Congressional Record -- House

Wednesday, December 18, 1985

99th Cong. 1st Sess.

131 Cong Rec H 12499

REFERENCE: Vol. 131 No. 176

TITLE: CONFERENCE REPORT ON H.R. 2100, FOOD SECURITY ACT OF 1985

SPEAKER: Mr. BEDELL; MR. BEREUTER; Mr. BIAGGI; Mr. BROWN of California; Mr. COELHO; Mr. COMBEST; Mr. CONYERS; Mr. CRANE; Mr. DASCHLE; Mr. DAUB; Mr. de la GARZA; Mr. DREIER of California; Mr. EMERSON; Mr. ENGLISH; Mr. EVANS of Illinois; Mr. FOLEY; Mr. FRANKLIN; Mr. FRENZEL; Mr. GILMAN; Mr. GLICKMAN; Mr. GUNDERSON; Mr. HUCKABY; Mr. JEFFORDS; Mr. JONES of Tennessee; Mr. KASTENMEIER; Mr. LEHMAN of California; Mr. LIGHTFOOT; Mr. LUNDINE; Mr. MADIGAN; Mr. MARTIN of New York; Mr. MICHEL; Mr. MOORE; Mr. MORRISON of Washington; Mr. OBERSTAR; Mr. OBEY; Mr. OLIN; Mr. OXLEY; Mr. PANETTA; Mr. PENNY; Mr. RANGEL; Mr. RAY; Mr. ROBERT F. SMITH; Mr. ROBERTS; Mr. ROTH; Mr. SCHUETTE; Mr. SEIBERLING; MR. SENSENBRENNER; Mr. SMITH of Iowa; Mrs. SMITH of Nebraska; Mr. STANGELAND; Mr. STENHOLM; Mr. TRAXLER; Mr. VOLKMER; Mr. WEAVER

TEXT: Text that appears in UPPER CASE identifies statements or insertions which are not spoken by a Member of the House on the floor.

Mr. de la GARZA. Mr. Speaker, pursuant to the order of the House of Monday, December 16, 1985, I call up the conference report on the bill (H.R. 2100) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes.

The Clerk read the title of the bill.

(For conference report and statement, see proceedings of the House of December 17, 1985.)

The SPEAKER pro tempore. Pursuant to the order of the House of Monday, December 16, 1985, the conference report is considered as having been read.

The gentleman from Texas [Mr. de la Garza] will be recognized for 30 minutes and the gentleman from Illinois [Mr. Madigan] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. de la Garza].

Mr. de la GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House will take its final vote today on one of the most important national issues we have faced in this session of Congress: Economic survival of large segments of American agriculture.

The House will vote today on the conference report on the Food Security Act of 1985, H.R. 2100. This is a massive piece of legislation, and I know that Members will have different views on almost every one of the 18 titles. But I believe you can sum up this bill in one four-letter word: Good.

This is a good bill because it says to the agriculture community and the nation that in spite of all the budget constraints, and in spite of all the problems we face, the Congress does recognize that American agriculture is in trouble, and the Congress is not going to jerk the safety net out from under the American farmer.

This is a good bill because it will help make American agriculture more competitive while it preserves basic income protection to the greatest degree possible at this time in order to get the bill through this Congress and signed into law. Mr. Speaker, I know perfectly well that some Members believe this bill does not give us all the income protection we need and I agree. The situation in some parts of rural America today is critical. Years of low prices, declining exports and collapsing land values have produced a crisis in some areas. The trouble has spilled over to produce serious problems in agriculture credit, and we will be dealing with that issue in a separate piece of legislationlater today.

If I could write this farm bill by myself, it would include stronger provisions for higher target prices. But no single member alone can write this bill. The final product must be one on which the House, the Senate, and the President can agree.

Mr. Speaker, legislation is the art of the possible. If we want a farm bill, it must be one that can get the votes needed to pass the House and the Senate today. I believe that the House conferees have brought you a final product that was written within the art of the possible, and that the American agriculture community can live with. It provides a degree of protection that I hope will help many farmers to survive until better times.

Mr. Speaker, we need a farm bill. We need it because agriculture is this Nation's most basic industry. What happens to agriculture eventually effects the entire economy and to every group in this country. North as well as South. East as well as West. Urban as well as rural. Every Member of this House has a basic stake in giving our agricultural community a chance to survive and to return to economic health.

Let me speak briefly about costs. This bill will cost money, but as I told the House when we passed our own bill, this conference report meets our congressional budget targets. It will cost more than the proposal the administration brought us for what most of us thought was a prescription for tearing down the effectiveness of farm programs. But it will cost billions of dollars less than the cost of existing law.

When this bill passed the House in October, it met the congressional budget target, nearly $8 billion under the baseline cost of extending current law, according to the Congressional Budget Office. A preliminary estimate of the conference bill shows that we will have savings below baseline -- for the 1986-88 budget cycle -- of nearly $11 billion compared with the requirement of just under $8 billion.

Now let's look briefly at potential costs, and I ask the House to remember that these are projections based on assumptions of possible production, domestic demand, foreign demand, and weather for years into the future. At best, and the experts are clear about this, these are educated guesses which can be changed greatly if the weather changes or if any of a number of other key factors should change.

The Agriculture Department has estimated that the price support portions of the bill over the 3-year budget cycle -- based on November commodity stock estimates -- may average 1.7 percent of the total Federal budget. By the fifth year of our bill, price support program costs are estimated to be down to under 1 percent of the total Federal budget. For the entire 5 years, the average would be under 1.5 percent of the total Federal budget.

If you take the entire farm bill, including all other programs like farm credit, research, overseas food aid and everything else, the bill covers spending which would average just over 3.5 percent of the total Federal budget in the first year and less than 3.2 percent for the entire 5 years.

At the same time, the House should be aware that this is not going to be the last word on farm policy. The budget reduction bill which became law a few days ago will affect agriculture as well as most other Government programs, and we will have to keep the situation in agriculture under continual review.

Let me speak briefly, also, about the conservation section of our bill. I believe this represents one of the most significant soil protection measures adopted by Congress since I became a Member of this House. I think these provisions of the bill will be remembered long after our current economic problems have been forgotten.

H.R. 2100 includes 5 year commodity stabilization programs for dairy products, wool and mohair, wheat, feed grains, cotton, rice, peanuts, soybeans, sugar and honey. But in addition to those programs which appear in the first nine titles of the bill, H.R. 2100 includes a great many other important provisions.

Title 10 includes general provisions applying to groups of commodities.

Title 11 covers trade programs. These include programs to help expand our commercial trade, programs to continue the Food and Peace Program and to expand some of our other efforts to relieve hunger abroad, and a compromise on cargo preference.

Title 12 is the conservation title. It includes the new sodbuster and swampbuster programs which are designed to protect erodible land and wetlands for future generations.

Title 13 covers programs for agricultural credit and rural development. This includes an interest buy-down program for some borrowers who have loans guaranteed by the Farmers Home Administration. It also includes new rules to govern the way in which the Agriculture Department handles foreclosed land.

Title 14 covers programs for agricultural research, extension, and teaching. It provides some useful and potentially important new steps in research including a directive to develop appropriate controls on the development of biotechnology.

Title 15 includes the Food Stamp Program and related provisions including an extension of the temporary Food Assistance Program. In this title, we extend the Food Stamp Program with some needed and modest improvements for the needy, including the so-called working poor.

Title 16 includes a group of significant marketing programs. These include authorization for new programs of farmer-financed beef and pork promotion and provisions dealing with marketing orders and grain inspection.

Title 17 includes a group of provisions dealing with food processing and inspection, new regulations for the makeup of agricultural stabilization and conservation committees, and the creation of a National Agricultural Policy Commission. Also, this title includes improvements in the National Aquaculture Improvement Program, improvements in the Federal program for protecting animal welfare, and it includes provisions to modernize the Virus-Serum-Toxin Act.

Title 18 includes the effective date for the bill which is, for the commodity programs and many others, a 5 year bill.

Mr. Speaker, I know that many Members are especially concerned at this moment with what the bill does for our major commodity programs. Before I go into fuller details, let me briefly summarize the major thrust of what we have in the conference report.

For wheat, feed grains, cotton and rice we try to make our crops more competitive on world markets so that we can increase sales and hopefully improve market prices for farmers. This will be done by programs including more flexible price support loan rates. At the same time, we try to protect the farmers' total return for his crop by maintaining target prices. For wheat and feed grains, we have what amounts to nearly a 3 year freeze with reductions that cannot total more than 10 percent over the life of the bill. Cotton and rice also will be held at current levels in 1986 with later reductions that cannot amount to more than 10 percent over the life of the bill. The House, as you know, approved what amounts to a 5-year freeze for target prices, and I believe the compromise we achieved comes much closer to our bill than it did to either the Senate bill or the administration's proposals.

For dairy products, our bill is a compromise. It retains the so-called whole herd surplus reduction program to give dairy farmers a chance to deal with the problem of milk surpluses, and it says in effect that if we can't solve the problem in this way there will have to be more reductions in price supports.

Now, Mr. Speaker, I want to review the bill in some further detail. Because of the pressure of time, the material which follows is not organized to follow the exact breakdown of the titles of the bill. Instead, it will give the House an idea -- very briefly in some cases -- of how we have dealt with many but not all of the items in this massive piece of legislation:

The major provisions of the bill include:

COMMODITY STABILIZATION PROGRAMS

For wheat and feed grains (titles 3 and 4), the target price and commodity support loan programs for 1986 through 1990 crops include a market-oriented system for setting price support loans at levels that would make American crops competitive in international markets, coupled with target price protection.

Basic initial price support loan rates for grains would start at $3 a bushel for 1986 wheat and $2.40 for 1986 corn. From 1987 on, loans for grains would be set each year by formulas using average market prices of recent years, with any declines limited to 5 percent a year. After calculating the basic initial rates, the Secretary would then have discretionary power to further cut the rate for any year by up to 20 percent if -- first, market prices in the previous season failed to top 110 percent of the previous year's loan rate, or if, second, he determines that a further cut is needed to compete on world markets. For the 1986 crop only, the Secretary would be required to use this authority to drop the loans at least 10 percent. The Secretary would have discretionary authority to allow repayment of support loans at levels which could be set as low as 70 percent of the loan rate. The Secretary would have discretionary authority, in addition, to give producers one of two alternate types of marketing certificates to help promote exports.

Target price income protection would operate with whichever loan system was used, and any cut in loan rates below the basic level in any year would be offset by increased target price payments which would not be subject to payment limits. Target prices, which protect farmers' income with direct payments when market prices are below the target, would be frozen at current levels ($4.38 a bushel for wheat and $3.03 a bushel for corn) through 1987 to prevent cuts in per-bushel returns to farmers. In succeeding years, the rate would be not less than 98 percent of the 1987 level for 1988, not less than 95 percent for 1989 and not less than 90 percent (but not less than $4 wheat and $2.75 for corn) in 1990.

To qualify for benefits in a year in which carryover wheat stocks exceed 1 billion bushels, wheat producers would be required to reduce acreage as follows: In 1986, a maximum diversion of 25 percent (including a mandatory minimum reduction of 15 percent, a mandatory in-kind paid diversion of 2.5 percent, and a further reduction at Secretarial discretion of 7.5 percent); in 1987, a maximum reduction of 27.5 percent (including a mandatory minimum of 20 percent and a further 7.5 percent at the Secretary's discretion); and in 1988-90 a maximum of 30 percent (including a mandatory minimum of 20 percent and 10 percent at the Secretary's discretion). (For the 1986 wheat crop only, the Secretary would be required to offer growers who planted before announcement of the program a chance to idle an additional 10 percent of their base in return for payments.) For feed grains, if stocks exceed 2 billion bushels of corn, the 1986 reduction would be a maximum of 20 percent of which 12.5 percent would be a mandatory minimum, 5 percent would be discretionary with the Secretary and 2.5 percent would get in-kind payment. For 1987-90 the maximum would be 20 percent (including a mandatory minimum of 12.5 percent plus up to 7.5 percent at the Secretary's discretion). For all grains, the Secretary would have discretionary authority to offer producers a further voluntary paid diversion beyond the basic requirements of the bill.

The bill requires the Secretary to allow haying and grazing on diverted acres in 1986 and grazing in 1987-90 if State agricultural stabilization committees request it. The Secretary has discretionary authority for haying in 1987-90.

The Secretary would have discretionary authority to offer producers a Target Option Program under which the individual grower's wheat target price would go up if he elected to use higher levels of acreage reduction and would decline at lower acreage-cut levels. Also optional for the Secretary is a plan varying target price levels for farms of different sizes in an effort to concentrate benefits on medium-sized farms.

