

# Lugar-Lautenberg Response

Charts used during  
Sen. Conrad speech on the  
Senate Floor – Dec. 11, 2007

# USDA Economic Research Service

## Agricultural Resource Management Survey

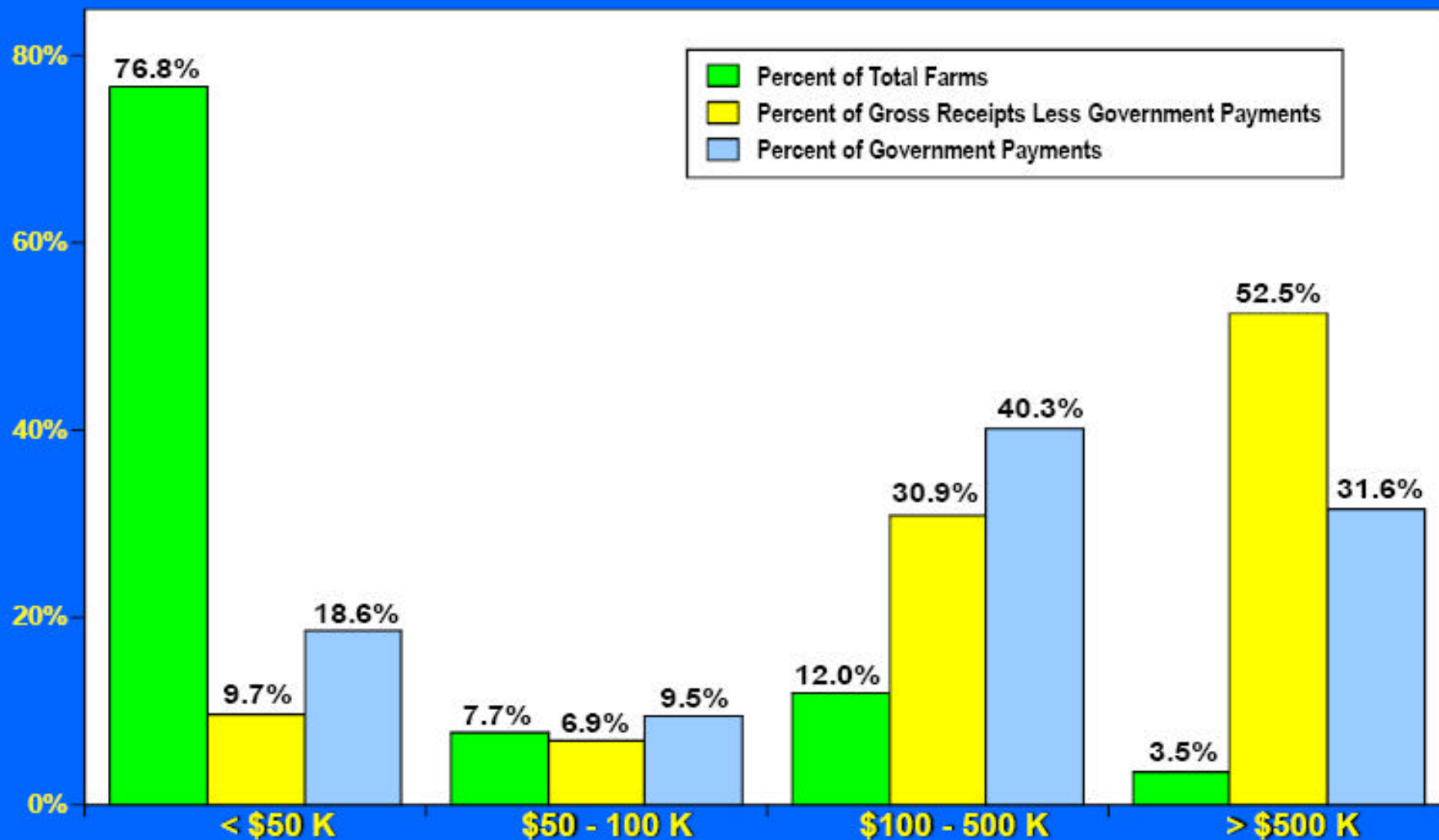
### Farms receiving no government payments:

