

## NewsWatch

# Farm bill makes energy top priority

By JOSEY HELLER

**R**ENEWABLE fuels and a variety of energy sources are priorities of USDA Secretary Mike Johanns' 2007 Farm Bill proposal, according to USDA Undersecretary Thomas Dorr. The undersecretary held a news conference at the Kansas Farm Bureau headquarters in Manhattan in February.

Working toward President Bush's goal of reducing dependence upon foreign oil and boosting economic development in rural America requires

## Key Points

- USDA Undersecretary Thomas Dorr talked about farm bill plans in Manhattan.
- Legislation's main components are renewable, alternative energy sources.
- Nearly \$3 billion in grants will be offered for renewable fuel research.

that renewable energy sources be addressed, Dorr said. The 2002 Farm Bill was the first farm legislation designed to look at renewable energy.

USDA plans to invest \$500 million in bioenergy and bioproducts research, which should improve cost-effectiveness in the production of alternative energy sources.

Another \$500 million will be allocated to aid farmers, ranchers and rural small businesses with energy efficiency grants and rural alternative energy. Rural cellulosic ethanol projects will be provided \$2.1 billion in guaranteed loans, and \$150 million will be offered in competitive grants for research of biomass, particularly cellulosic ethanol. According

to a fact sheet from USDA, these funds would work to enhance development of cellulosic ethanol production.

"We need farm policy that recognizes the tremendous potential of American agriculture. These proposals do just that," Dorr quoted Johanns as saying when the 2007 Farm Bill provisions were announced last month.

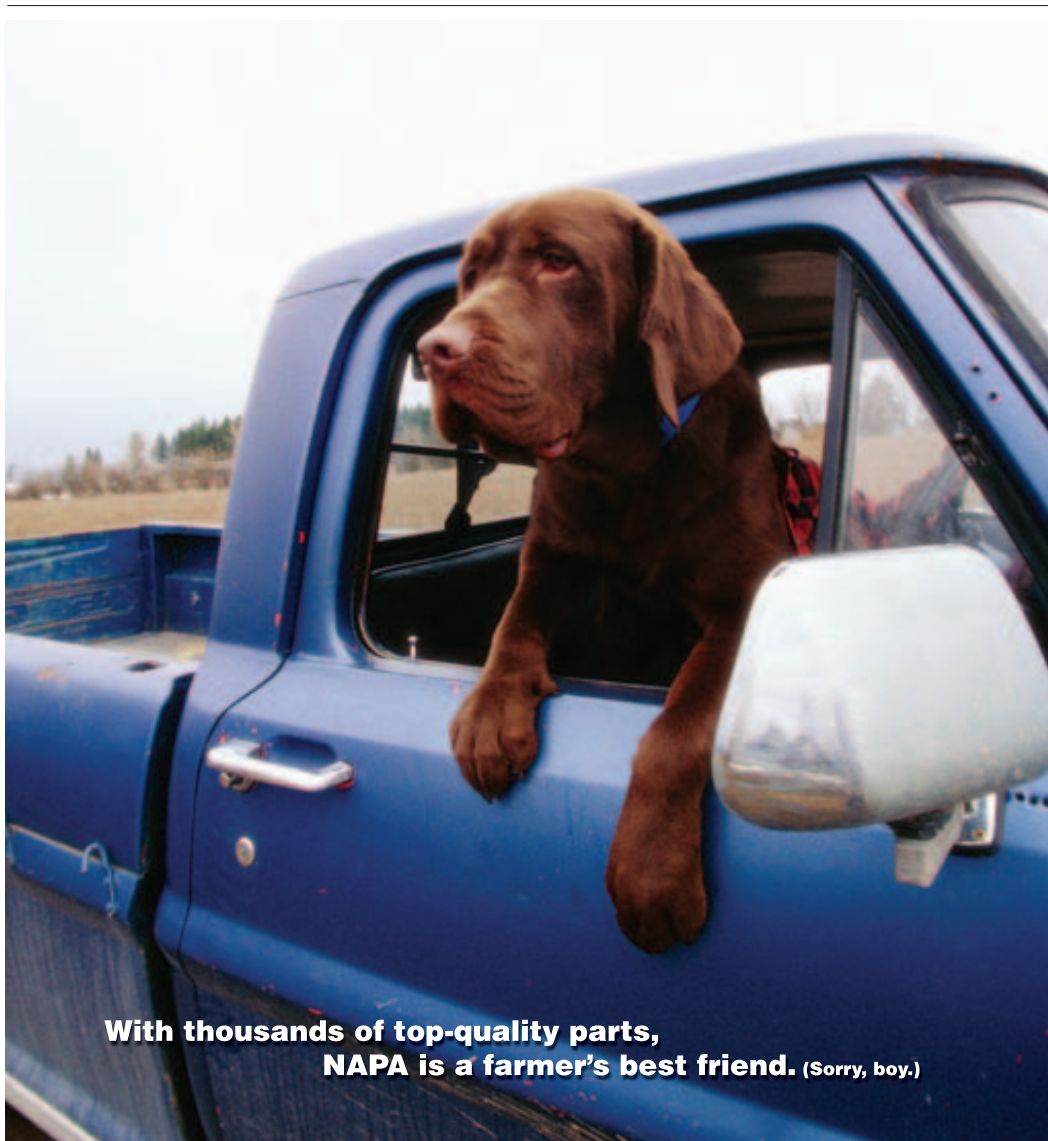
The 2007 Farm Bill will focus heavily on rural economic development.

"We know that if we are going to have a strong economic development strategy in rural America, we have to have three things," Dorr said. "We need quality education, access to quality health care and quality jobs."

Rural development would be reformed by consolidating the 45 rural development programs in an effort to simplify the ability to work with the government. USDA also plans to provide \$1.6 billion in loans to finish the rehabilitation of 1,283 Rural Critical Access hospitals.

For more information, check out [www.usda.gov](http://www.usda.gov), and click on "Farm Bill."

Heller writes from her home near Hunter.



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## Dorr highlights 2007 Farm Bill

USDA Undersecretary Thomas Dorr, in a visit to Manhattan last month, touched briefly upon several proposals of the 2007 Farm Bill. Highlights of these "titles" are summarized below:



■ **Commodity program support.** Revisions to the marketing loan rates would set loan rates according to the average market the past five years and cap loan rates at the levels determined by the 2002 Farm Bill. Daily posted county prices would change to monthly posted prices.

■ **Conservation and forestry.** Conservation program funding would increase by \$7.8 billion. USDA will work with other federal agencies for development of private markets for key conservation programs. The agency will assign 10% of all conservation program spending to beginning and socially disadvantaged farm producers.

■ **Research.** Specialty crops would receive \$1 billion for research of advanced plant breeding.

■ **Trade.** USDA plans to improve the U.S. presence in international trade setting proposals. Also, the agency plans to earmark \$68 million for technical assistance grants intended for specialty crops.

■ **Food stamps and nutritional programs.** The food stamp program would be simplified, modernized and renamed the Food and Nutrition Program. The proposal would allot \$100 million for competitive grants to states to tackle obesity.

■ **Credit programs.** An increase on limits for direct ownership loans and direct operating and ownership loans would be targeted toward beginning and socially disadvantaged farmers.