The Secretary would be given discretionary authority under the bill to proclaim marketing quotas for wheat and provide for a mandatory control program. This quota program, if the Secretary should choose to use it, would be subject to approval by producers of wheat in a referendum.

The bill requires the Office of Technology Assessment to study Federal grain export quality standards. It also provides that 6 months after the study, the Agriculture Department would have to revise its export grading rules, in line with study findings, to protect the quality of export grain.

For cotton and rice (titles 5 and 6). The bill continues the traditional framework of target prices, price support loans, and voluntary supply control, but it includes new features to make the crops competitive on world markets and has a shorter target price freeze than the bill provides for grains.

For cotton:

The basic support loan is set at 55 cents a pound for 1986 with annual reductions (based on continued use of a traditional market-linked formula) of no more than 5-percent annually and a floor of 50 cents. If the basic rate is not competitive on world markets, the Secretary would choose one of two alternate market enhancement plans for repayment of loans. Under one plan, he could lower the repayment rate by up to 20 percent, thus allowing farmers to redeem their crops and sell them at a competitive price. Under the second plan, repayment would be at rates varied periodically through the year to keep pace with world markets. As a backup to assure competitiveness in case world market levels fall below the new loan repayment levels, the Secretary at such tims would issue in kind certificates to domestic and foreign buyers to bridge the gap between the effective support and the market.

Target prices would be held in 1986 at the 1985 rate of 81 cents a pound and then could be cut to no lower than 98 percent of the 1986 level in 1987, 95 percent in 1988, 92 percent in 1989 and 90 percent in 1990.

For farmers who want to qualify for price supports during periods of heavy supply, the Secretary would require acreage diversions of up to 25 percent and could offer a voluntary paid supplemental diversion program if greater acreage cuts were needed.

For rice: The basic loan rate would be $7.20 per hundred pounds for 1986 and then based on 85 percent of an average of past market prices with a 5 percent limit on annual cuts and a floor of $6.50. To keep rice competitive, growers could pay off their loans at lower rates and then sell the crop at market levels. Repayment could be set as low as 50 percent of the basic loan in 1986 and 1987 and scaled up to 70 percent of the loan by 1989 with up to half of the gap covered by negotiable payment in kind certificates. If the market price was below the repayment level, the crop would be kept competitive in foreign markets by issuing in kind marketing certificates to exporters bridging the gap between domestic and world prices. (The "marketing loan" plan under which growers can repay support loans at a reduced rate would be applied in the case of rice to the 1985 crop as well as the 1986-90 crops in order to prevent a heavy surplus buildup from this year's harvest.)

Target prices would be frozen at $11.90 per hundred pounds for 1986 and then scaled down under the same formula provided for cotton.

For farmers who want price support when surpluses are big, the Secretary would require acreage reductions of up to 35 percent and could offer a voluntary paid diversion program for any further needed reductions.

For dairy products (title 1). The bill is designed to reduce surpluses through a whole-herd diversion program. If this plan has not cut surpluses sharply, substantial support cuts would be authorized beginning in 1988. Chief features include:

The bill continues the current $11.60 per hundred pound support level for calendar 1986 but also activates an 18-month, Farmer-Funded Program under which producers can voluntarily elect -- in return for payments set on a bid basis -- to take entire dairy herds out of production in order to reduce surpluses. To fund the program, farmers would pay an assessment of 40 cents per hundredweight during 1986 giving them a net effective return of $11.20 on manufacturing-grade milk. On Jan. 1, 1987, the Secretary would be required to lower the support rate to $11.35 but the assessment would drop to 25 cents. On Oct. 1, 1987, the assessment would end but the Secretary would be required at the same time to lower the support to $11.10. Beginning Jan. 1, 1988, the Secretary would be required to make 50-cent annual cuts in the support rate if surplus purchases are expected to exceed 5 billion pounds a year or 50-cent increases if surpluses are expected to be under 2.5 billion pounds. After the whole herd disposal program ends, the Secretary would have discretionary authority to adopt a diversion program of whole-herd or partial cuts. Differentials used in setting minimum fluid milk prices in some marketing orders would be increased to reflect current transportation costs.

For livestock (portions of titles 4 and other titles). To protect livestock producers in case of heavy dairy cow sales into the meat market because of a Milk Diversion Program, the bill requires additional Government purchases of 400 million pounds of red meat during the duration of the whole-herd diversion for export or domestic donation. In a related area, the bill includes new authority for farmer-funded beef and pork promotion with a requirement that producers could get refunds of checkoff contributions during the period between the start of the programs and later referendums (within 22 months of the start of the beef program and 24-30 months from the start of the pork program) on whether to continue the programs. The beef checkoff would be $1 per head (including imported beef) with a credit of up to 50 cents for assessments of state beef councils; the pork checkoff would be 1/4 of 1 percent of the sale price of hogs and imported pork. Also, the bill requires that imported meats, livestock and poultry comply with American standards and residue regulations.

For soybeans (title 8). The bill continues the basic price support loan rate through 1986 and 1987 at the current minimum rate of $5.02 a bushel. For the next 3 years, rates would be based on an average market price formula with reductions limited to no more than 5 percent a year and with a floor of $4.50 per bushel. In all five years, the Secretary would have authority to reduce loan levels by an additional 5 percent if necessary to keep the crop competitive in world markets. The Secretary would also have discretionary power to allow repayment of loans for less than the original rate so the beans could go to market instead of government stockpiles.

For sugar (title 9) and wool and mohair (title 2). The bill generally extends current programs. The current wool support formula would be frozen for five years. Sugar supports would continue for five years at not less than the 1985 level of 18 cents a pound. To avoid a buildup of surplus stocks in government hands caused by forfeitures of support loans when market prices are low, the bill requires that import quotas currently scheduled through Sept. 30, 1986, would be extended for at least three months, thus reducing per-month import levels. As an alternative, the Secretary could reduce quota levels to protect domestic prices. Beginning with the next quota year, the Secretary would be directed to operate the sugar program with quota levels which avoid any cost to the Government. Also, the bill provides that beginning with the 1987 quota year, no import quotas can be given to countries which are net importers of sugar unless they verify that they do not import Cuban sugar.

The peanut program (title 7) would be continued without major changes. Support for peanuts grown under a domestic (food and seed) quota would be adjusted in 1966 and future years for increases in farm costs but not by more than 6 percent per year in 1987-90, and access to quota sales at the domestic support rate would be broadened by sharing growth in the quota between old and new growers. The bill sets a floor of 1.1 million tons (the current floor) under the annual domestic peanut quota for the next 5 years, but provides the quota can increase if domestic needs grow.

Honey supports (title 9) would be cut from the present 65 cents a pound to 64 cents in 1986 and 63 cents in 1987. In the next 3 years the Secretary could make cuts of up to 5 percent annually, and he would have discretion for all 5 years to allow repayment of loans at below the loan rate.

Payment limitations and other general commodity provisions (title 10) in the bill continue the present $50,000 annual per producer ceiling for program payments. Exempt from the ceiling would be: First, target price payments which offset support loan cuts below basic loan levels; second, any payments made under several program cost-reduction items which the bill provides for discretionary use by the Secretary; and third, any gains farmers realize when paying off support loans at less than the initial loan level. A $100,000 ceiling would be provided for disaster payments to producers of grain, cotton and rice and similar disaster payments are authorized for the 1985-90 crops of soybeans, sugar beets and cane and peanuts. Advance deficiency payments would be required for 1986 crops using target price programs and would be discretionary in future years, and 5 percent of total deficiency payments could be made in kind at the Secretary's discretion. New provisions for determination crop and total farm acreage bases are included, along with revisions in the farmer-owned grain reserve program putting new limits on the reserve. And in programs using target prices, the Secretary would have discretion to make payments to farmers who are eligible for loans and target prices but agree to forgo those benefits.

Trade (title 11): The bill mandates a payment-in-kind bonus export promotion program designed to make American commodities more competitive in world markets as well as a package of continued and expanded export credits.

The bonus export program provides that surplus commodities owned by the Government must be provided to exporters, processors or foreign buyers to encourage the development and expansion of overseas markets for American crops including processed farm products. The Secretary would be directed to use $2 billion worth of commodities for the program over the next 3 years to counter unfair foreign trade practices and generally to make American products more competitive, and at least 15 percent of the program could be devoted to exports of poultry, meat and meat products.

In the export credit area, the bill requires the Secretary of Agriculture to make available not less than $5 billion annually in short-term export credit guarantees for the life of the bill where such guarantees would improve the competitive position of American exports. The Secretary is also required, for the 1986 through 1988 fiscal years, to make not less than $325 million a year available in cash or in surplus commodities for direct export credits to counter the subsidies, import quotas or unfair trade practices of foreign countries. (The direct credits, whether in cash or in kind, could be used in so-called "blended credit" export programs.) The bill also broadens the purposes for which an existing intermediate (three-to-10-year) export credit program can be used and directs the Secretary to make available intermediate loan guarantees of at least $500 million a year through 1988, with a ceiling in fiscal 1989 of $1 billion. A previously authorized export credit revolving fund is reauthorized under the bill. Also, the Agriculture Department would be directed to operate a pilot test of barter programs with at least two countries to acquire strategic or other materials for which there are unmet national stockpile goals.

To improve coordination of Federal agency programs in overseas food assistance, the bill creates a new Presidential special assistant for agricultural trade and food aid. And to expand overseas food aid and trade promotion programs, the legislation extends the Food for Peace Program and provides that at least 75 percent of the foods shipped under the donation phase of the program must be in the form of processed, fortified or bagged products. For fiscal year 1986, shipments under the donation phase would be maintained at the 1985 level of 1.8 million tons. The bill also authorizes expanded operations under a related program providing surplus commodities for needy people abroad and it provides that not less than one-tenth of 1 percent of Food for Peace (Public Law 480) funds for fiscal 1986 and 1987 must be used for a farmer-to-farmer technical assistance program. Further, the bill creates a new Food for Progress Program under which the President would be authorized to donate commodities to countries which promote free enterprise in their domestic food production systems.

The bill includes a section revising existing cargo preference regulations which require that 50 percent of certain Government-funded agricultural exports must be shipped in American-flag vessels. The measure states that commodities exported under Public Law 480 (Food for Peace) and other designated assistance programs will be subject to a cargo preference floor starting at 60 percent in calendar 1986 and rising to 75 percent in 1988 and thereafter (in place of the current 50 percent). The bill provides that additional funds needed for these increases would come from the Department of Transportation and it exempts from cargo preference a number of commercial-style export credit programs operated by the Agriculture Department including blended credit programs. If the Transportation Department is not able to provide the needed funds, the new provisions would be shelved and existing law would come back into effect.

The bill requires the Secretary of Agriculture and the U.S. Trade Representatives to pursue agricultural trade consultations with major producing countries. Trade-related studies required by the bill include one to determine the impact on U.S. agriculture of imports of Brazilian ethanol, and another on specific unfair trade practices by other countries which affect American exports.

Conservation (Title 12): The conservation section includes new programs to protect fragile soils and wetlands for future generations and move a substantial amount of erodible into less intensive use.

For highly erodible land which has not been cultivated since 1980, the bill provides a sodbuster program to discourage plowing up fragile soils. If a farmer planted a crop on fragile land in violation of the terms of the bill, he would lose price supports and other farm benefits for all of his crops in the year of the violation. Highly erodible land which was used for crops (or idled under a Government acreage control program) between 1981 and 1985 would initially be exempt from the sodbuster penalties, but this grandfather clause exemption would disappear for any affected producer who fails to begin applying a conservation plan by 1990 or 2 years after completion of a soil survey of his land, whichever is later. Producers would have until 1995 to complete application of the conservation plan. A companion swampbuster provision would deny farm benefits to producers who convert wetlands to crop use in the future except in cases where the impact of the action is found to be minimal.

For highly erodible soils which are already in crop use, the bill provides a long-term Conservation Reserve Program under which farmers would contract for periods of 10 to 15 years to return 40 to 45 million of such acres to less-intensive uses such as grass or trees, which in some cases may be used to establish shelterbelts. In return for compliance with the contracts, growers would get cash or in kind land rental payments (established on a bid basis) plus payments covering a part of the cost of needed land treatment measures. No more than 25 percent of the land in any county could be enrolled in the Reserve except in countries where the Secretary of Agriculture decides that higher levels would not hurt the county economy. There would be a $50,000 limit on annual payments to farmers under reserve contracts.

