Congress of the United States Mashington, DC 20515

December 07, 2023

The Honorable Chuck Schumer Majority Leader U.S. Senate Washington, DC 20510

The Honorable Mitch McConnell Minority Leader U.S. Senate Washington, DC 20510 The Honorable Mike Johnson Speaker U.S. House of Representatives Washington, DC 20515

The Honorable Hakeem Jeffries Minority Leader U.S. House of Representatives Washington, DC 20515

Dear Majority Leader Schumer, Speaker Johnson, Minority Leader McConnell, and Minority Leader Jeffries:

We write to you today to emphasize the critical need for the passage of a comprehensive and improved farm bill. Your decisions hold significant weight in determining the well-being of our agricultural sector and will impact the grocery budget of families throughout the nation as they deal with inflation not seen in this country in 40 years.

The Biden administration and its reckless spending have led us to this place of record inflation. By making conservative reforms to key programs we will be able to tame inflation while also keeping in place a responsible safety net for families and farmers.

First, we must make reforms to the Supplemental Nutrition Assistance Program (SNAP). The nutrition title is by far the costliest title of the bill. The Congressional Budget Office (CBO) baseline projection shows that farm bill nutrition programs will cost more than \$1.2 trillion over ten years. The SNAP program had an 11.54% error rate in 2022 marking a 4% increase from 2019.¹ There is bipartisan support to fix overpayments and fraud which will result in real savings for the American people.

Returning SNAP to pre-pandemic levels is another important policy reform that must be enacted in the farm bill reauthorization. In fact, CBO estimates the annual cost of SNAP increased 130% from FY 2019 to FY 2023.² During the 2018 farm bill, the CBO scored the Thrifty Food Plan language at zero-cost. However, the Biden administration unilaterally increased SNAP benefits by 21% with an estimated increase of \$300 billion over ten years with an update to the Thrifty Food Plan.³ This was done without consultation from Congress. In order to tame inflation

^{1.} U.S. Department of Agriculture, Food and Nutrition Service. (2022). Supplemental Nutrition Assistance Program: Fiscal Year 2022 Quality Control Payment Error Rate. FNS. <u>https://fns-</u> prod.azureedge.us/sites/default/files/resource-files/snap-fy22-qc-payment-error-rate.pdf

^{2.} Congressional Budget Office. (September 2020 & May 2023). 10-Year Budget Projections. CBO. https://www.cbo.gov/data/budget-economic-data

^{3.} Government Accountability Office. (2023). (Report No. GAO-23-105450). GAO. https://www.gao.gov/assets/gao-23-105450.pdf

felt by every American family, we must return to the pre-pandemic level of spending in SNAP and make sure any further updates are done at zero-cost.

While families feel the impact of inflation at the grocery store, there is no doubt that farmers and ranchers across the country feel it as they run their businesses. Feed, fuel, fertilizer, and other inputs have all taken a hit to farmers' bottom line. Unlike many businesses, farmers do not have the luxury of passing those costs on to their customers. We must have a farm bill that responsibly takes care of our farmers and ensures farm programs are not operated in such a way that picks winners and losers based on immutable characteristics.

However, there are others areas within the farm bill that can save money. This Administration continues the abuse of the USDA slush fund known as the Commodity Credit Corporation with climate programs for corporations. Congress should pursue reforms that put Congress back in charge of the purse strings – one such reform would save \$8 billion over ten years.⁴ In addition, Congress should take care to ensure that farm support programs are geared toward full-time farming families.

Finally, we must ensure that the U.S. food supply is controlled by American farmers and ranchers, not foreign adversaries. USDA recently projected the U.S. would become a net importer of food for the first time in history in 2023.⁵ Further, a 2021 USDA report found 384,000 acres of U.S. farmland, some of which is near key defense installations, is owned by Chinese interests.⁶ The farm bill should promote national security and U.S. control of our food supply by prohibiting purchases of U.S. agricultural land by our adversaries, including the People's Republic of China, Russia, North Korea, and Iran, and their affiliates.

We implore you to recognize the urgent need to pass a farm bill that addresses the record inflation that our constituents have seen and foreign threats to our food supply. While there are other reforms we should consider, by passing these common-sense reforms, we can lower inflation, reduce our deficit, maintain a farm and family safety net, and promote our national security. We look forward to working with you on this important bill. Thank you for your consideration.

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Chuck Grassley U.S. Senator

Sincerely,

Chip Roy Member of Congress

- 4. Grassley, C. 2023. USDA Spending Accountability Act CBO Score. Grassley Senate. https://www.grassley.senate.gov/imo/media/doc/usda_spending_accountability_act_cbo_score.pdf
- 5. U.S. Department of Agriculture, Office of the Chief Economist. (2023). USDA Agricultural Projections to 2032. USDA. https://www.usda.gov/sites/default/files/documents/USDA-Agricultural-Projections-to-2032.pdf
- 6. U.S. Department of Agriculture, Farm Service Agency. (2021). Foreign Holdings of U.S. Agricultural Land Through December 31, 2021. FSA. https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/EPAS/PDF/2021 afida annual report through 12 31 2021.pdf