

From cherries to dairy, here's why you should care about the farm bill

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LANSING — When the U.S. Senate approved a sweeping new farm bill Tuesday, Rufus Isaacs and the other researchers in his Michigan State University laboratory were watching the vote online.

The final four years of an \$8.6 million project on bees and pollination hung in the balance.

Wild honeybee populations have been decimated in many parts of the country. Isaacs leads a team of U.S. and Canadian scientists who are looking for ways to harness native bee populations — and Michigan has more than 400 wild species — to do the pollination work essential to apple, blueberry, cherry and other crops.

“With the lack of a farm bill for the last year, we’ve been in a bit of a holding pattern,” said Isaacs, an MSU entomologist.

Federal funding for the project stopped coming in September. MSU gave some bridge money, but the financial uncertainty “makes it difficult to keep your staff and plan for the

future,” Isaacs said. Tuesday’s vote was a reason for celebration, “a clear signal now from Congress that they want to invest back in this project.”

You can count Michigan farmers and Michigan researchers among the clear winners in the farm bill, which lays out nearly \$1 trillion in spending over the next decade.

The bill increases funding for research on the specialty crops that Michigan produces in abundance — apples, cherries, blueberries and cucumbers among them — and expands crop insurance programs to include growers.

It also offers new insurance for the state’s 1,900 dairy farmers.

“We like to say Michigan is on every page of this farm bill,” said Jim Byrum, president of the Michigan Agri-Business Association.

He gives his organization and others like it some of the credit for that and much of the rest to Sen. Debbie Stabenow. As chair of the Senate agriculture committee, the Michigan senator shepherded the bill through Congress, going so far as to lobby for the compromise on the House floor.

“I’ve been doing this a long time,” Byrum said, “and I’m pretty convinced that if Debbie Stabenow hadn’t been chair of the Senate ag committee and had the tenacity and commitment that she did, I don’t think we’d have had a farm bill this year.”

In an apparent nod to Stabenow, President Barack Obama will sign the bill at MSU today.

Not everyone here has as much reason to applaud. This farm bill cuts \$8.6 billion in food stamps over the next decade, about 1 percent of the total, by closing what some consider a loophole in the program that is used by Michigan and 15 other states. The cuts will be felt here disproportionately.

The Specialty Crop Research Initiative was a new addition to the 2008 farm bill. It has funded several projects at MSU, among them Isaacs’ pollen project and a \$14.4 million effort to leverage genetic information to breed better apples, peaches, cherries and strawberries. The latter effort is led by Amy Iezzoni, a professor of horticulture and the only tart cherry breeder in the country.

“Specialty crops are a really big deal in Michigan and that’s a program that has served us very, very well,” said Doug Buhler, director of AgBioResearch, the statewide university research operation once known as the Agricultural Experiment Station. Over the last two years of the program, he said, MSU has gotten more money than any other institution in the country.

The new bill only ups the federal government’s commitment, setting aside \$400 million for research on specialty crops, an increase of nearly 40 percent in average annual allocations.

Among the provisions touted by the bill’s authors is one that ends a \$5 billion program that gave direct subsidy payments to farmers whether they grew anything or not. At the same time, it expands subsidized crop insurance programs by \$7 billion, expanding their reach from row crops such as wheat and corn to fruits and vegetables.

It’s the sort of protection that might have blunted the impact of a year like 2012, when an usually warm spring gave way to freezing weather, decimating the state’s fruit crops.

“For the first time, the diversity of this state will be able to purchase risk management tools and that means a lot to the farmers,” said Wayne Wood, president of Michigan Farm Bureau.

Dairy is the state’s largest agricultural sector, with an annual impact of \$2.4 billion from farming operations alone. The bill also offers new protections for dairy farmers.

Ken Nobis, a St. Johns dairy farmer and president of the Michigan Milk Producers Association, called a new margin insurance program “a monumental improvement” over a price support program that had been well outstripped by market prices. Such a program helps dairy farmers when the cost of producing milk gets too close to market prices.

One of the most criticized provision of the bill are the cuts to what are sometimes known as “heat and eat” policies that some states use to expand eligibility for the Supplemental Nutrition Assistance Program,

better known as food stamps.

Heat and eat works like this: If a household receives benefits under the Low Income Home Energy Assistance Program, the federal government assumes that household is paying for utilities and allows residents to use a standard utility allowance in computing their food assistance eligibility.

Michigan and other states have begun giving out nominal utility assistance payments, as little as a dollar a month, in order to allow some residents to claim the standard allowance and increase their eligibility for food assistance even when utilities are included in their rent.

The farm bill would require residents to get at least \$20 a year in utility assistance to be eligible. The Congressional Budget Office estimates that will reduce benefits for 850,000 households nationwide by an average of \$90 a month.

How that would be felt in Michigan is unclear, but a report from the Congressional Research Service found that Michigan had 651,795 households that qualified for food stamps through the home energy assistance program in 2011, second only to Pennsylvania. Some of those undoubtedly do pay for utilities separately and would maintain the same level of eligibility.

But, for people living on the edge of solvency, small cuts matter, said Kareemah El-Amin, executive director of the Food Bank Council of Michigan. "When you take a cut of \$38 from a family per person, that is significant."

The farm bill will have a particularly broad impact here, said David Schweikhardt, an agricultural economist at MSU. That comes with the state's diverse agricultural sector, and its combination of urban and rural areas.

"All the issues that come up in a national farm bill debate," he said, "always come up in a microcosm here in Michigan."

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