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PRE-ELECTION ISSUE

With one week remaining until the national elections, almost all polls continue to show Democratic Presidential candidate Senator Barack Obama's lead over Republican candidate Senator John McCain ranging from 3 to 10 points. Polling taken over the past weekend by Gallup gave Obama a 50%-45% lead, the ABC News/Washington Post poll shows Obama leading 52%-45%, the Hotline/Diageo tracking poll shows Obama up 50%-42%, and the George Washington University/Battleground poll shows Obama leading McCain 49%-46%.

Fearful of overconfidence, the Obama campaign is admonishing supporters that they must continue to work until next Tuesday night and continues to push its get out the vote efforts, particularly in early voting states. By foregoing federal funding of his campaign (and the limits that come with accepting federal dollars) and raising unprecedented amounts of campaign contributions, Senator Obama has a clear advantage in advertising dollars going into the last week and has been challenging the McCain campaign in states that have voted for Republican presidential candidates in recent elections such as such as Colorado, Virginia, North Carolina, and Indiana. The substantial fundraising advantage will be on full display on Wednesday night when Obama airs a 30 minute campaign ad on most of the major networks at 8 pm. Obama is paying as much as \$1 million to each network for these 30 minute slots, the first candidate to use this format since Ross Perot used similar 30 minute programs to promote his third party candidacy in 1992.

Seizing on a comment by VP Candidate Joe Biden that if Obama was elected he would be tested by some world crisis during his first six months in office, the McCain campaign has sharpened its attack on Obama's lack of executive experience and ability to handle a national security crisis. Senator McCain has also begun to warn supporters in his campaign appearances of the danger of a unified Democratic government, painting a picture of liberal excess if Obama, Senate Majority Leader Reid and Speaker Pelosi have complete control of the legislative and executive branches of government. Facing the severity of the economic downturn, most political pundits argue that the McCain campaign has been unable to effectively answer the Obama charge that McCain would be a continuation of the Bush policies of the last 8 years and the growing desire reflected in polling data that the electorate is anxious for change.

BATTLEGROUND STATES

Both candidates are spending most of their time in the 10-12 battleground states where the election will be decided. Ohio leads the list in terms of number of appearances made by both candidates in recent weeks and is a state McCain believes he must win. Pennsylvania, with 21 electoral votes, is the one traditionally Democratic state that the McCain campaign still believes it has a possibility of winning. Virginia, a state that has not voted for a Democratic presidential candidate in 44 years has become increasingly Democratic in recent years and the Obama campaign has spent much time and resources in Virginia,

resulting in recent polls showing Obama ahead in Virginia by several percentage points. Similarly, in the west, polls show that Nevada has become a key battleground state, one with few electoral votes but one that would be a key loss for McCain in holding the traditional Republican states together. Polling in Florida after the national conventions gave a significant edge to McCain, but in recent weeks Obama has gained ground in Florida with most polling now showing the race within the margin of error in Florida. Colorado is also a big prize that Obama would like to win, putting a state that has traditionally voted Republican in presidential campaigns in the "blue" column. McCain this week started running ads in Montana, a response to weeks of Obama campaign ads that has narrowed the McCain lead in Montana to single digits. A fun website to visit is www.270towin.com where you can see a map with each state color coded depending on what the current polls are showing. Currently 10 states are categorized as "swing states" with polling showing a 5% or less difference between the two candidates. You can also click on each state and change is from red to blue or vice versa to see how the electoral votes add up. The site also has historical information about past presidential races.