Also, the bill includes an extension of the Resources Conservation Act, requiring the Agriculture Department to produce assessments of soil and water resources in 1995 and again in 2005 to help policymakers develop long-term plans for protecting those vital national resources. A further section permits Governors of States which have State laws to protect farmland from urban development to file suits in cases where the Federal Government has not followed procedures of a Federal farmland protection law. (The Federal law requires, among other points, that Government agencies must consider alternatives before taking actions which result in shifting farmland to nonfarm use.)

The bill requires the Secretary of Agriculture to establish a procedure under which adverse determinations made under these new conservation provisions may be appealed.

The bill authorizes the Secretary of Agriculture to formulate plans and give technical assistance to property owners, State and local agencies, and interstate river basin commissions to protect the quality and quantity of subsurface water, reduce flooding hazards, and control salinity. The Secretary must report to Congress on this matter by February 15, 1987.

Credit and Rural Development (title 13): The bill reauthorizes and in some cases revises Federal farm credit and rural development programs. It requires the Secretary, through September of 1988, to operate a $490 million program under which the Agriculture Department and private lenders would share equally in the cost of a reduction in interest rates for hard-pressed farmers who hold loans guaranteed by the Farmers Home Administration. The Government could pay for 2 percent of the overall buy-down or one-half of the total, whichever was less. The bill also includes discretionary authority for a program of planting-season advance commodity loans to farmers beginning it 1986. Authorization ceilings include annual caps for the 1986 through 1988 fiscal years of $3.48 billion for Farmers Home Administration farm operating loans with a phased shift from an equal division between direct and guaranteed loans to a third-year division of $870 million for direct and $2.610 billion for guaranteed loans. For farm ownership loans, the bill authorizes $520 million annually, beginning with an equal division between direct and guaranteed loans and ending with a third-year division of $130 million direct and $390 million in guarantees. (The Secretary is authorized to transfer up to 25 percent of each year's guarantee allocation into direct loans.) For emergency disaster loans there would be ceilings of $1.3 billion in fiscal 1986, $700 million in 1987 and $600 million in 1988. Under other changes made by the bill, disaster loans would no longer be available for those who could get credit elsewhere or, beginning in 1987, to those who do not buy crop insurance when it is available. In addition, disaster loans would be banned for farms larger than family-size.

For rural development programs, the bill authorizes $340 million annually for three years in direct water and waste disposal loans and $250 million annually in guaranteed industrial development loans plus $115 million in direct community facility loans. The bill also provides a new method of determining eligibility for water and sewer loans and grants based on community income and health and sanitary needs.

A clear title provision in the bill is designed to protect buyers of farm products from challenges to the title to their purchases while still allowing lenders to protect liens on farm products. The bill clears buyers from liability on liens against the commodities bought from farmers unless they have been given notice of those liens directly or via a State central registry system. The new provisions will be effective in 12 months, giving time for States to set up central filing systems if they wish to do so.

Also the Agriculture Department would be ordered to observe a number of new restrictions on the way it handles farmland acquired by the government in future foreclosures of FmHA loans. Among other provisions, USDA would be forbidden to sell such land if the sales would depress local farmland values, and first priority in any sales or leases would have to be given to operators of farms which are not larger than family size. In leases, the bill calls for giving priority to former owners of the land and sales prices must reflect the probable income the land can produce. Where FmHA-owned land is administered under management contracts, contracts must be let under competitive bids with preference to local small businessmen, and the use of conservation practices may be required on land which has been classed as highly erodible as a condition of sale or lease.

The bill allows the Secretary to acquire from FmHA borrowers who cannot repay their loans conservation, recreational or wildlife easements on land which has been in crops but is classed as wetland, upland or highly erodible. In return, the Secretary could cancel part of the borrower's debt. Also, the bill gives the Secretary discretion to make loans to distressed FmHA borrowers who plant softwood timber crops on marginal farmland which is security for their existing loans. The new credit would reamortize the old loans, would be limited to an overall total of 50,000 acres, and would be repayable when the timber produces revenue or within 45 years. The bill requires a study of procedures used by FmHA for farmer appeals when loan applications are rejected, and a further provision creates a new, speedier appeals system using informal meetings. Other amendments require FmHA to process loan applications within 60 days, to provide funds on approved loans within 15 days, and to continue the agency's Small Farmer Training and Technical Assistance Program. Also, when FmHA or Small Business Administration farmer-borrowers are foreclosed or bankrupt, the agencies would have discretionary power to allow the borrower to remain in his home as a renter for at least 3 years.

Research (title 14): the research section includes a 5-year extension of funding authority for agricultural research and extension programs, and a number of new research priority guidelines.

Among other items, the bill authorizes a 3-year program of special grants for educational and counseling programs to develop income alternatives for producers who have been forced out of farming by economic stress. It also directs the Secretary of Agriculture to develop appropriate controls on the development and use of biotechnology in agriculture. The bill also includes a provision urging USDA to emphasize, in its research and teaching programs, new technology suitable for small and moderate-sized farms. The Secretary of Agriculture would be directed to report on the feasibility of more complete studies of the relationship between diet and blood cholesterol in humans, and dietary calcium and its importance in human health and nutrition. The bill allows the Secretary to make cooperative, cost-sharing agreements with private agencies, organizations or individuals to develop new agricultural technology, authorizes research on new uses for farm and forest products, and directs the Secretary to conduct demonstration projects on the development orcommercialization of crops that would supply strategic industrial products. Federal agricultural research funding authorizations would be extended through 1990 with fiscal 1986 ceilings including $600 million for Federal activities, $270 million for contributions to cooperative research in State experiment stations and $370 million for contributions to cooperative extension programs in States (with $10-$20 million annual increases in following years for the three programs), and $7.5 million annually for aquaculture research.

The bill authorizes competitive research grants at a level of $70 million for the period covered by the bill and for grants and fellowships for food and agricultural sciences education at an annual level of $50 million. It authorizes the Research Facilities Act for the period covered by the bill at a level of $20 million with a Federal-State matching provision for facilities at State cooperative institutions. It authorizes $25 million annually for animal health and disease research. It also authorizes permanent extension funding for the historically black "1890" colleges and universities and $10 million annually for 5 years for extension facilities at these institutions. The bill creates a new program of agricultural productivity research with demonstration projects to run for at least 5 years and, if practicable, 12 to 15 years.

Food assistance: The food program section of the bill extends the Food Stamp Program for 5 years, including the program for Puerto Rico which operates on a cash basis, improves some program benefits, and requires all States to set up special employment and training programs to help move jobless stamp recipients onto payrolls. The bill also extends for 2 years, through fiscal 1987, the Temporary Emergency Food Assistance Program authorizing distribution of Government surplus foods to the needy.

Among the food stamp changes were steps to increase work incentives by establishing a separate child care deduction and revising the earned income deduction, both of which are used in calculating stamp benefits; changes in asset limitations to make the program more accessible to working poor and elderly households; an increase in the excess shelter cost deduction, and action to strengthen program accountability and management.

Other food assistance provisions in the bill would extend the Commodity Supplemental Food Program for women and young children for 5 years and broaden the program to serve elderly persons in cases where this would not deny benefits to women and children. The bill also would authorize increased nutrition education for low-income people and strengthen current efforts to monitor nutrition of low-income people.

Other provisions (various titles): The bill provides that in order to prevent damage to older gasoline engines on farms, the Environmental Protection Agency must not reduce the lead limit in gasoline to below 0.1 gram per gallon until January 1, 1988. In the interim, the Agriculture Department and EPA would study the need for lead in engines, completing the study by January 1, 1987 and reporting within 6 months on whether it would be appropriate to modify future general lead-limit rules in the case of gasoline used for farming purposes.

H.R. 2100 modernizes the Federal Virus-Serum-Toxin Act, a law which regulates veterinary biologics, to give the Agriculture Department control over intrastate as well as interstate sales (giving producers of intrastate products up to 4 years to comply with Federal regulations), but wouldallow States which have effective regulatory systems to retain them. Another provision bans imports of Flue-cured or Burley tobacco which does not pass U.S. pesticide residue tests used for American-grown tobacco. Also, the bill directs the Agriculture Department to continue random checks to determine if imported Canadian potatoes meet U.S. standards.

The bill revises standards for the humane handling of animals by research facilities, dealers and exhibitors. It directs the Secretary to develop standards containing minimum requirements in areas including housing, feeding, shelter, veterinary care, and experimental procedures that minimize pain and distress.

Other sections include: A ban for a total of 5 years on price supports and certain other farm benefits for persons convicted of growing or storing controlled substance drugs; a directive to the Secretary to conduct a pilot project under which wheat, cotton, feed grain and soybean growers in at least 40 counties would test a program of using futures or options markets to protect their incomes (with participating producers assured by the USDA that their returns could not fall below support loan levels); a requirement that tobacco importers, in addition to reporting the country of origin of the product, must also identify the intended U.S. purchaser; and a provision authorizing watermelon producers to adopt a checkoff program to finance research and promotion.

Also included are provisions to: Require the Secretary of Agriculture to give 60 days notice to the Senate and House Agriculture Committees before he acts to terminate marketing orders for nonprice supported crops; extend the life of a food security wheat reserve; require the Secretary to designate three administrative areas for the selection of community Agricultural Stabilization Committees in all counties with some exceptions such as in counties with less than 150 farmers; require the Secretary to control grasshoppers and Mormon crickets on Federal rangeland; and make all rural utilities eligible to borrow from the Rural Electrification Administration also eligible to borrow from the Banks for Cooperatives of the Farm Credit System (at present, eligibility is restricted to co-ops with a specified minimum of farm or aquatic producer-members).

Mr. Speaker, I reserve the balance of my time.

Mr. MADIGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. Robert F. Smith].

Mr. ROBERT F. SMITH. I thank the gentleman for yielding me this time.

Mr. Speaker, I wish to congratulate the chairman and the ranking member for this outstanding bill.

Mr. Speaker, back in the spring, when this House began work on this bill, I joined with my committee colleagues in setting out goals for the bill which we were responsible for construction.

At that time, we summarized the task. We said, "This Nation needs a workable, creative, and realistic blueprint for the survival of American agriculture."

My support for this bill is a declaration of my belief that we've achieved our overall purpose, and we've come as close as is legislatively possible to the five goals we set for ourselves.

They are these: One, to provide an effective farm policy which is budget responsible. At $52 billion for those of you concerned about the budget, this is billions less than a freeze.

Second, to recapture American agriculture's competitive edge in world and domestic markets. Today, American agriculture will be first, not last, when we craft foreign trade policy, and we have given the Department tools such as the bonus bushel to bring us back into the competitive world market we need.

Third, to create a bridge from Government domination to an improved marketplace. This is a transition bill. We will ratchet away from farming the Government, again, to farming the marketplace as we all want in this country.

Fourth, to recognize profitability as a key element in the long-term stability of American agriculture. There is a safety net in this bill. We did not cut the legs from under agriculture in America, but we did provide a method of a safety net to allow American agriculture to prosper in the next 5 years.

Lastly, to guarantee American consumers a plentiful and stable supply of nutritious food and fiber products. Certainly, the best deal in the world is for the American consumer. Less than 17 percent of disposable income is used in this country for the purchase of food; by far and away the best deal in the world.

Mr. Speaker, creating a 5-year farm program is a congressional duty that must occur without a guarantee of future precision. It must be policy capable of withstanding gale-force winds of economic and natural influences outside this committee's control.

With all of our influence and power, Congress still can't control the weather. We can't control the crops. And we have no crystal ball to predict the successes of our export incentives.

In other words, there is no precision in this business. There is only the promise that, if Congress follows through on its own promise to reduce the deficit, bring down high interest rates and deflate the strong dollar overseas, this bill will successfully stabilize the American farm community and begin to lead it away from the Government trough.

Some wanted a farm bill that would pull down the curtain of subsidies immediately. This is not that bill. I can safely say that no member of a congressional agriculture committee, neither Republican or Democrat, House or Senate, is willing to pay the awful price of an immediate end.

That price, at a minimum, would be bankruptcy for one-third of America's farmers and a permanent loss of production and markets to foreign competition.

The bill we've created depends heavily on the use of export markets to replace Government subsidies to American farmers in the future. And well it should. Throughout the history of this country, the one consistently bright spot in our balance of trade has been our farm production.

Unfortunately, we lost sight of that for a while. The United States was virtually the only postwar nation on Earth with all of its farming, manufacturing and industrial complexes still intact.

We were so enraptured with exports of hard goods and with America's market leadership over the last four decades that we began tinkering with the foundation of it all, farm exports.

