



AMERICANS  
*for* TAX REFORM

June 4, 2012

United States Senate

RE: Oppose S. 3240, the Agriculture Reform, Food, and Jobs Act of 2012

Dear Senator,

**I write urging your strong opposition to S. 3240, the Agriculture Reform, Food, and Jobs Act.** Despite claims of reform, this farm bill largely continues the failed farm policies of the past by dramatically increasing food prices for consumers, manipulating supply and demand, imposing new regulations, and propping up farmers and agri-businesses at the expense of taxpayers.

While the bill rightly aims to end costly direct payments, it creates an entirely new taxpayer-funded program to subsidize “shallow loss” insurance for farmers. The shallow loss program has the potential to cost taxpayers even more than the current \$5 billion spent annually on direct payments, especially if commodity prices drop from their current highs. The change also eliminates transparency in government spending on agriculture, hiding the billions sent each year from taxpayers to farmers with incomes nearly double that of the average American family.

Congress is right to focus on spending cuts, however the cuts contained in Sen. Debbie Stabenow’s (D-Mich.) farm bill are insufficient, especially when considering the potential for new programs to expand. The spending cuts in S. 3240 are also substantially below targets proposed by the House of Representatives and President Obama.

Despite claiming to reform agriculture, many of the most costly programs lack reform or are simply made worse. Antiquated and convoluted sugar programs, which collectively cost consumers \$3.5 billion per year in higher food prices, are left untouched. Dairy programs contain new supply management techniques to raise consumer prices, enact what is effectively a new tax on farmers, and impose new, costly regulatory mandates.

In a stagnant economy with Americans out of work and struggling to put food on the table, the last thing we need is a farm bill that makes food more expensive. With Americans demanding fiscal responsibility from Congress, the last thing we need is a new costly and less transparent farm subsidy program. And with an opportunity to truly reform farm programs toward free-markets for the better, the last thing we need is reform in name only. But this is exactly what Sen. Stabenow's farm bill brings.

I strongly urge you to vote against S. 3240 and instead work to craft a free-market farm bill that does not artificially distort markets to the extreme detriment of taxpayers and consumers. If you have any questions, please contact Kelly William Cobb at (202) 785-0266.

Onward,

Grover Norquist  
President, Americans for Tax Reform

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