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Bush Vows To Veto Senate's Farm Bill

By Dan Morgan
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The Bush administration, setting the stage for another confrontation with Congress over a major spending measure, issued a veto threat yesterday against the Senate version of the \$288 billion farm bill.

The announcement came as a disappointment to bipartisan Senate supporters, who had hoped the farm legislation avoided some of the pitfalls that prompted a similar veto threat this summer against a House-passed version.

But in a news briefing held as Senate debate began yesterday, acting Agriculture Secretary Charles F. Conner charged that the five-year legislation had been inflated by \$37 billion through the use of "tax increases and budget gimmicks."

"It will need significant changes. . . . We have a long way to go," he said. Conner said details of the administration critique will be issued shortly in the hope that they "will impel Congress to work with us."

Despite the enormous congressional popularity of the bill -- which funds farm subsidy programs, food stamps, environmental programs and biofuels research -- the administration believes it can sustain a veto by rallying Republicans against tax provisions used to fund some of the new outlays.

Conner charged that the bill's funding depends on \$15 billion in new taxes and added that "we don't believe other sectors should pay" so that farm subsidies can go to "millionaires living on Park Avenue."

Most House Republicans voted against that chamber's version of the bill in July after Democrats offset new spending on nutrition programs by tightening tax rules on U.S. subsidiaries of foreign companies. Democrats said they were merely closing a loophole, but Republicans and the White House branded it a tax increase.

The Senate version, which includes a new \$5.1 billion fund that farmers could tap when hit by weather losses, would be financed in part by a different set of measures clamping down on tax-avoidance techniques used by business.

Conner also said the bill contains too little reform of subsidies. He said the administration is dissatisfied that the bill does not place stricter limits on subsidy payments to rich farmers.

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