

Congress passes farm bill, defying Bush

By MARY CLARE JALONICK, Associated Press Writer

WASHINGTON - Congress sent the White House a huge election-year farm bill Thursday that includes a boost in farm subsidies and more money for food stamps amid rising grocery prices.

Bush has threatened to veto the \$290 billion bill, saying it is fiscally irresponsible and too generous to wealthy corporate farmers in a time of record crop prices.

But Congress disagreed, passing the bill by overwhelming margins in both chambers — enough to override a veto. The Senate vote was 81-15, a day after the House approved it with 318 "yes" votes.

About two-thirds of the bill would pay for domestic nutrition programs such as food stamps and emergency food aid for the needy. An additional \$40 billion is for farm subsidies, while almost \$30 billion would go to farmers to idle their land and to other environmental programs.

Agriculture Secretary Ed Schafer again criticized the bill after Tuesday's House vote, saying it has the wrong priorities.

"It does not target help for the farmers who really need it, and it increases the size and cost of government while jeopardizing the future of legitimate farm programs by damaging the credibility of farm bills in general," he said.

Congress has only overridden one veto, on a water projects bill, during Bush's two terms.

Congressional negotiators met for weeks in an effort to come closer to the White House on the amount of money to be paid to wealthy farmers — one of the chief sticking points with the administration. But drastic cuts to subsidies were not possible, lawmakers said, because of the clout of Southern lawmakers who represent rice and cotton farms that are more expensive to run.

"This bill has reform in it," said Senate Majority Leader Harry Reid. "Could we have done more? Perhaps. But if we'd done more we wouldn't have gotten a bill."

The legislation would make small cuts to direct payments that are distributed to some farmers no matter how much they grow. The farm bill also would eliminate some federal payments to individuals with more than \$750,000 in annual farm income — or married farmers who make more than \$1.5 million.

Individuals who make more than \$500,000 or couples who make more than \$1 million jointly in nonfarm income also would not be eligible for subsidies.

Under current law, there is no income limit for farmers receiving subsidies, and married couples who make less than one-fourth of their income from farming will not receive subsidies if their joint income exceeds \$5 million.

The administration originally proposed a cap for those who make more than \$200,000 in annual gross income, but later indicated it could accept a limit of \$500,000. Previously, negotiators were considering a \$950,000 income cap on farm income.

The bill also would:

_Boost nutrition programs, including food stamps and emergency domestic food aid, by more than \$10 billion over 10 years. It would expand a program to provide fresh fruits and vegetables to schoolchildren.

_Increase subsidies for certain crops, including fruits and vegetables excluded from previous farm bills.

_Extend and expand dairy programs.

_Increase loan rates for sugar producers.

_Urge the government to buy surplus sugar and sell it to ethanol producers for use in a mixture with corn.

_Cut a per-gallon ethanol tax credit for refiners from 51 cents to 45 cents. The credit supports the blending of fuel with the corn-based additive. More money would go to cellulosic ethanol, made from plant matter.

_Require that meats and other fresh foods carry labels with their country of origin.

_Stop allowing farmers to collect subsidies for multiple farm businesses.

_Reopen a major discrimination case against the Agriculture Department. Thousands of black farmers who missed a deadline would get a chance to file claims alleging they were denied loans or other subsidies.

_Pay farmers for weather-related farm losses from a new \$3.8 billion disaster relief fund.

_Provide the first-ever infusion of federal farm dollars — more than \$400 million — to clean up the Chesapeake Bay.

The bill also includes a few home-state provisions inserted by lawmakers, including tax breaks for Kentucky racehorse owners and additional aid for salmon fishermen in the Pacific Northwest.

Despite the overwhelming vote, the bill does have some farm-state critics.

Indiana Sen. Richard Lugar, a former Republican chairman of the Senate Agriculture Committee, voted against the bill.

"I do not believe our nation is best served by this farm bill that continues to make payments that defy common sense, snubs our trading partners, and balloons taxpayer spending," Lugar said.