

RESEARCH SUMMARY

Ideology, Electoral Incentives, PAC Contributions, and the Agricultural Act of 2014

Agricultural and environmental groups spend substantial amounts of money on political action committee (PAC) contributions to legislator elections. The public should understand the extent of the influence of PAC contributions on legislators' voting habits. It may appear that these contributions lead to an increase in votes for favored legislation. However, it is often difficult to know whether the contributions are influencing the legislator, or the legislator's preference for agriculture is influencing the contributions.

In "Ideology, Electoral Incentives, PAC Contributions, and the Agricultural Act of 2014," Levi A. Russell uses advanced econometric tools to shed light on this question and comes to the following conclusions:

- Legislator ideology seems to matter only at the extremes.
- Legislators are more likely to vote for pro-agriculture policies if doing so is aligned with voters' preferences in their district.
- Spending by environmental interest groups seems less influential on legislation than spending by agricultural interest groups.

THE AGRICULTURAL ACT OF 2014

Among the cuts in spending in the 2014 Farm Bill, the following three areas made up the bulk of the spending reduction:

- *Direct subsidies* provide support to farmers for specific agricultural commodities. These subsidies, however, were replaced with a set of programs designed to assist producers with risk management. Importantly, farmers with an adjusted gross income of \$900,000 or above would not qualify for the risk management programs.
- *Conservation* sets requirements and provides funding to producers for conservation efforts. The cuts entailed consolidating 20 programs into two comprehensive programs and decreasing the Conservation Reserve Program (CRP) acreage from 32 million acres in 2015 to 24 million acres in 2018. The CRP provides financial compensation for producers who take some of their land out of production and allow native plants and wildlife habitat to develop.
- *Nutrition assistance* provides support for low-income individuals to purchase healthy food. The cuts in nutrition assistance total \$800 million per year.

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The changes made to farm support, nutrition assistance, and conservation programs in the 2014 Farm Bill were compromises. Cuts to direct payments were smaller than in both the House and Senate versions proposed to the conference committee, and these cuts were partially offset by increases in funding for crop insurance.

Understanding that these modest cuts were the best available option for agricultural interests highlights the key findings of this paper.

KEY FINDINGS

- Legislator ideology affected voting at the extremes of the ideological spectrum. Those near the center were statistically no more or less likely to vote in favor of an agricultural bill.
- Residents' preferences for agricultural support policies (given the direct and indirect positive effects such policies have on rural communities) are effective in increasing the probability that legislators will vote in favor of agricultural support policies, specifically the 2014 Farm Bill.
- Members of Congress who received larger agricultural and environmental PAC contributions were more likely to vote for legislation designed to benefit agriculture and conservation interests. Contributions from environmental groups, which were targeted to fewer elected officials than contributions from agricultural PACs, were not as effective as contributions from agricultural groups.