- *98.6% of the income for nonparticipating farm households comes from off-farm sources.*
- *Average farm income of \$1,098*

### Definition of a Farm – ERS Report Quote

*'Most establishments classified as farms are too small to support a household because the official U.S. farm definition requires only \$1,000 of sales to qualify as a farm.'*

# Percent of Farms, Gross Receipts, and Government Payments (2006 Data)



# **USDA Economic Research Service**

## **2006 Data: Agricultural Resource Management Survey**

### **Farms with gross sales over \$50,000**

- 23% of the 1,990,343 farms
- Responsible for 90.3% of farm receipts
- receive just over 81% of farm program payments.

### **Farms with gross sales less than \$10,000**

- constitute 58% of farm numbers
- produce only 3.8% of total farm receipts
- receive 7% of government payments

# Agricultural and Food Policy Center

## Texas A&M University

### *Analysis of FARM 21 – July 2007*

- *“Twenty-four of the 25 representative crop farms would see more than a 25% decrease in net cash income.”*
- *With lower commodity prices, the ‘provisions do not come close to providing the same amount of support as the programs in the 2002 Farm Bill, and should such a low price scenario occur in the future, most of the farmers and ranchers would not be able to survive the erosion in farm income without some additional government support.’*

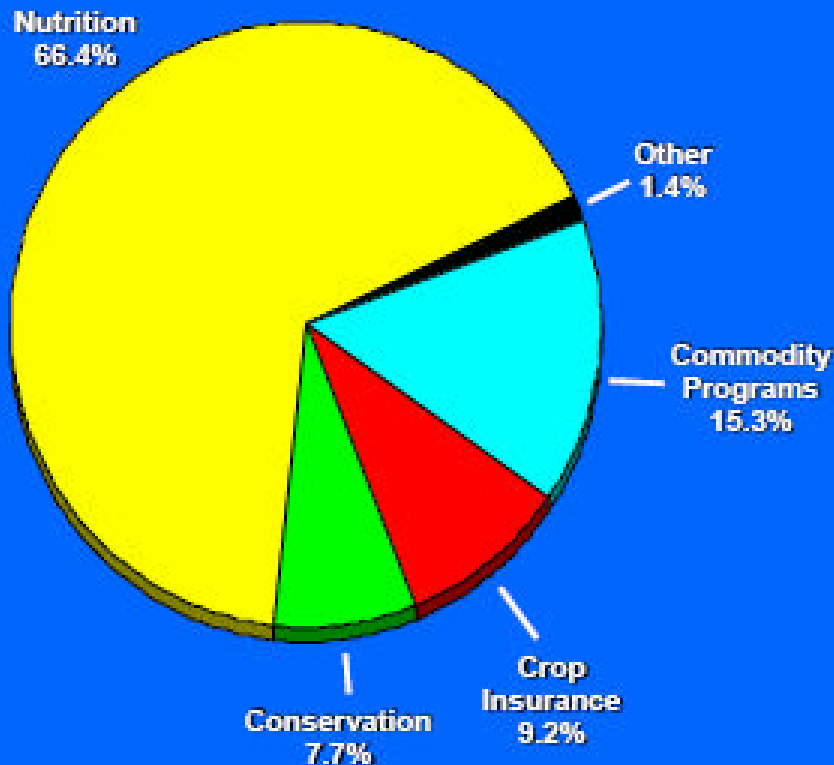
# **Farm Productivity Spurs Global Economy**

**“The prospect for a long boom is riveting economists because the declining real price of grain has long been one of the unsung forces behind the development of the global economy. Thanks to steadily improving seeds, synthetic fertilizer and more powerful farm equipment, the productivity of farmers in the West and Asia has stayed so far ahead of population growth that prices of corn and wheat, adjusted for inflation, had dropped 75% and 69%, respectively, since 1974. Among other things, falling grain prices made food more affordable for the world’s poor, helping shrink the percentage of the world’s population that is malnourished.”**

**– Wall Street Journal  
September 28, 2007**

# Distribution of Mandatory Outlays 2008 - 2012

## CBO March Baseline



## 2007 Farm Bill