Today, we are nothing more than another competitor in world markets -- and one with a bad reputation and expensive products, at that. Hard goods -- everything from cars to computers -- today come from many places with softer currencies, and many farm products come from more reliable sources.

We need this entire Government to think first about the trade of American farm products. America's market advantage comes from the farm. We must never forget that.

If we keep that in mind, this bill will successfull ratchet down Government's intrusion on the market-oriented farm economy that we need for long-term success of the American farm community.

We've created export incentives to help and we've created the tools that will make it work. They include a strong conservation reserve program encompassing some 40-million acres; a solid new control on marginally productive and fragile croplands; a workable dairy program that will help dairymen without hurting the red-meat producer; and commodity programs that maintain a delicate balance between competing commodities.

The entire package comes together in a 5-year plan that continues to provide the American food consumer with stability of product and price.

Just as importantly, it takes into consideration the fact that the American farm family is a consumer as well as a producer. We can't ever forget that once they've provided the rest of us with food, they must be able to afford it, as well.

Colleagues, this is a good bill, certainly as good as any this Congress is capable of creating.

If you join me today in approving this plan, and join me in the future in cutting our national deficits and the interest rates which will fall with the debt; if you help me keep the wolves away from the door of our farm credit system and join in promotion and nurturing of our farm exports program, I assure you right now that this is the best farm policy offered by Government in generations.

I urge your vote in favor of passage of this bill.

Mr. de la GARZA. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. Glickman].

(Mr. GLICKMAN asked and was given permission to revise and extend his remarks.)

Mr. GLICKMAN. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in reluctant opposition to this conference report. For nearly 1 year, my colleagues and I on the Agriculture Committee have worked countless hours to produce a new omnibus farm bill, and I have the deepest respect for the efforts of the chairman and our other colleagues to produce the compromise we have before us.

Unfortunately, what American farmers need is not a compromise. American farmers need a program which is bold, which breaks new ground, and which will lead us and our farmers out of this morass. As we started this process so many months ago, American farmers said they wanted a change in policy, but instead, they are basically getting the same old tired programs.

The conference report has three main problems, particularly with the grains.

First, most importantly, the bill offers no realistic promise that commodity prices will improve; indeed, they will fall.

Second, in large part, prices will stay depressed as surpluses will continue to build because the bill will not lead to an effective surplus control program. It leaves too much discretionary authority in the hands of an administration which has indicated it will not act aggressively to bring production into line with demand.

Third, the bill provides benefits indiscriminately. The largest producers will reap most of the limited Federal dollars we have to spend because this measure makes no mandatory effort to target income supports to the small- and medium-sized family farms which should be the focus of Federal agricultural policy.

A little less than one year ago, the administration came to the Congress with a bill decimating farm programs, and sure to decimate farm income. Rejection of that proposal was loud, swift, and conclusive from both sides of the aisle. In the House, we held the line and stood firm through this time of crisis. But today we have before us a bill very much like the one the President and his Agriculture Secretary saw pronounced dead on arrival last winter. That product is due in large part to the fact that the long shadow of the President's veto pen hung over the other body as it worked and over the conferees as they met so tirelessly.

However, when I go back to Kansas I cannot stand in that shadow. I will have to face my farmers in the harsh light of my vote today. While there are some provisions and particularly the conservative section, the question is not between this bill or no bill, it is between this bill and a better bill. I think we could have, indeed should have, produced a better bill for our farmers and I cannot endorse this program with my vote. We will be back.

Mr. MADIGAN. Mr. Speaker, I yield 4 minutes to the gentleman from Kansas [Mr. Roberts].

(Mr. ROBERTS asked and was given permission to revise and extend his remarks.)

Mr. ROBERTS. I thank the gentleman for yielding me this time.

Mr. Speaker, for the better part of a year now, we have been involved in an effort to write a new farm bill or, better put, after months and months of hearings and hard work and so many choices between a rock and a hard place, I think perhaps that effort would be better described as a guantlet.

Mr. Speaker, we have held quorums, we have held hearings, we have held listening tours, we have sat on a wagon tongue, we have figured, studied, penciled out, discussed and cussed virtually every farm proposal from shutting down the ASCS office to instant parity as of yesterday.

In the meantime, the adversity in farm country continues and hard-pressed farmers and ranchers have not so patiently been waiting, and we have been forced to go ahead with our cropping plans with no farm bill.

Our difficult but necessary challenge has been to somehow address the adversity we are going through and still keep this farm bill within the budget limitations that we enacted in this Congress.

Does this bill meet all these requirements? No, it does not. It is not the best possible farm bill. It is, however, the best bill possible when we look at all the problems and the difficult circumstances we face.

This is not the farm bill that Pat Roberts would write, nor any member of the Agriculture Committee on the Senate or the House side. But again, Mr. Speaker, I believe it is the best bill possible under these very difficult circumstances. It is time to pass this bill.

Now, there will be those who will say with great passion that we have not done what we should do in terms of protecting farm income, yet compared to the proposal that was first advanced when our Republican Members sat down with David Stockman, this bill is absolutely generous.

The other side of that story, Mr. Speaker, is that the budget restrictions we are operating under did not come from the administration; they came from the budget, passed by a majority in this House months ago, some of them the very Members who are now doing the criticizing.

To all of my colleagues who now worry about the cost of this bill let me say that these cost predictions are guesstimates at best. Time and again I have asked the so-called budget experts how they can predict the weather, trade policy, interest rates, value of the dollar, embargoes, crop yields, and all the rest that goes into it that will affect the cost of this bill. However, the cost of not acting in terms of the adversity that we are going through in farm country will be far greater.

More to the point, as we become market competitive, which this bill will enable us to do, the farmer is made whole to the best of our ability to do that. So, my friends, in terms of the future obligations that would be incurred if we did not pass this bill, these figures will look very small in comparison.

I know that within minutes of the passage of this farm bill there will be people on both sides of the aisle who will do a lot of criticizing. I do not know who I havebeen more irritated with during this yearlong process, the administration for dragging its heels and poisoning the well or those who always prefer an issue to a bill. Let me tell my colleagues that

I do not have of any farmer who can take an issue to the bank and countersign it.

Maybe I am a little touchy on this subject. Maybe it is because we have gone through a year of frustration and agony, and yes, even anger. Maybe it is because I lost the initiative that I worked very hard for, although it is now discretionary in this bill. But I say to my colleagues, do not stand there and criticize this bill and cast a reluctant vote against it when it was your budget, a budget that I did not vote for, that put us in this straitjacket. And if you voted for Gramm-Rudman, which a great many of us voted for -- I did not -- and you exempted eight or nine programs out of that budget process, and you are going to put us in that straitjacket as of next spring, I think, when you say, "Well, we just don't have a bill," that the administration simply held that heavy sword over it, that is demagogery at best.

There doubtlessly will be an emergency bill this spring. This bill gives the Secretary of Agriculture unprecended discretionary authority. All of us have an obligation to work with him not only to pass this bill but to implement that policy in the best interests of producers. In other word's you'll have your chance to put up political hay but we had better get the harvest such as it is in first.

We need the bill. We need this bill to stabilize land values and to keep the FDIC off of our backs. We need a bill. I urge a yes vote.

Mr. de la GARZA. Mr. Speaker, I yield such time as he may consume to our distinguished colleague, the gentleman from Michigan [Mr. Traxler].

(Mr. TRAXLER asked and was given permission to revise and extend his remarks.)

Mr. TRAXLER. Mr. Speaker, I thank the committee chairman, the gentleman from Texas [Mr. de la Garza], for yielding this time to me, and I rise in unenthusiastic support of the conference report.

I commend the conferees, must especially the distinguished chairman of the committee. There is no question that this was their best effort, in spite of President Reagan's attempts to demolish the traditional farm price support programs.

Mr. Speaker, I rise in unenthusiastic support of the conference report on H.R. 2100, the Food Security Act of 1985. I am unenthusiastic about this conference report because it does not represent, in my view, the best possible policy for American agriculture. Rather, it represents the best that we are going to get.

There should be no question among our colleagues about the vital importance of the American farmer. We need the farmer so that we can continue to have an abundant food supply.

But if we want the farmer to continue to be productive, we should be willing to consider his and her need for a reasonable standard of living, and a return on the investment in the farm. In the name of budget austerity and as a precursor of Gramm-Rudman, we don't do that with this farm bill. And the fact that the White House and administration officials, including the Secretary of Agriculture, were so involved with the details of the conference on this bill makes me very suspicious of its value to agriculture over the next 5 years. Remember, this is the administration that effectively proposed the termination of farm price support programs when the President proposed his farm bill last spring. He even proposed abolishing the domestic sugar program.

I am very pleased with the sugar provisions of the bill. It continues a program that I have worked for so hard throughout my years in Congress, and one which will continue to help to provide a measure of stability for my farmers in the years to come. I am also very pleased that the House conferees agreed in principal with a Senate provision that directs the Department of Agriculture to modify its policy on import quotas so that we can continue to run the sugar program with no cost to the Government. This provision is very similar to a directive I sponsored on the fiscal 1986 continuing appropriations resolution.

The dairy provisions represent somewhat of a midpoint between the original House and Senate provisions. There is no question that the dairy farmers I represent would be much happier with the dairy program that was passed by the House as part of the farm bill, but this is one of those cases where the program had to be modified to meet the President's objections or be vetoed.

The dairy program will have the price support level frozen at $11.60 per hundredweight until January 1, 1987. At that time the support price drops to $11.35, and drops again to $11.10 on October 1, 1987. There will not be a paid diversion program initially, as the House had proposed, but the whole herd buyout provisions will be in place for 18 months, subject to the issuance of regulations by the Secretary of Agriculture. The buyout is financed by a producer assessment of 40 cents per hundredweight, which drops to 25 cents on January 1, 1987, and ends in October 1987. Support prices will continue to drop by 50 cents per hundredweight each year beginning in 1988 if the Secretary determines that Government purchases of dairy products will exceed 5 billion pounds. Standby authority for a paid diversion program is retained in the conference agreement. I believe we could have done better but for the administration's opposition.

The wheat and feed grains program also offers us a farm program that's been put through the thrasher. Target prices will be frozen at $4.38 per bushel for wheat and $3.03 for corn for 2 years, and begin to drop in 1988. Deficiency payments made as a result of these target prices will be limited to $50,000. Loan rates will be set as a percentage of the average market price for 3 of the past 5 years, dropping the high and low price years, similar to the program approved by the House. Farmers will be required to set aside land in order to be eligible for these programs if surpluses exceed 1 billion bushels of wheat and 2 billion bushels of corn.

But there is a cautionary note at this point. The Gramm-Rudman provisions will take effect soon, and there is a strong danger that farm price support levels will have to be cut even more to meet the mandates of Gramm-Rudman. However, any farmer who signs a contract with the Government by February 1, 1986, should lock in the price support levels specified in the 1985 farm bill conference report today. The agreement on Gramm-Rudman states that:

Payments and loan eligibility under any contract entered into after a sequester order has been issued for a fiscal year would be subject to a percentage reduction.

The President is supposed to submit his first round of spending cuts on Gramm-Rudman on February 1. It is essential that farmers make their decisions quickly, and sign up for the program to lock in these amounts.

Mr. Speaker, I want to do what is best for the farmers I represent. I have come to the conclusion that the approval of this conference report is better than having farmers continue to wonder what our farm programs will be if we do not approve this agreement. I will continue to take the counsel of the farmers I represent, my best advisers.

In order to give the American farmer some certainty for the days ahead, and with the knowledge it was the best possible in the face of a Presidential veto. I urge my colleagues to approve this conference report on the 1985 farm bill.

Mr. de la GARZA. Mr. Speaker, I yield 2 minutes to our colleague, the gentleman from Iowa [Mr. Bedell].

(Mr. BEDELL asked and was given permission to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, these are very difficult times for me. As I meet here on the floor of the House and as we meet in our conference and as we have our ties and suits on and talk about these issues, I then go back to my district and I see the pain that is there, and I see the good farmers who have always been recognized as leaders in their communities now facing the threat of bankruptcy. And it is not just the farmers, it is the small business people, it is the towns, and it is all of our area.

And let me say, Mr. Speaker, that if anybody here thinks we can have that pain only exist in our rural areas, they do not know what our country is like. I think we are going to feel it across the country.

In my opinion, this bill does not adequately address that problem. The farm bill as it came from the House Agriculture Committee would have strengthened farm income, and that is what we need to do in our area.

The administration opposed many sections of that bill and indeed opposed many of the efforts in our conference committee. With a veto threat constantly held above us, they wanted more and more to cut back on what could be done. But thanks to the efforts of the House members of that conference committee, let me say that this bill is a lot better than it would otherwise have been.

