm not quite sure what folks would expect us to do beyond that. That's the most—

Ms. Ferguson: A White House meeting, maybe.

Sec. Vilsack: That's the most important thing to do. That's the most important thing to do, is to provide the tools, and the equipment, and the knowledge, and the information, and the data that will allow these conference committee members to get to the right policy. At the end of the day, this is not about headlines, it's not about trying to satisfy the chattering class, this is about creating a good, solid bill. And that is what we are doing, and that's the work that we've been doing, and encouraging members to get it done quickly.

Ms. Ferguson: Is there going to be a meeting at the White House on the farm bill with the primaries?

Sec. Vilsack: I can't speak for what the White House schedule is. I can tell you that we are meeting, and I know that the White House is engaged, and White House officials are conversing and communicating with the chairs and the ranking members on a regular basis. I think there's no doubt about that.

Ms. Brawner: Mr. Secretary, have you had a meeting with the President about this legislation recently?

Sec. Vilsack: I've talked to the President about this and I've talked to the staff about this, and I talk almost every day to someone connected to the White House about this. Why? Because this is an important bill for a multitude of reasons, in addition to the fact that it's a reform bill. We are going to reduce spending in this bill by some amount, and we will be eliminating direct payments, which is a significant reform. So it's a bill that the White House is quite interested in and quite involved in, and we are working on it every single day.

Ms. Brawner: Alan Bjerga, let me give you the last one.

Mr. Bjerga: One final question about the agricultural economy that you've been speaking of so much already. When you're looking at production trends in the next few years, we've had very high commodity prices, which have reflected themselves in consumer food prices, record agricultural exports, trade.

We're seeing a situation now where a lot of the drivers of those markets—the expansion of ethanol that has pushed corn prices higher is starting to plateau, exports are getting ever more competitive, and yet the crops are getting larger and larger and larger. This agricultural boom that we've had for the past several years, could we be on the verge of a bust, as you see overproduction problems starting to crop up in different sectors?

Sec. Vilsack: I don't think so. We are still having a robust export year, and we'll continue. We're focused potentially on having a record year in exports. We're near records years we've had the last couple of years. That's going to continue. We're continually looking for new and creative ways to use agricultural production and the products of agricultural production in the bio-based economy. I think it's probably not accurate to suggest that high commodity prices have reflected themselves significantly in food costs. Our food inflation rate has been very low. It's been within historic ranges.

Mr. Bjerga: Not every year.

Sec. Vilsack: But the reality is that farmers get very little of that food dollar. I think it would surprise people to recognize that farmers get about 15 cents of every food dollar that's spent. I suspect that people think that farmers get a whole lot more of the food dollar than they do. There's a lot of money that goes into packaging and marketing and ads and so forth.

But I think that there's obviously going to be a continued need and an expanded need for food production, just not in this country, but globally. We're seeing the world population increase. We're seeing economies in China and India where middle classes continue to expand, where needs and desires for protein are expanding. We're seeing a significant need for food production in Africa, where we're working through our Feed the Future initiative to expand production. So I'm confident and convinced the market is going to continue to be strong.

I'm also confident that farmers and producers in this country pay attention to markets, and they recognize that when prices are going down that they need to moderate or they need to adjust their planning. We're going to have a bumper crop in corn this year, but that's going to allow us to replenish what has been a significantly low supply of corn in the last couple years because of drought and floods and storms.

The livestock industry could potentially pick up because now feed costs may come down a bit and may make it a little bit easier for them to profit. So this is a balance, it's a delicate balance, but I'm very confident we're going to continue to see strong markets and we're going to continue to see profitability in agriculture.

Ms. Brawner: We are all out of time. Mr. Secretary, thank you so much for being our newsmaker. Appreciate it.

Sec. Vilsack: You bet. Thank you.

