

VIA FACSIMILE: 202-225-8259

June 5, 2009

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

Dear Madame Speaker:

With the recent approval by the House Energy & Commerce Committee of legislation to curb carbon emissions, a significant step has been taken to change fundamentally how America generates and uses its energy. Any such effort, once enacted, will undoubtedly have broad impacts on U.S. agriculture, and it is critical that those impacts be managed carefully and any potential damage minimized if we are to assure that American agriculture is not harmed.

We acknowledge the work and effort that have been made on this issue by so many members of Congress. The bill reported from the Energy & Commerce Committee is substantively different from the original discussion draft; in some respects, those differences reflect improvements. We acknowledge the efforts of all those who have reached out and sought input from a wide spectrum of agricultural constituencies with the goal of drafting a bill that balances the environmental and economic needs that are at risk.

I am writing today to offer Farm Bureau's full involvement as you seek to craft a final product that will be debated by the House of Representatives. The leadership of our organization, which is the nation's largest general farm organization, with producers in all 50 states and Puerto Rico and in every sector of agriculture, agree that any legislation should further the interests of American agriculture, recognize the important role our sector can play in sequestering carbon, and not put American agricultural products at a disadvantage in international markets. Before the Energy and Commerce Committee began its mark-up, we identified several pillars that we believe can and should form the foundation on which to build any legislative effort to control carbon emissions. The bill reported from committee at least implicitly acknowledges these pillars by mitigating cost impacts, promoting use of alternative fuels, and providing for a carbon offset program. We are pleased that the legislation moves in the direction of these principles but it unfortunately continues to fall short in many important respects. We are, however, committed to improving the measure for agricultural producers. We will be pleased to work with you, Chairman Henry Waxman (D-Calif.), Chairman Collin Peterson (D-Minn.) and others in assuring that the following reforms, which are critical to agriculture, are embodied in legislation taken up by the House:

- Assuring that the agricultural sector is not capped.
- Assuring that the United States does not jeopardize its own economy without first getting assurance of comparable commitments from other emitting nations, including China and India.
- Assuring that any legislation effectively “plug the hole” created in America’s energy supply, either through nuclear or other forms of energy.
- Assuring that USDA promulgates the rules for and administers a robust agricultural offset program that –
 - fully recognizes the wide range of carbon mitigation or sequestration benefits agriculture can provide;
 - does not cap domestic offset allowances and limits the use of international offsets;
 - bases both carbon emission reduction rates and carbon sequestration rates on sound science;
 - recognizes early adopters; and
 - permits the use of stackable credits.
- Assuring that the provisions of H.R. 2409, the *Renewable Fuel Standard Improvement Act*, introduced by Chairman Peterson, are incorporated in the legislation

A critical test for whatever legislation is taken up will be that it makes economic sense, not just for agriculture but for our economy and our nation as a whole. We believe such a bill is possible and want to convey to you our willingness to work with you toward that end.

Sincerely,



Bob Stallman
President