I want to commend the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. de la Garza], I want to commend the gentleman from Illinois [Mr. Madigan], and I want to commend all the conferees, be they Republican or Democrat. As I sat in that conference committee, let me say that there was no partisanship on the House side of the aisle. We held together and tried to do more for our farmers, but time and again the Senate side and the administration would prevail. The other body would carry water for the administration, and the leadership over there on the majority side would vote as a bloc and block what we were trying to do.

I am sorry that this bill is not better than it is for our farmers, but I do commend the Members who were in that conference, and I do say to all the world that this bill is not nearly as bad for our farmers as it might have been without the work of the House conferees, both Republicans and Democrats, in that conference committee.

Mr. MADIGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. Crane].

Mr. CRANE. Mr. Speaker, I thank the gentleman for yielding time to me.

As a House conferee representing the Committee on Ways and Means, there were some points contained in this legislation that really did violence under our rules to the jurisdiction of the Ways and Means Committee. All of those were resolved with one exception. The one exception has to do with the Sugar Program. Under the legislation introduced by the other body to this farm bill we have an unfortunate situation now contained in title IX that really has the effect of imposing vastly higher tariffs on sugar imports into this country. If you go to the objectives of this legislation, namely, to provide for agricultural exports, among other things, I think there is a potential with that kind of protectionism in this legislation for retaliation against other agricultural exports.

In addition to that, the other objective is to assure consumers an abundance of food at reasonable prices, and what we are going to witness with this provision in title IX is an escalation of the cost of sugar to the American consumer. It is an unfortunate that that occurred. As I say, it came from the other body, and we were not able to get it removed in the conference. However, I have assurances from our colleagues here and from the distinguished committee chairman that perhaps we can at least minimize the impact of it legislatively next year.

I do not want to raise objection to all the good work of the conferees from the House side, but I did want to express my objections to what our colleagues in the other body did to flaw an otherwise basically good bill and one that represents many conscientious efforts by distinguished Members in this Chamber.

Mr. Speaker, I rise in opposition to the conference report on H.R. 2100, the Food Security Act of 1985. Specifically, my greatest concern centers around section 902, the prevention of sugar loan forfeitures.

As a conferee from the House Ways and Means Committee, I raised an objection to this specific section on two separate occasions during conference proceedings. Since the section in question had trade ramifications, I warned the other conferees that I intended to raise a point of order on the floor of the House if my concerns were not addressed. Compromise language was drafted to alleviate my concerns with section 902 and I was assured that this language would be substituted. During a unanimous consent request to waive points of order against the farm bill conference report, I was again reassured that my concerns had been taken care of, and therefore, I did not object to the request. Subsequently, my legitimate concerns with section 902 were disregarded and the original language remains in the conference report.

It was not my original intention to attempt to derail the entire conference report over one section, however, the repeated lack of any consideration to what I believe are legitimate concerns is extremely distressing. It has always been my understanding that the U.S. legislative process was structured so that the concerns of the minority would also be addressed.

With respect to the serious shortcomings of section 902 as it now stands, let me begin by outlining the existing Sugar Program in the United States. Excess production characterizes the world sugar economy, and sugar stocks are estimated at more than 50 percent above normal needs. World production is expected to continue to increase slightly despite low prices. The price of raw sugar in the world free market has averaged less than 5 cents a pound, the lowest in 15 years. Since passage of the current Sugar Program -- 1981 farm bill, U.S. imports have been limited to roughly half of their traditional level in order to prop up the artificially high U.S. price -- about 22 cents a pound.

The means by which high U.S. prices are protected is an absurdly convoluted process established to please a limited domestic sugar growers industry. Section 902 is an attempt to further shore up these domestic price supports by increasing import restrictions on foreign sugar. Section 902 specifically requires the Secretary of Agriculture to "operate the Sugar Program established under section 201 of the Agriculture Act of 1949 (7 U.S.C. 1446) at no cost to the Federal Government by preventing the accumulation of sugar acquired by the Commodity Credit Corporation [CCC]." Existing provisions provide that excess sugar may be forfeited to the CCC in lieu of payment on outstanding sugar loans. If the Department of Agriculture is mandated to run the Sugar Program on a no-net cost basis, as prescribed in section 902, then a nonaccumulation of sugar would mean no forfeitures of sugar to the CCC. To achieve this end, dramatic reductions in imported sugar would have to be initiated.

U.S. TRADE REPRESENTATIVE CLAYTON YEUTTER, IN A LETTER TO WAYS AND MEANS CONFEREES, WARNS THAT THE PROVISION REQUIRING THE SUGAR PROGRAM TO BE OPERATED SO THAT THERE WOULD BE NO COST TO THE FEDERAL GOVERNMENT WOULD REQUIRE THE UNITED STATES TO SIGNIFICANTLY REDUCE THE SUGAR IMPORT QUOTA -- THE LETTER IS ATTACHED. ESTIMATES PLACE THIS REDUCTION AT MORE THAN A THIRD COMPARED TO 1984-85 QUOTA LEVELS. SUCH ACTION WOULD ALSO SEVERELY LIMIT THE DISCRETION OF THE PRESIDENT TO IMPLEMENT THIS PROGRAM IN A WAY WHICH BEST MEETS OUR NATIONAL INTEREST. MANY COUNTRIES WOULD CHALLENGE OUR RESTRICTIVE IMPORT POLICY, AND A DRASTIC REDUCTION IN OUR SUGAR QUOTA WOULD UNDERMINE OUR EFFORTS TO RESIST NEW FOREIGN BARRIERS TO OUR OWN AGRICULTURAL EXPORTS.

TIGHTENING THE SUGAR QUOTA WOULD HAVE A SEVERE ECONOMIC EFFECT ON A NUMBER OF DEVELOPING COUNTRIES, INCLUDING MANY OF THOSE ENCOMPASSED IN THE CARIBBEAN BASIN INITIATIVE [CBI]. OUR EXPORTS TO THESE COUNTRIES WILL SURELY SUFFER IF THEY CANNOT EXPORT TO US. FURTHERMORE, THERE IS SPECULATION THAT SECTION 902 VIOLATES EXISTING INTERNATIONAL TRADE AGREEMENTS.

The impact of section 902 will also hurt the remaining U.S. cane sugar refiners. Their access to raw sugar has already been reduced by over 35 percent since the passage of the 1981 farm bill and, as a result, nearly 3,000 jobs have been lost in this industry. Most refiners are operating on reduced schedules, and at least one or two more may close if the import quota is lowered further. In addition, the high U.S. price for sugar has encouraged substitution by other sweetners, especially corn, which now accounts for over 25 percent of caloric sweetners.

The higher domestic sugar prices caused by section 902 would expand the differential between United States and world prices, which would encourage more imports of sugar-containing products. Since 1981, U.S. imports of sugar-containing products, particularly confectionary products, have increased dramatically. For example, imports of chocolate bars were over 400 percent greater last year than in 1981.

The ultimate loser as a result of the section 902 proposal, however, would be the American consumer. Forced to pay escalating prices on cane sugar and sugar-containing products, the domestic consumer would once again bear the burden of subsidizing a small, specialized industry. Protectionism has never solved our trade problems in the past, and never will in the future. the inclusion of section 902 in the farm bill is conclusive proof that prior attempts to protect the domestic sugar growers through import restrictions were unsuccessful. What makes one think that these additional import restrictions will prove any more successful?

In conclusion, I believe that I have demonstrated that my concerns are indeed legitimate. In an effort to satisfy the special interest concerns of some of the conferees, and to help expedite passage, my substitute language that would have essentially guarded against additional import restrictions was never honestly included in the farm bill. American consumers and exporters will pay the price for this narrow, special interest legislation. It will prove a high price to pay for the marginal political support it is designed to buy.

The U.S. Trade Representative,
Washington, December 11, 1985.

Hon. Philip M. Crane,
U.S. House of Representatives, Washington, DC.

Dear Phil: As you proceed to the House-Senate Conference on the Agriculture, Food Trade and Conservation Act of 1985, (H.R. 2100), I want to convey to you our concerns about certain trade provisions of this bill which fall within your responsibilities as conferees from the Ways and Means Committee. For this purpose, I am enclosing a copy of letters already sent by this office to conferees of the Senate and House Agriculture Committees.

Your committee staff specifically asked whether the Administration would be able to implement the sugar provisions of the Senate version of the bill without modifying import restrictions. Under current and foreseeable market conditions, it would not be possible to operate the sugar program at no cost to the Federal Government except by imposing much greater restrictions on imports.

At present levels of domestic production and imports, there is an excess of supply over demand for sugar compared to that necessary to maintain the domestic price at a level that would prevent forfeitures of sugar to the Commodity Credit Corporation (CCC). If the Administration were compelled to operate the sugar program so as to prevent forfeitures and thus avoid cost to the CCC, there would be no way to sustain domestic prices without either increasing the demand for sugar or limiting supplies of sugar. We do not believe there is any likelihood that domestic sugar demand will expand in the near future. Any rebalancing would therefore have to be made on the supply side of the equation. There is no authority to limit domestic sugar production. Therefore, the sugar program could not be operated without cost to the CCC without imposing much more severe reductions on sugar imports, a step that would raise serious legal and trade policy problems.

Sincerely,
Clayton Yeutter.

Mr. de la GARZA. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from South Dakota [Mr. Daschle].

Mr. DASCHLE. Mr. Speaker, I rise in opposition to the bill. I do so knowing full well the difficulty that our ranking member and our chairman had in coming to an agreement.

We are told that this bill is a freeze, but I have to say that the only freeze I see is that farmers are frozen out of a decent income and a higher price. Frankly, I do not know how we are going to be able to go home and tell those farmers who are now facing this long, cold winter what they must do in light of the fact that for the next 4 years they are going to see a reduction in income and a reduction in price.

All we can do is to voice our opposition loudly and clearly this morning. All we can do is to insure that they know that the fight goes on, and that at long last at one point in the future we will realize the importance of the family farm, realize the importance of a good, solid return on investment, and realize what an important element in our economy they all are.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska [Mr. Bereuter].

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

MR. BEREUTER. MR. SPEAKER, I RISE IN SUPPORT OF THE LEGISLATION, AND I WISH TO COMMEND THE CONFEREES FOR THEIR EFFORTS.

MR. SPEAKER, I RISE TODAY IN SUPPORT OF H.R. 2100 -- THE 1985 FARM BILL. I DO SO, HOWEVER, WITH SEVERAL RESERVATIONS -- ESPECIALLY TO THE COMMODITY PROGRAMS FOR WHEAT, FEED GRAINS, AND SOYBEANS WHICH I WILL ADDRESS IN A MINUTE.

IT IS EASY TO VOTE AGAINST A FARM BILL FOR POLITICAL POSTURING. SOME POLITICIANS NEVER WILL VOTE "AYE" NO MATTER WHAT MIGHT BE IN A FARM BILL; THEY MAKE A CAREER OF SAYING, "IT WASN'T GOOD ENOUGH." HOWEVER, THE ONLY RESPONSIBLE VOTE FOR A MEMBER OF THIS HOUSE OR THE OTHER BODY IS "AYE." WHAT, I ASK IS THE ALTERNATIVE? CAN YOU IMAGINE THE CHAOS THAT WOULD RESULT IF CONGRESS ADJOURNED WITHOUT PASSING A FARM BILL? THE IMPACT ON THE FARMERS AND RANCHERS OF FACING THAT POSSIBILITY AS THEY TRY TO SECURE LOANS AND PLAN THEIR 1986 FARM YEAR WOULD BE DEVASTATING. IF WE DO NOT PASS THIS FARM BILL NOW, EVERY ASTUTE OBSERVER OF CAPITOL HILL FARM POLITICS KNOWS A BILL CRAFTED IN 1986 WILL BE FAR LESS GENEROUS AND FAR TOO LATE.

AS A CONFEREE ON THE TRADE TITLE OF THIS LEGISLATION, I CAN REPORT TO MY COLLEAGUES THAT THIS WAS A LONG, DIFFICULT AND TEDIOUS CONFERENCE. I COMMEND THE MEMBERS OF THE AGRICULTURE COMMITTEE AND ESPECIALLY THE CHAIRMAN OF THE COMMITTEE, MR. DE LA GARZA, AND THE RANKING MINORITY MEMBER, MR. MADIGAN, FOR THEIR PATIENCE AND PERSEVERANCE IN TRYING TO craft a farm bill that will effectively address our Nation's farm problems within the fiscal restraints that exist.