Ms. Brawner: And we're back with our reporters, Ellyn Ferguson of CQ Roll Call and Alan Bjerga of Bloomberg. Alan, let me begin with you. Hearing from the Secretary, as the House and Senate conferees over this five-year farm bill just sat down for the first time this past week, what did you hear from the Secretary about negotiations going forward?

Mr. Bjerga: Well, I think the real telling moment was toward the end, when the Secretary sort of stopped and said, you haven't been talking about this, but let me tell you about jobs, and energy, and research, and conservation, and trade. The farm bill is a massive piece of legislation, and the administration is trying to sell this message and let people know that this really matters to everyone, with the frustration that you get caught in these arguments about food stamps, about commodity programs and such.

But guess what? That's the way that it works. Food stamps are a very emotional topic. With the current political climate in Washington and the cuts that are going forth, there's going to be a lot of focus on that because that's the controversy. It keeps Ellyn and I in business, and we have a lot of questions about it, and those are the questions you're going to want to ask. But if you're the administration, you really are trying to shift the focus of the conversation because that's what's trying to help you get your bill through.

Ms. Brawner: Right. And Ellyn Ferguson, I mean, you asked the Secretary several times about helping out in these negotiations, even referencing the agriculture secretary Congressman Lucas on the House side, saying please step in. Why? Why do they need help with these negotiations?

Ms. Ferguson: Because it is a very contentious issue, and the House and the Senate are so far apart in the policy approach that they take and in the size of the cuts that they would apply to SNAP. I think Chairman Lucas and, to some degree, Chairwoman Stabenow, are looking for congressional leaders and the White House to set a top line, reach an agreement.

And I also believe they're a little concerned about whatever final product they produce making it through the House. The House has been a concern from the start, and the things that we saw happen over the summer in terms of finally getting a bill through underscored the sort of question about the volatility of the House and what would happen.

So he left it sort of unclear as to exactly how much the White House will step in, but on the other hand, Collin Peterson, who is the ranking Democrat on the House Agriculture Committee, said that he worried that if the White House got too deeply involved that whatever the White House was for, people in the House would be against.

Ms. Brawner: Right. And he told us today he's working hard behind the scenes, and he's talking to the conferees behind the scenes and helping them out policy-wise. But Alan Bjerga, what does the House want to do ultimately? Because you saw them separate farm legislation from the food stamp bills and pass them separately. Is that a possibility going forward that they do that again?

Mr. Bjerga: I think the challenge is that I don't think the House knows what the House is going to do, because we have a very factionalized House of Representatives. As the conference committee was meeting last Wednesday, you had press releases going out saying keep food stamps and the farm bill separate.

You also have a dynamic where you have the congressional agriculture committees, which tend to be more bipartisan than a lot of the institutions on Capitol Hill, sort of almost being it's them against the world, in that they've been working on this bill for two years, the seas have been shifting, and they're kind of bouncing along with it.

Congressman Lucas is trying to be a good soldier and working with the Republican leadership on this. The Democrats are trying to get a bill through, but they also know that the SNAP program is very, very important. If they had figured out how to bridge these gaps, we'd have a bill now.

Ms. Brawner: Well, Alan Bjerga, there is a train that's leaving the station, and that's on the budget side. House and Senate conferees are trying to negotiate some sort of deal on what they call common ground. That means no one has to compromise.

Mr. Bjerga: Right, right.

Ms. Brawner: Everything that you agree on is in this legislation. Does the farm bill get thrown in that?

Mr. Bjerga: The conventional wisdom right now is that if you are going to see a farm bill pass this year, it very likely could become part of a budget agreement. That's a good and a bad thing from the standpoint of the committees. The good thing is they get their farm bill. The bad thing is they lose control of the process at that point, and you don't know how the numbers are going to add up.

Ms. Brawner: All right, well, we have to leave it there. Thank you both for your time. Appreciate it.

Mr. Bjerga: Thank you.

Ms. Ferguson: Thank you.

[End of recording.]