CONGRESSIONAL RACES

Most experts are predicting that Democrats in the House will pick up somewhere from 15-25 seats. The bad economy is hurting many Republican candidates in swing districts, and there are also quite a number of seats where long-time Republican members have retired and Democrats seem poised to win several of those open races. The most significant battle is in the Senate where Republicans are fighting to hold seats in several very close races. The outcome of these seats will have a major impact on the ability of the Democratic majority to pass legislation in the new Congress. In recent years, with the Senate evenly divided between Republicans and Democrats, the "60 vote rule" has become the defining issue for passage of any major legislation. Senate rules allow the minority to filibuster legislation that it opposes and it takes 60 votes to invoke cloture and limit debate on a piece of legislation. Thus, the Majority Leader of the Senate, whether Republican or Democrat, has often been forced to obtain the 60 votes needed to invoke cloture before being able to pass major bills. Most experts predict the Democrats will pick up 4-6 seats in the Senate, giving the Democrats 55 or more votes in the Senate. While unlikely, a major Democratic sweep in the elections next Tuesday could even push the Democratic total in the Senate close to the magic 60 number and make it much easier in the new Congress for Democrats to pass legislation if Obama is elected President.

The numbers don't favor the Republicans with 23 Republican Senate seats up for reelection and only 12 Democratic Senate seats. Only one Democratic Senator up for reelection, Senator Mary Landrieu of Louisiana, is in a tight race for reelection, while several Republican seats are in jeopardy. Republican losses are highly likely in Virginia, where former Democratic Governor Mark Warner has a 30 point lead over former Republican Governor Jim Gilmore, and in New Mexico where Democratic Congressman Tom Udall is well ahead in the race to replace retiring Republican Senator Pete Domenici. Incumbent Republican Senators facing serious challenges include Senators Gordon Smith (Oregon), Elizabeth Dole (N.C.), John Sununu (N.H.), Norm Coleman (Minn), Ted Stevens (Alaska), particularly after his conviction yesterday on 7 counts of false statements and receiving illegal gifts, Mitch McConnell (Ky), John Cornyn (Tx) and Saxby Chambliss (Ga). For a full list of races go to http://en.wikipedia.org/wiki/2008_US_Senate_Election#Races

OUTLOOK FOR LAME DUCK CONGRESSIONAL SESSION

Congress will return to action the week of November 17th. Newly elected Members of Congress who will take office in January will also be invited to Washington D.C. that week for orientation sessions. It is still uncertain whether any significant legislative actions will be undertaken before Congress finally wraps up the 110th Congress. The House Democrats have started working on ideas for a new stimulus package but would not likely bring up such a proposal during November unless the package has the support of President Bush. If Obama is elected, Democrats in Congress may prefer to wait until the new President takes office and increased Democratic majorities are sworn in for the new Congress. The Continuing Resolution passed before Congress recessed for the elections provided funding for federal agencies for FY 09 at existing levels until **March 6, 2009**. Congressional leaders have not yet said how they will deal with passage of individual appropriations bills to complete funding for the remainder of FY 09. Many members hope that individual bills can be passed or at least combined into another omnibus package that will carry funding until the end of FY 09, and that individual priorities and earmark funding can be included. The outcome of the presidential election will undoubtedly have an impact on the final appropriations process Congressional leaders put in place.

Below is information taken from the Cornerstone Report prepared for the NASULGC Budget and Advocacy Committee

and NASULGC members released September 24th summarizing the final numbers contained in the CR for USDA programs including McIntire-Stennis, NRI and RREA. We will discuss the status of funding under the CR, the changes being made at USDA in the NRI and other programs as a result of the passage of the Farm Bill and other issues of importance to NAUFRP members at the NAUFRP Executive Committee meeting and General Assembly meeting next week in Reno. I hope to see you there.

Randy Nuckolls

Frequently Asked Questions

How will funding for CSREES formula funds (e.g. Hatch, Smith-Lever, Evans-Allen, etc.) be impacted by the CR? CSREES will receive guidance from the Office of Management and Budget (OMB) as to the timing and amount of formula funds that can be released. Some of these funds may be made available in early 2009.

Will CSREES funds for special research and federal administration grants be released while the CR is in effect? Release of funds for specific CSREES projects will not occur until after a final F.Y. 2009 Agriculture Appropriations measure is enacted into law.

