

From: "keifert@sbcglobal.net%inter2" <keifert@sbcglobal.net>
Subject: Farm Bill 2007 Official Comments - 10/04/2005 01:17 PM CDT
Date Sent: 10/04/2005 01:17:10 CDT
Date Received: 10/04/2005 01:18:54 CDT

Email: keifert@sbcglobal.net
FirstName: Karen Eifert
LastName: Jones
Address1: 16626 Old Hwy 18
Address2:
City: Manhattan
State: Kansas
zipcode: 66502

Question1: The unintended consequence I see is an increase in rental and purchase prices for RE because the subsidy payments are bid into the value of the land. This means more capital is required to "get in". USDA can make more effort to get low cost capital to beg farmers or better yet, get out of the subsidy business.

My reason for commenting on FB at all is to submit this idea: FSA farm loan programs has a begining farmer program. But it really only works for someone that is established under Dad's wing or something like that. Currently, custom farming is not an authorized loan purpose for FSA loans because they aren't operating a farm. You don't wake up one morning and have "a farm." You build it. Need to change the law so a beg farmer can get a loan to do custom farming (a great entry to the farm business) with FSA loan funds as long as they have a plan to get into farming on their own within 5 years (or some period of time). If they don't follow through, their loan eligiblity would terminate at that time.

Question2: Free market. Keep information flow open so all producers have full knoweldge of the industry. Remove or take away trade barriers. Sit back and let it work!

Question3: This question implies there is something inherently wrong about encouraging larger farms -- which will generally be more efficient and therefore more compitive in the world market. Not necessarily a bad thing. Ditch payment limitations. They do nothing but make attorney's rich and distort the market.

Question4: Reward them financially. Require compliance for participation in farm programs. Keep things in perspective so env. goals meet a cost/benefit test.

Question5: The first real question is "should they?" Are we making a social decision that we want to support the rural lifestyle even when the economics do not? If so, then be upfront about that goal. And if that is the goal, encourage growth of established business with a good chance of suces rather than taking risks only on new businesses that statistically are more likely to fail. Focus on infrastructure such as roads, fiberoptic lines, sattelite service, etc - public domain issues.

Question6: Not sure they should be in a big way. Most organic efforts have proven to sound good but be economically un-feasible. Let your markets work. Specialty crops will find their place if it is there. Ensure there is transportation available and that food is safe -- then leave producers alone.