There continues today to be great frustration and uncertainty in rural America about our agricultural crisis and Congress' inability to adequately correct it. As a member who represents farmers, cattlemen and a congressional district largely dependent upon agriculture, this bill will determine the future for thousands of my constituents over the next several years. I share with my colleagues who are members of the Agriculture Committee their uncertainty about this farm bill and their frustration in trying to build a consensus for new directions in policy.

If our agricultural problems stemmed for a single source, it would be much easier to select the right solutions. Unfortunately, the major dilemma that exists today in agriculture is the mulititude of problems which confront us: High interest rates, declining land values, low commodity prices, and an archaic Tax Code, dwindling export markets, foreign agricultural subsidies, the high value of the dollar, and many others. All are separate concerns, yet all have interrelated effects; and they must be addressed in a coordinated fashion to effectively provide a bright future for American agriculture.

Today, we consider the conference report on the 1985 farm bill. There are some who consider omnibus farm legislation to be the trough at which American agriculture depends for sustenance. There will be Members who criticize this farm bill because it does too much and because it is too expensive. There are many others who criticize this farm bill because it does not do enough. Where this farm bill is deficient, however, is not in the scope of its assistance, but the depth of its innovation and direction for the future.

In the past, agriculture has generally relied on the farm bill as the sole means of addressing our agricultural problems. However, it should also be considered an opportunity to lay down long-term policy goals for where we want agriculture to be in the future, rather than a short-term reaction to the fundamental problems which are symptomatic of agriculture. In addition to establishing a sound policy foundation for agriculture, this farm bill should also complement other legislation which this Congress has passed this year that also addresses fundamental problems in agriculture.

Aside from the farm bill, Congress has legislated many reforms this year which will chart a new course for agriculture for the rest of this century. For example, the tax bill which we passed yesterday will bring about major changes in the Tax Code that have a positive effect upon agriculture. While I objected to the rule under which that legislation was brought to the House floor, I made public my intention to vote for it because, in general, it is a beneficial step for Nebraskans and most American individual taxpayers. Accordingly, I voted against the motion to recommit it to committee and cast an oral vote for its passage.

For too long the tax code has enticed nonfarm investment in agriculture by those who are not reliant upon agriculture for a living but who instead farm the Tax Code for tax shelters. This type of investment has encouraged overdevelopment and overproduction in AGRICULTURE AT THE EXPENSE OF TRADITIONAL FAMILY-OWNED AND FAMILY-OPERATED FARMING OPERATIONS.

THE EXPORT ADMINISTRATION ACT WHICH WE PASSED EARLIER THIS YEAR WILL ALSO HAVE POSITIVE AND VERY CRUCIAL RESULTS FOR AMERICAN AGRICULTURE. DURING THE LAST 12 YEARS, AGRICULTURE HAS BORNE THE BRUNT OF FOUR MAJOR TRADE EMBARGOES. THESE EMBARGOES HAVE COST U.S. FARMERS BILLIONS OF DOLLARS IN LOST EXPORTS AND SERIOUSLY IMPAIRED THE CREDIBILITY OF THE UNITED STATES AS A RELIABLE TRADING PARTNER. THE EXPORT ADMINISTRATION ACT WILL CURB THE ADMINISTRATION'S PREROGATIVE TO BLATANTLY MISUSE GRAIN AND FOOD EMBARGOES AS A TOOL OF FOREIGN POLICY AND SEND A STRONG MESSAGE TO OUR TRADING PARTNERS THAT THE UNITED STATES IS A RELIABLE SUPPLIER OF AGRICULTURAL PRODUCTS.

I WAS PLEASED TO SUCCESSFULLY LEAD THE FIGHT FOR ANTI-EMBARGO PROVISIONS AND FOR CONTRACT SANCTITY THROUGH MY MEMBERSHIP ON THE TRADE SUBCOMMITTEE OF FOREIGN AFFAIRS AND AS A CONFEREE ON THIS FARM BILL.

CONGRESS WILL ALSO LATER TODAY ADDRESS LEGISLATION THAT WILL RESTRUCTURE THE FARM CREDIT SYSTEM, THIS NATION'S LARGEST AGRICULTURAL LENDER. WHILE THIS LEGISLATION IS ONLY THE FIRST STEP IN ADDRESSING THE DEBT CRISIS IN AGRICULTURE, IT IS A NECESSARY STEP TO INSURE THE FUTURE FINANCIAL SOLVENCY OF THE FARM CREDIT SYSTEM AND, THEREFORE, MOST IMPORTANTLY LOAN FUNDS FOR FARMERS AND RANCHERS AT COMPETITIVE RATES.

FINALLY, TO ADDRESS THE CRIPPLING EFFECT THAT FEDERAL DEFICITS AND HIGH INTEREST RATES HAVE HAD ON AGRICULTURE, CONGRESS HAS FINALLY ADOPTED SERIOUS DEFICIT REDUCTION MEASURES. THE GRAMM-RUDMAN-HOLLINGS DEFICIT REDUCTION PACKAGE WILL IMPACT AGRICULTURE IN SEVERAL WAYS.While this measure will force equal restraints in defense and domestic programs, including agriculture -- which I will address shortly -- it will have a positive impact on agriculture as it is effective in reducing the deficit and lowering interest rates for farmers and ranchers.

All of the legislation which I have just mentioned is in many ways progressive, innovative, and positive for agriculture. However, while these measures will compliment the 1985 farm bill, they alone cannot be a substitute for an equally progressive and innovative farm bill. Although many sections in the farm bill are certainly innovative, others remain shackled to the worn theories of the past.

To mention the improvements which have been made in this farm bill, I would first like to commend the members of the Conservation and Credit Subcommittee for their work in drafting a conservation title that is long overdue. The sodbuster-swampbuster provisions of the farm bill will discourage the development of marginal, highly erodible farmland which has not only been bad conservation policy, but also bad economic policy. The development of marginal lands has contributed to surplus production, the cost of our farm programs, and the debt crisis of many farmers.

With regard to farm debt and rural development problems, the conference report not only reauthorizes FmHA credit and rural development loan programs, but also requires the USDA to establish a 3-year interest buy-down program under which the Federal Government and commercial lenders will share equally in interest-rate reduction for borrowers of FmHA guaranteed loans.

As a conferee on the trade title of this farm bill, I would also point out that the export of our agricultural commodities was a top priority of both House and the other body. We are all well aware of the decline in our agricultural exports during the past several years; and with it, farm income. While agricultural exports alone will not solve our farm problems, we cannot ignore the importance of the contribution they make to our farm economy.

The reasons for the decline in our agricultural exports is due to a number of factors. One is certainly the high value of the dollar. Another is the predatory trade practices and subsidies of our foreign competitors. Increased world production has also taken its toll on U.S. exports.

The trade title of this farm bill is the best ever passed by Congress. It invigorates the competitiveness which has long been the trademark of American agriculture and has made it our Nation's largest exporting industry. In addition to reauthorizing existing commercial export promotion programs, the conference report requires the USDA to use at least $2 billion of CCC-owned commodities over the next 3 years to counter unfair foreign trade practices and recapture markets lost to foreign subsidized exports to create new business opportunities for American farmers.

The food assistance title, for which I was also a conferee, is also the best for American farmers -- and recipients -- that Congress has ever passed. For the impoverished regions of the world that need our assistance, this bill reauthorizes and restructures many of our food aid programs to better target and utilize our food aid dollars. While some may criticize spending money for foreign assistance at a time when U.S. agriculture suffers, I would point out that many nations which were once recipients of Public Law 480 donations are now large commercial purchasers of U.S. agricultural commodities.

Furthermore, the extent and application of cargo preference requirements, an issue which has been terribly divisive in this Congress, has been moved to a compromise and away from all-out counterproductive warfare. Both the House and the other body have been embroiled in this controversy since earlier this year when a U.S. district court ruled that cargo preference was applicable to the USDA's blended credit program. I am not happy with the compromise insisted upon by conferees of the other body, but after several days of negotiations and debate in conference, an agreement was reached in which all commercial export promotion programs, including the blended credit and intermediate credit programs, would be exempt from cargo preference requirements. In return, the U.S. maritime industry will be permitted to increase its share of food aid and famine relief shipments from the current 50 percent to eventually 75 percent of such cargoes.

The cost of this additional cargo preference requirement will be allocated to and paid for by the Department of Transportation. Assurances were also given by conferees from the Merchant Marine and Fisheries Committee during the conference that in the event the additional funding for cargo preference is not actually made available, then the so-called "snapback" provision will not expand cargo preference beyond current law. I am very pleased that our commercial export programs can once again begin to function unencumbered by cargo preference requirements.

The sections of the farm bill I have mentioned are worthy and commendable. There are, however, other sections, specifically the crucial programs for wheat, feed grains, and soybeans, that are the weak link in this farm bill.

It is both unfortunate and unnecessary that we are faced with basically the same warmed-over price support programs that were incorporated in the 1981 and previous farm bills. During the farm bill debate in the House, we had before us options that would have targeted the benefits of these programs more effectively. Unfortunately, they were rejected. Under our current farm programs, farm income has declined at the same time that surpluses and Federal expenditures have increased. Unless we move away from these programs, more of the same will continue in the future.

As we consider this legislation today, I think we should all be cognizant of what might occur during the next year with regard to these programs. Under the target price-loan rate mechanism in this farm bill, farmers will be forced into continued overproduction, surpluses will continue to grow, and the cost of these programs will continue to escalate. Either one, or both of two scenarios are likely to occur. Because of the record domestic carryover of grain and a glut of unprecedented size on the world market, I anticipate that the commodity programs for wheat and feed grains will within a year either collapse under their own weight, or self-destruct under the restrictions of Gramm-Rudman.

Until we move away from programs that attempt to support every bushel of wheat and corn, regardless of whether they are needed or not, we will continue to make ineffective and inefficient use of our farm programs. We will have to eventually target our resources toward our family-owned and-operated farms in a manner that provides them with a decent return on their investment and labor in agriculture.

While I am reluctant to vote for this farm bill because of the commodity programs that I have mentioned, I also recognize that we must continue to move forward. Imperfect as this farm bill may be, responsible national legislators operating in a tight fiscal climate and serving in a Congress increasingly populated by urban-oriented legislators do not have the luxury to pick and choose what programs we like or dislike. If we did, I would not hesitate to vote against the commodity programs for wheat, feed grains and soybeans in this bill. However, if we reject this bill there will be no farm bill and we will have rejected not only the negative, but positive provisions of this legislation.

We would be left with chaos for our farm constituents and for the Nebraska economy. Some Nebraska and farm State legislators may take the easy, politically expedient way out by voting "nay." Fortunately, there are always enough responsible legislators to give them the luxury of an irresponsible vote.

Next year, and whenever necessary thereafter, I am quite willing to address these programs once more. Then, perhaps we will adopt some of the alternative programs which we rejected earlier this year. Several were far more innovative and realistic in moving us toward the goal of a bright future for agriculture.

Mr. Speaker, at this time, I urge my colleagues to vote for the bill.

Mr. MADIGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. Frenzel].

(Mr. FRENZEL asked and was given permission to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, I was a bit player in the conference along with the gentleman from Illinois [Mr. Crane] on a number of trade issues which were satisfactorily resolved, and on the sugar issue which the gentleman mentioned.

I was one of those in the House who supported the House sugar position, although 142 of us did not. The Senate language was much tougher. The gentleman from Illinois [Mr. Crane] and I were assured that it would be modified. On that basis in the Record of November 16 the gentleman from Illinois [Mr. Madigan] and the gentleman from Texas [Mr. de la Garza] had mentioned that our objections had been overcome. Mr. Crane and I then agreed to the unanimous consent request that brings this bill to us.

Apparently the people who assured us thatthey would take care of this situation were not able to do it. I say with considerable sadness, but no bitterness that I will support the bill, but it will be a long time before I agree to another unanimous consent request from the House managers.

This was a disappointing experience. I know the House managers did the best they could, but I feel they let us down in this case.

Mr. de la GARZA. Mr. Speaker, I yield 2 minutes to the distinguished chairman of the Subcommittee on Cotton, Rice and Sugar, the gentleman from Louisiana [Mr. Huckaby].

Mr. HUCKABY. Mr. Speaker, I thank the gentleman for yielding. I certainly want to thank the chairman and all the conferees for the many, many hours of hard work that went in to bringing this conference report to the floor of the House.

Mr. Speaker, let me urge my colleagues to support this legislation. It is not a perfect bill. Any of us would like to make changes. But it is a good bill.

I would like to address my remarks to cotton, rice and sugar.