CSREES Funding Levels

The following table displays the programmatic funding levels for F.Y. 2008 and the current House and Senate marks for F.Y. 2009. (All \$Millions)

Research and Education Activities	FY 2008 Enacted	FY 2009 House	FY 2009 Senate
Hatch Act	195.812	213.000	205.602
McIntire-Stennis Cooperative Forestry	24.791	26.000	26.031
Evans-Allen Program (1890s Research)	41.051	44.000	43.104
Agriculture and Food Research Initiative	190.883	202.000	200.000
Improved Pest Control	15.313	15.945	15.313
Special Research Grants	91.775	68.211	50.379
Agriculture and Rural Policy Research			2.602
Animal Health and Disease (Sec. 1433)	4.971	5.000	
1994 Institutions Research Program	1.533	1.544	1.610
Joe Skeen Institute for Rangeland Restoration	0.983		0.983
Graduate Fellowship Grants	3.675	3.675	3.859
Institution Challenge Grants	5.385	5.385	5.654
Multicultural Scholars Program	0.981	0.981	0.981
Hispanic Education Partnership Grants	6.046	6.237	6.046
Secondary/2-year Post Secondary	0.983	0.983	0.983
Capacity Building Grants (1890 Institutions)	13.592	15.000	13.592
Payments to the 1994 Institutions	3.319	3.342	3.319
Native Alaska/Hawaiian-Serving Education Grants	3.196	3.218	3.196
Resident Instruction Grants for Insular Areas	0.745	1.000	0.745
Veterinary Medical Services Act	0.869	1.000	5.000
Higher Education Agrosecurity Education Program			
Federal Administration (Total)	42.154	34.317	20.373
Alternative Crops	0.819		0.819

Aquaculture Centers (Sec.1475)	3.928	3.928	3.928
Critical Agricultural Materials Act	1.083		1.083
Sustainable Agriculture Research & Ed. (SARE)	14.399	14.399	14.399
Subtotal	668.286	669.165	629.601

*NOTE: Senate mark reflects redirection of Animal Health & Disease formula funds to the Veterinary Medical Services Act account.

	FY 2008	FY 2009	FY 2009
Extension Activities	Enacted	House	Senate
Smith Lever Sections 3(b) and 3(c)	274.660	290.000	288.393
Smith Lever Section 3(d):			
Farm Safety	4.726	5.000	4.726
Food and Nutrition Education (EFNEP)	65.557	66.000	65.557
Indian Reservation Agents	2.979	3.000	2.979
New Technologies for Ag Extension (eXtension)	1.475	1.485	1.549
Pest Management	9.791	9.791	9.791
Sustainable Agriculture	4.568	4.568	4.568
Youth at Risk	7.968	8.396	7.968
Youth Farm Safety Education and Certification	0.463	0.494	0.463
1890 Institutions and Tuskegee	35.850	40.000	37.643
1890 Facilities Grants (Sec. 1447)	17.267	18.000	17.267
Renewable Resources Extension Act	4.008	4.008	4.008
Rural Health and Safety Education	1.738		1.738
Extension Services at the 1994 Institutions	3.298	3.321	3.298
Food Animal Residue Avoidance Database			0.806
Grants to Youth Organizations	1.737	2.000	
Federal Administration and Special Grants (total)	17.180	14.179	13.481
Subtotal	453.265	470.242	464.235

	FY 2008	FY 2009	FY 2009
Integrated Activities	Enacted	House	Senate
Water Quality	12.649	12.649	12.649
Food Safety	14.596	14.596	14.596
Regional Pest Management Centers	4.096	4.096	4.096
Crops at Risk from FQPA Implementation	1.365	1.365	1.365
FQPA Risk Mitigation Prog. for Major Food Crops	4.388	4.388	4.388
Methyl Bromide Transition Program	3.054	3.054	3.054
Organic Transition Program	1.842	1.842	1.842
International Science and Education Grants Program	1.986	3.000	1.986
Critical Issues Program	0.732	0.732	0.732
Regional Rural Development Centers	1.312	1.312	1.312
Food and Agriculture Defense Initiative	9.830	9.831	9.830
Subtotal	55.850	56.865	55.850