



Political Shift in Washington D.C. Will Impact Agriculture

The political shift in Washington D.C. from a Republican-led to a Democratic-led legislature as a result of the mid-term elections will impact agriculture and the dairy industry.

In the U.S. legislature, the Democrats have taken control of both the House and Senate. There are two independent Senators – one is former Democrat Joe Lieberman (I-CT) – and both will caucus with the Democrats on most, if not all, issues.

When a power shift like this occurs, legislative leadership also changes hands. Details of party gains and losses in both the Senate and House as well as leadership changes are shown in the charts on this page. On the farm side, we will see new Agriculture Committee leaders in both the U.S. Senate and House of Representatives.

How Will the Changes Impact Agriculture?

The 2007 Farm Bill may be rewritten instead of seeking an extension like what was assumed would happen under the previous leadership. Mike Johanns, the current Secretary of Agriculture, has indicated he will have a Farm Bill proposal available for legislative review by January 2007. However, because he was appointed under the Republican leadership and has indicated a desire to create a more market-oriented Farm Bill with fewer subsidies, it is doubtful his recommendations will be met with open arms.

Under the new leadership, it is likely that the 2007 Farm Bill will be similar to the current one with

only moderate changes.

In the coming year, we should expect to see more emphasis placed

on the environment, with sustainable fuels taking a forefront. Fortu-

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U.S. House of Representatives

	Total	Gain/Loss
Republican	196	-29
Democrat	230	+30
Independent	0	-1

House Leadership	Out	In
Speaker	Dennis Hastert (R-IL)	Nancy Pelosi (D-CA)
Majority Leader	John Boehner (R-OH)	Steny Hoyer (D-MD)
Majority Whip	Roy Blunt (R-MO)	James Clyburn (D-SC)
Agriculture Committee	Bob Goodlatte (R-VA)	Collin Peterson (D-MN)

Dairy Losses From Ag. Comm.

Gil Gutknecht (R-MN)
Richard Pombo (R-CA)
Joe Schwarz (R-MI) – lost in Michigan Primary Election

U.S. House of Representatives:

Michigan Leaders	Committee Led
John Conyers	Judiciary
John Dingell	Energy & Commerce

U.S. Senate

	Total	Gain/Loss
Republican	49	-6
Democrat	51	+6
Independent	0*	0

Senate Leadership	Out	In
Majority Leader	Bill Frist (R-TN)	Harry Reid (D-NV)
Majority Whip	Mitch McConnell (R-KY)	Dick Durban (D-IL)
Agriculture Committee	Saxby Chambliss (R-GA)	Tom Harkin (D-IA)

U.S. Senate:

Michigan Leaders	Committee Led
Carl Levin	Armed Services

* Independent Senators Joe Lieberman (I-CT) and Bernie Sanders (I-VT) are expected to vote with the Democrats

Learn to Keep Agriculture in the Family at 'Farm it Forward' Program

Keeping a family farm in business from one generation to the next or between multiple members of one generation can be a challenge. Discover how to address major issues that can lead to failure in multiple-generation farm businesses during "Farm it Forward," an educational program offered by Michigan State University (MSU) Extension.

The program will take place over two weekends, January 5-6 and March 2-3, 2007, at the MSU W.K. Kellogg Biological Station, in Hickory Corners, Mich.

Participants will learn about the importance of communication in multigenerational farm families. They will have the opportunity to work through the process of planning a farm business transition and find out whether their existing op-

erations are large enough to support additional partners.

Farm it FORWARD



Resource professionals who work with farm transitions have been recruited to facilitate the program and provide a positive environment for building a solid plan of action.

Topics include planning, ideas for multiple-generation farm families that live and work together, strategic business

planning, farm business planning and estate planning basics.

"Putting together an informed plan of action can really improve the future outcome of the farm transition process," says Dennis Stein, MSU Extension educator in Tuscola County and one of the program's organizers. "The transition of knowledge and management

is no small task, and it shouldn't be undertaken without some outside assistance."

Participating farms must send at least two people to the program. The registration fee is \$300 for up to four people from one farm and \$125 for each additional person from the same farm. The fee is due December 1 and includes all materials and meals. It does not include lodging.

To get more information about the program or lodging, or to register, contact Stein at steind@msu.edu or call the Tuscola County MSU Extension office at (989) 672-3870, fax (989) 673-8248 or visit <http://www.msu.edu/user/steind/>

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nately, the great majority of us that grow our own feeds will be insulated from rising corn and soybean prices due to increased production of ethanol and bio-diesel.

The Midwest dominates the Senate Agriculture Committee, which should pan out well for dairy. Senator Patrick Leahy (D-VT) has indicated that he will work for an extension of the Milk Income Loss Contract Program (MILC) with an increase in the payment rate.

Another favorable outcome for dairy is the possibility that a more reasonable and workable immigration bill could be written and passed.

Outcomes that Could Occur Include:

- No elimination of the estate

tax. It is probable legislators will increase the exemption-amount.

- A halt or slow down of future world trade negotiations due to trade-distorting policies that are likely to be put into place under a Democratic-led legislature.
- More emphasis placed on healthcare reform, which could lead to additional taxes, and at the very least, will hold up legislative action on issues that impact dairy.

How the new power shift pans out for dairy and agriculture remains to be seen. If you have questions on legislative action at both the Federal and State levels, please contact me in the Novi office.

Edward Kirkpatrick

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