In the area of sugar, we basically have a freeze, a continuation of the existing sugar program as is, which will protect American sugar farmers and allow them to stay in business.

For cotton and rice, Mr. Speaker, we are doing something dramatically different that has never been done before with an agriculture bill. We are going to the marketplace. In the last 4 years, we have seen our sales of cotton go from 14 million bales to 8 million bales, with similar reductions in rice, because of the strong American dollar, because of countries subsidizing, because of countries dumping, and we have been paying our farmers to cut back and reduce their production while the rest of the world has been expanding.

We are going to reverse that with this bill. We are going to the world marketplace. We are going to recapture our markets. We are going to see our prices actually go down to begin with, but we are going to pay our farmers this protection, and then we are going to see prices rise once we recapture our markets.

Mr. Speaker, this bill offers hope for the American farmer. I think it offers real hope to allow us to regain our markets, to regain prices, and still with the safety nets that have been provided.

Mr. Speaker, I would urge all of my colleagues to support this legislation.

Mr. MADIGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont [Mr. Jeffords].

(Mr. JEFFORDS asked and was given permission to revise and extend his remarks.)

Mr. JEFFORDS. Mr. Speaker, I rise to talk a bit about the dairy provisions of this bill. They are important provisions.

The dairy program will largely rely upon the concept of a whole-herd buyout.

There will likely be many people who will take the responsibility for being the father of the whole herd buyout concept. I am not entirely sure, however, that I want to have that dubious distinction, but I do with respect to this bill and therefore have a duty to explain to you what it means.

Dan Hollingsworth of California has promoted this concept. He is an example of the dairy farmers who have again come forward and said, "We are willing to pay for another supply management program. The milk diversion worked last time. Although we are not going to repeat that program, we have a better one. If we can get enough farmers to voluntarily sell their herds to the Secretary of Agriculture, then we can reduce milk production without having to put farmers through bankruptcy. Remember that for every dairy farmer that we can get to go out of business voluntarily, we save four from the spate of bankruptcies that would occur if we were to get our herd size down through price reductions alone.

I must however, point out that we have put all of our milk in one bucket in this instance. If the whole herd buyout fails because enough farmers do not take advantage of it, then dairy farmers will face annual price cuts until such time as we have reached a supply and demand balance.

The success of the program will depend, first, upon the Secretary of Agriculture; he must make the program work. Second, its success will depend upon the farmers themselves, for they must take advantage of it.

We have a little insurance in the bill, good faith insurance, that says that the Secretary must run a good program, because if he does not, he loses his price cut authority in the out years.

It is with confidence, however, that I stand here and echo the view that this program can and will work. If the enthusiasm that farmers have shown for this program is matched by their participation, the program has every chance of success. If they do not, the program has no chance at all. And the result will be exactly what this program was designed to prevent -- the wholesale bankruptcy of dairy farmers, rather than the whole-herd buyout of cows.

We, in Congress, can legislate a good idea, but it will take the farmers to really make it work.

Mr. Speaker, I also want to discuss the bill's food stamp provisions and how they impact on energy assistance and standard utility allowances. This is a complicated issue, and it is one that has generated a surprising amount of controversy.

I approached this issue from the perspective that we, on the Agriculture Committee, had no business changing the Energy Assistance Act. This statute falls within the jurisdiction of the Education and Labor and Energy and Commerce Committees. In taking a position of neutrality on this issue, I think the conferees have recognized that the issue properly falls outside of the Agriculture Committee.

In fact, both the House and Senate have agreed with this assessment, voting as each body did to delete the provisions aimed at overturning the provisions of the Low-Income Home Energy Assistance Act. It is obviously the sentiment of Congress that the courts to date have properly interpreted the provisions of the Energy Assistance Act.

My only hope is that we have not overly confused the issue. I know that the Education and Labor Committee will look at this issue next year, and hope that we will, at that time, be able to explicitly, rather than implicitly, affirm the court decisions on this issue to date.

Mr. de la GARZA. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. Penny].

(Mr. PENNY asked and was given permission to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, yesterday the St. Paul Pioneer Press & Dispatch carried the headline, "Official Says Farm Bill No Help to Agriculture." And in that article an official of the Farm Credit System in Minnesota was quoted as saying, "We believe there is a financial crisis in our industry, agriculture. We believe farms have more debt than farmers can pay with projected incomes."

He went to say, "The 1985 farm bill which cleared a congressional conference committee on Saturday won't change farm income projections substantially."

Mr. Speaker, farm groups are divided on many issues, but they are united in their opposition to more of the same old farm policy. What we have here, thanks to the Senate and the White House, is worse than more of the same, it is less of the same. We do not need to spend more on farm programs to help agriculture. What we need is a better farm policy that directs its assistance to mid-sized and small-family farms across America.

The President showed positive influence on a good issue, tax reform, yesterday and helped to get that measure passed. But what we need is his positive influence for the right kind of farm policy. Instead he has used his influence to produce a farm bill that will lower farm income and increase commodity surpluses. I'll be voting against this farm bill because farmers deserve better.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the distinguished minority leader, the gentleman from Illinois [Mr. Michel].

Mr. MICHEL. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I certainly rise in support of the conference report.

I believe the conference committee has done a pretty darn good job, especially given the time constraints it operated under and given the task it had of fitting the conference report within the budget resolution and a strong Presidential request that farm spending for fiscal years 1986 through 1988 be kept within certain parameters.

They say history repeats itself and certainly that is true with respect to the recent history of House consideration of conference reports on farm bills. On December 16, 1981, we passed the conference report on the 1981 farm bill as our last such action in the 1st session of the 97th Congress. Here we are 4 years later at the tail end of a session with farmers and others anxiously awaiting for word on farm programs that will apply for the 1986 crops and beyond.

Mr. Speaker, during the consideration of H.R. 2100 in the House in September, Mr. Olin, of Virginia, and I cosponsored an amendment to change the dairy title of the bill. We failed in that effort but I understand that the conference agreement has adopted some of the provisions of the Senate amendment to H.R. 2100 that I sought to include in the dairy title and so I now believe that with those "required" reductions in milk support levels in future years and a "whole-herd" buyout provision, there is a chance of achieving for the first time greater reliance on the marketplace for milk products that will benefit both dairy farmers and consumers.

I am also pleased that the soybean title of the conference substitute remains much as it operated in the last 4 years with a feature to maintain flexibility on loan levels in future years so that soybeans will not accumulate in Government storage and so that U.S. soybeans can continue to compete in world markets but with some protection to producers.

Also, the feed grains title, I understand, is one that corn growers can endorse and support. It provides a farm program giving income support to producers in the next critical 2 or 3 years while moving to a greater market orientation in the last 2 to 3 years of this 1985 farm bill. Meanwhile, I support provisions in this bill that will help corn producers to expand the use of corn products as a gasoline additive and as a good sweetener.

The conference agreement is a massive document that contains many, many technical provisions that only the members of the Conference Committee from the House will be able to explain in detail. However, I have maintained close contact with the ranking member, Ed Madigan, from my State of Illinois, during the conference, and he advises me that this is a compromise measure that, while perhaps not perfect, is one that we can support. It may require close oversight by the Congress as it is implemented, but that it apparently will continue to provide the loan levels, target prices, and other farm program assistance to farmers that they are in desperate need of in the near term.

Mr. Speaker, I commend my colleague from Illinois, Ed Madigan, the ranking member of the committee, and Chairman de la Garza, of the Agriculture Committee, for their efforts in shaping this piece of legislation and bringing it to us in a form that I believe will be acceptable to the President. I urge you to support this measure and send it to the President for his signature.

Mr. MADIGAN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I would be happy to yield.

Mr. MADIGAN. Mr. Speaker, I want to take just a second of the gentleman's time to express my gratitude to the gentleman for his assistance in the last couple days that made it possible for us to get on the floor here today. I thank the gentleman very much.

Mr. MICHEL. I thank the gentleman.

Mr. Speaker, I have said all along that it is absolutely imperative that before we pass the continuing resolution, we pass a farm bill, hopefully a credit piece of legislation to go along with it before the Congress adjourns. I think both sides would be in agreement on that score.

Mr. de la GARZA. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Oklahoma [Mr. English].

(Mr. ENGLISH asked and was given permission to revise and extend his remarks.)

Mr. ENGLISH. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, it had been my hope to be able to vote for this farm bill. Certainly our farmers need desperately for some improvements as far as income is concerned and some hope for the future.

In the past 50 years, our objectives have been to try to keep supply and demand in balance in the hopes that we would be able to assure our farmers that they could receive a reasonable price for their products in the marketplace.

But under this legislation, at the insistence of the President and many of the Members of the U.S. Senate, we are changing that goal. We are accepting a new goal.

The objective is to reduce our prices to still lower levels than we have today, at a time in which we have great financial stress among the farmers of this Nation, while increasing grain surpluses to an even greater level. As far as the wheat and feed grains, we are today looking at the largest surpluses in the history of this Nation and the projections are that they will go even higher under this bill.

I think that is wrong, Mr. Speaker. I think what we need to do is to bring about a balance of supply and demand, to strengthen market prices so our farmers have some hope for the future. But, unfortunately, as I look at this bill, as far as wheat and feed grain farmers are concerned, I simply do not see that hope. I do not see that we are providing the opportunity for our farmers to receive better prices in the marketplace.

For that reason, Mr. Speaker, I very reluctantly will vote against the bill.

In addition, Mr. Speaker, I would like to point out that I was deeply involved in the farm bill conference regarding the cargo preference issue. In fashioning those cargo preference amendments, the conferees made no changes in the threshold concept of U.S.-flagship availability already contained in the Cargo Preference Act. Rather, the amendments in the conference report are based on the understanding that cargo preference continues to apply only to the extent U.S. flagships are "available." I also oppose the cargo preference provisions of this farm bill and provides still another reason to oppose this measure.

Mr. MADIGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. Franklin], a member of the committee.

(Mr. FRANKLIN asked and was given permission to revise and extend his remarks.)

Mr. FRANKLIN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to also compliment the ranking member and the chairman of the Agriculture Committee for their diligent and intelligent work on this conference committee report, and I firmly support it.

Mr. Speaker, I am vitally interested and my district is vitally interested in the commodities of cotton and rice, and I also want to take this time to commend our chairman of that subcommittee, the gentleman from Louisiana [Mr. Huckaby], and the ranking minority member, the gentleman from Minnesota [Mr. Stangeland]. They held firmly committed to getting the best bill possible from the conference and I believe they have succeeded in that effort.

We have done something in this bill that I think is innovative and will help all American farmers. We have not given them everything that they need or everything certainly that they want, but I think for the first time what we have said to the American farmer is that we are going to put the U.S. Government behind you and we are going to make the commodities that you grow more competitive in world markets, in the sincere hope through this effort that your price will rise and that you can return profitability to your operations in the future.

That is basically a statement that I believe the gentleman from Louisiana [Mr. Huckaby] made earlier concerning the commodities of cotton and rice that are so valuable to my district.

But, Mr. Speaker, what I want to do is to express to all of my colleagues the importance of getting the farmers of this Nation a bill that they can go to their banks with within the next 2 months, get their financial houses in order, make their cropping plans and farm next year. Farmers need a plan and a farm program so that they will know how to make their cropping plans and financial arrangements.

Absolutely, the worst thing that this House could do would be to deny the American farmer that knowledge of what he is going to be operating under and what structure he is going to be operating under next year. Refusing to adopt this conference report would deny farmers the right to obtain financing and reduce efficient production for lack of knowledge sufficient to plan adequately. It would be devastating to our economy nationally, and certainly it would be killing to our agricultural economy.

Mr. Speaker, I strongly urge my colleagues to support this conference report and thereby restore profitability to agriculture in the future.

Mr. de la GARZA. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Missouri [Mr. Volkmer].

(Mr. VOLKMER asked as was given permission to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, I must reluctantly rise in opposition to this conference report. I am reluctant because I understand and appreciate the time and effort that went into the development of this farm bill, and because I have great regard for my colleagues who support this measure and especially for the work of our chairman whose endeavors are responsible for a bill that is better than proposed by the Administration.

Still, the decision of how to vote on such an important piece of legislation must be made on the merits rather than the amount of time that has gone into its formulation. And while this bill has some commendable provisions, on the whole I find that it fails completely on the issue of concern to so many farmers facing economic disaster -- income security.

This bill promises wheat and feed grains farmers one thing and one thing only -- lower prices for their products. Farmers who cannot make a decent living today, receiving prices that are lower than their production costs, simply cannot be expected to survive on still lower prices.

