



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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For Immediate Release

Monday, June 14, 2004

Grassley Announces Hearing on Federal Farm Program Payments

Hearing: Farm Payments for Far-away Proprietors: Strengthening Regulations and Oversight to Better Ensure Agriculture Financing Integrity

Date: Wednesday, June 16, 2004

Time: 11 a.m. ET

Location: 215 Dirksen Senate Office Building, Washington, D.C.

Description: Farmers receive approximately \$15 billion annually in federal farm program payments. After concerns of farm payments going to those not involved in farming, Congress passed the Farm Program Payments Integrity Act of 1987 to limit payments to individuals and entities that are actively engaged in farming.

As federal farm payments continue to inch upward, support for the safety net is spiraling downward. Grassley asked the General Accounting Office to evaluate the U.S. Department of Agriculture's effectiveness at limiting payments, to assess the Agriculture Department's oversight, and to summarize the distribution of farm payments by entity. The GAO report will be released at the hearing.

Grassley has long been an advocate for limiting federal farm payments. During the budget debates of the last two years, Grassley sponsored legislation to limit farm payments. During the farm bill debate in the 107th Congress, Grassley sponsored a bipartisan amendment that passed the Senate 66 to 31. Grassley said that amendment was critical to family farmers in Iowa and when the farm bill failed to effectively address this issue, Iowa was hurt.

It's expected that representatives of the General Accounting Office and the Department of Agriculture will testify. A final witness list will be released at a later time.