

United States Senate

WASHINGTON, DC 20510

November 3, 2011

The Honorable Patty Murray
Co-Chair
Joint Select Committee on Deficit Reduction
The Capitol
Washington, D.C.

The Honorable Jeb Hensarling
Co-Chair
Joint Select Committee on Deficit Reduction
The Capitol
Washington, D.C.

Dear Senator Murray and Representative Hensarling:


Please find enclosed with this letter two draft bills that address setting tighter payment limitations for Title I commodity programs. If the Joint Select Committee considers the area of commodity payments in the process of finding savings for the federal budget, we believe setting a cap on payments and closing loopholes in the commodity program are common-sense ways to save money while improving the integrity of the program.

Both bills essentially accomplish the same goal of setting stricter payment limits and closing loopholes. The bill marked "A" is the same bill we have introduced in the 112th Congress. This bill language would address payment limitations if the Title I programs remain the same going forward. This bill is essentially the same as the amendment introduced (by Senators Grassley and Dorgan) during the 2008 Farm Bill debate, and it received 56 votes in its favor. Admittedly, the amendment failed because it needed 60 votes, but it shows there has been bipartisan support for this bill in the past. With Congress more concerned than ever about reigning in federal spending and wanting to see tax-payer dollars spent effectively, we are confident bipartisan support remains high for this type of reform.

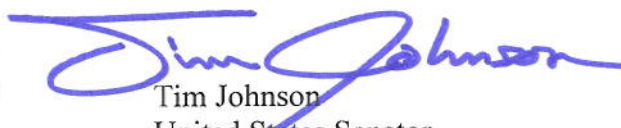
The bill marked "B" takes a slightly different approach to reach the same goals. As you may be aware, many proposals have been offered by members of Congress and interested stakeholders that would fundamentally change the Title I commodity program to a revenue based plan, or potentially some other type of safety-net plan. If by chance the Joint Select Committee chooses to adopt a completely revised commodity program in order to find savings, we stress that setting meaningful payment limitations and closing loopholes is still necessary. So in an effort to provide the Joint Select Committee with bill language that can address payment limits no matter how the commodity program is shaped, we have prepared this alternative bill language.

If the Joint Select Committee has any questions or concerns please contact us or our staff, for Senator Grassley, contact Jared Hill at (202) 224-3744, for Senator Johnson, contact Josh Tonsager at (202) 224-5842.

Sincerely,



Charles E. Grassley
United States Senator



Tim Johnson
United States Senator