The fact that this bill does so little for farmers is sad, and more than a little ironic. When the Agriculture Committee began this long process last year, we had many disagreements on how best to address the problems of American farmers, but one thing all involved seem to agree on was that we needed a new far policy and not a simple rehashing of the current failed system. The agreement before us today continues that basic policy, with lower prices.

I also find it ironic that we are willing to assist the farm credit system -- and I am thankful for my colleagues' help on this matter -- but we will do nothing under this bill to allow farmers to earn enough to pay their loans.

The central issue of this debate is clear: Does this bill establish a program which ensures Americans an adequate supply of food and fiber at a reasonable price which allows our farmers a fair income?

The answer is equally clear: it does not.

If we adopt this conference report, we are painting a dim future for the American farmer, and we are setting the stage for our citizens to pay a far greater share of their income for food.

Mr. MADIGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. Moore].

(Mr. MOORE asked and was given permission to revise and extend his remarks.)

Mr. MOORE. Mr. Speaker, I thank the distinguished ranking minority member of the Agriculture Committee for yielding to me.

Mr. Speaker, I want to urge my colleagues to vote for this conference report.

I voted for the bill when it left the House over the objections of my administration, and this conference report is far superior to that bill.

Agriculture is the most important industry in my State, and it is in trouble in my State just as it is in yours for all the same reasons that we all share. But my State has also been hit by three hurricanes which have ravaged our crops. I learned something.

I found out that the crops in my State, soybeans and sugar cane, two of the crops in my State, did not qualify for any kind of emergency disaster grant relief that we give to other commodities. This conference report corrects that oversight and now makes that available, and that is certainly good.

Secondly, the administration announced a very high, too high, import quota on sugar coming into this country. I oppose that very strongly. What that is going to mean is that the sugar program that has never cost the taxpayers any money will, which means greater deficits; secondly, it means that we will have greater imports, worsening our trade; and thirdly, it is not a good signal to farmers.

This bill corrects that by saying that has to be taken care of, it has to be operated on a no-cost basis, which probably means the import quota period will be extended for about 3 months to see to it that that does not happen.

Thirdly, for the taxpayers this bill is good, and for the farmers as well, because it begins to move us back to a market-oriented farm economy by the reduction of target prices ever so gradually, when we get out of the current bind we are in, to get to a market-oriented economy once again.

So I compliment the members of the Committee on Agriculture, and in particular my good friend, the gentleman from Louisiana, Jerry Huckaby, who did an outstanding job, and certainly the chairman and the ranking minority member, for having produced and brought forth a far superior conference report to the bill we all supported, and something we can all vote for in good conscience as being good for agriculture, good for the taxpayers and, therefore, good for the economy of this country.

Mr. de la GARZA. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from California [Mr. Brown].

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of the conference report on H.R. 2100, the 1985 farm bill. This legislation is the result of months of work by both the House and Senate Agriculture Committees, and stands as a monument to the determination of the Members and staff who have toiled to deal with a very difficult situation in the farm sector. It is not a perfect bill, and I expect that we will have to return to these issues again in the coming months, so deep are the problems of agriculture. We will also have to debate farm policy next year to further cut the agriculture budget under the deficit reduction package we recently passed.

But there are many features of this legislation which are landmark changes and deserve the support of all Members of the House. Many of these programs are the result of years of work by Members and individuals whose vision is being rewarded in this bill.

This legislation makes major advances in our soil conservation programs. It establishes a conservation reserve to retire highly erodible acreage. It even focuses on the problems of western irrigated agriculture with an option for the Secretary of Agriculture to consider soil and water salinity problems in the establishment of a conservation reserve. This provision is one which I am especially interested in and I would like to personally thank Mr. Jones, the chairman of the Conservation, Credit, and Rural Development Subcommittee for holding onto this provision in conference.

This bill, for the first time, links conservation and price support programs, in the "sodbuster" provisions. Under this proposal, farmers who plow highly erodible land must have an approved soil conservation program in place before they can receive farm program benefits. This is a landmark advance in our soil conservation efforts, and Mr. Jones is to be congratulated for getting this program enacted. I would be remiss if I did not also pay tribute to Mr. Thomas Barlow who, in the mid 1970's, first brought this scheme to my attention. That was a time when even mentioning a link between price supports and conservation could get you in trouble, yet Mr. Barlow and other farsighted conservation advocates plugged away on the concept that we are addressing today.

Tucked away in the massive provisions of this bill is the Agriculture Productivity Act which the House passed earlier this year. This act establishes a program of research into sustainable, biological approaches to farming, an area which has great promise for reducing farm operating costs. Mr. Weaver of Oregon is to be congratulated for his tireless effort over recent years to get this needed initiative enacted. Here again, we are seeing the completion of an initiative which began nearly 10 years ago and has involved the efforts of dozens of farsighted individuals.

I would like to comment on the dairy provisions of this legislation, an area in which I was deeply involved during the House debate on H.R. 2100. Every Member of the House owes a great debt to Mr. Coelho, the chairman of the House Agriculture Subcommittee on Livestock, Dairy, and Poultry, for his work in crafting the legislation before us. Mr. Coelho was faced with a tremendous legislative challenge and rose to the occasion with the skill and energy that we all recognize him for.

The provisions in the conference report should deal effectively with the overproduction in our dairy sector with minimum disruption to dairy producers. This compromise agreement is nearly identical with the approach that I was seeking earlier this year -- a price freeze for 1986 with reductions beyond that, combined with a whole herd buyout. The whole herd buyout is especially attractive since it allows those producers who want to leave the dairy business a transition mechanism. Under this proposal, the Government would use funds collected from dairy producers to buy out the entire herd of dairy farmers who want to get out of the business.

I have supported this concept for some time, but due to the parliamentary situation in the House during our debate on H.R. 2100, I was forced to oppose it, hoping to secure a price freeze in the House and get the whole-herd provision in the Senate. The compromise before us had secured the same result, in reverse order, and deserves our support. This provision is also testimony to the energy of one individual, Mr. Dan Hollingsworth of California, who devised the whole-herd buyout scheme a few years ago and has been doggedly pursuing the idea ever since. It is rare that we see so clearly an issue on which one person has made the difference, and Mr. Hollingsworth deserves special recognition for his work on the dairy provisions before us.

I am pleased with the research title of this bill and thank Mr. Bedell and Mr. Roberts, the chairman and ranking member, respectively of the House Agriculture Subcommittee on Department Operations, Research, and Foreign Agriculture, for their efforts. The research, extension, and teaching programs reauthorized in this bill hold the promise for agriculture's future and need our support. I am pleased that the conferees have held three issues of importance to me: new crop research, pesticide resistance, and a review of the formula for the distribution of funds for cooperative extension. I wish that the competitive grant program could have been authorized for more than $70 million, given the new tasks that we are assigning to the program. But its increasing support in a time of austerity is comfort enough to me.

I would like to raise one cautionary note on the matter of funding for research, extension, and teaching in agriculture. Next year, we will be starting the process of deficit reduction required by the recent legislation on that matter. Civilian research is now only about one-quarter of our total Federal research and development budget, down from one-half in 1981. It is extremely vulnerable to this budget cutting process which is occurring at a time of great promise for agriculture research and extension, and a time of great need in agriculture teaching. We must exercise caution in our zeal to find areas for budgetary reduction lest we threaten the future of agriculture in this country.

I would like to take special notice of a major advancement in the humane treatment of laboratory animals contained in the conference report. It is a revised version of the Improved Standards for Laboratory Animals Act of 1985, H.R. 2653, which I introduced in the House, and S. 1233, introduced by Senator Dole in the Senate. Over 140 Members of Congress cosponsored H.R. 2653, and 40 Senators cosponsored the Senate version.

This legislation is not new; Senator Dole and I introduced earlier versions of this legislation in the 98th Congress, H.R. 5725 and S. 657. Hearings were held on this legislation in the Senate Committee on Agriculture, Nutrition, and Forestry on July 20, 1983, and in the House Agriculture Subcommittee on Department Operations, Research and Foreign Agriculture on September 19, 1984. The revisions made to the 1983-84 bills were based on testimony given at these hearings.

The intent to title XX is to increase assurances that laboratory animals are treated humanely, while at the same time not restricting scientific inquiry. The legislation amends the Animal Welfare Act, the primary law concerning the care and transportation of animals. These amendments are necessary in addition to the new NIH animal care guidelines since a large portion of our Nation's laboratories do not fall under the NIH umbrella.

I would like to thank the many people who reviewed the various versions of this legislation, provided my office with pertinent background information, and prepared several thoughtful suggestions and critiques for my review. I was especially grateful to the many Representatives, who may have preferred no legislation at all, for their constructive comments and efforts in this behalf. This legislation will be setting new standards in some areas, and I encourage a continued dialog between the research community and the Secretary of Agriculture in regard the needs and capabilities of research facilities in meeting these standards.

I think it would be useful to attach a summary of the legislation at this point:

SUMMARY

Title XX of the Farm Bill would reduce distress and pain to laboratory animals through three approaches:

(1) STRENGTHEN STANDARDS FOR LABORATORY ANIMAL CARE. -- The legislation includes requirements for the use of painkillers and euthanasia, provisions for exercise for dogs, and a physical environment adequate to promote the psychological well-being of primates; requires researchers to give assurances that alternatives to practices which may cause pain and distress to animals have been considered; and allows the Secretary of the

U.S.D.A. to set regulations regarding care, treatment and practices in experimental procedures to minimize pain. It encourages humane treatment of animals by requiring research facility employees working with animals to have animal care training once a year. As in the past, the Secretary is not given the authority to make rules, regulations, or orders (except for reporting requirements) regarding design, outlines, or guidelines of actual research. In addition, all standards may be deviated from when the researcher deems it scientifically necessary.

(2) INCREASE ENFORCEMENT OF THE ANIMAL WELFARE ACT. -- The legislation requires each facility to appoint an Institutional Animal Committee, including at least one member not affiliated with the laboratory and a veterinarian. This Committee will be responsible for representing society's concern regarding the care and treatment of laboratory animals, inspecting the facility twice a year and notifying the institutions and appropriate federal authorities of violations. Federal Research Facilities shall also appoint a Federal institutional Animal Committee which will report to the Agency head instead of U.S.D.A. If a facility, given the opportunity to correct violations, does not adhere to the Animal Welfare Act, federal agencies are directed to suspend or revoke funding. The U.S.D.A. Animal and Plant Health Inspection Service (APHIS) would be required to inspect facilities at least once a year, with follow-up visits until violations are corrected. Fines for violators of the Animal Welfare Act will be increased.

(3) REDUCE UNINTENDED DUPLICATION OF EXPERIMENTS USING ANIMALS AND ENCOURAGE THE USE OF MORE HUMANE AND NON-ANIMAL PROCEDURES. -- The legislation calls for the creation of a national information service to help reduce unintended duplication of experiments using animals and to disseminate information on human and alternative methods of research currently being developed. This service will be made available on a voluntary basis to researchers.

Due to an inadvertent error, there is some question as to whether the amendments allow the Secretary to require annual reporting from Federal Research Facilities. It was the intention of the final agreement that, as in the past, government agencies would still be responsible for inspecting their own research facilities but that these Federal Research Facilities would still be required to file annual reports. I will be supporting a technical amendment to this portion if needed.

Title XX takes several steps forward in assuring that animals which are used in research receive humane care and treatment, and that pain and distress to these animals are minimized. However, this legislation still protects the right of each research facility from interference with its ability to conduct its research.

I would like to thank the distinguished majority leader in the Senate, Senator Dole, the Senator from Montana, Senator Melcher, as well as the distinguished Congressman from Washington, Congressman Foley, for their strong support and efforts on behalf of this legislation.

There are many other provisions of this conference agreement which merit attention and support. But most in need of notice is the work that Mr. de la Garza and Mr. Madigan have put into the process of getting H.R. 2100 enacted. We all owe our gratitude to them for the work that they have done this year, and the work which will need to be done in coming months as we struggle to deal with the farm crisis. We owe them our thanks and our support for this conference report.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. Emerson].

(Mr. EMERSON asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. EMERSON. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of the conference report on the farm bill. I commend all who have participated in the process resulting in this bill because the efforts were great, the consideration serious, sincere, and empathetic to the plight of agriculture and, as Chairman de la Garza has said, this is the best consensus product that could, given our constraints, be produced. I am optimistic that the results of this bill will be positive.

I would associate myself with the remarks of the gentleman from Louisiana [Mr. Huckaby] and the gentleman from Mississippi [Mr. Franklin] in the positive things they have said here today about this bill. I hope that they are right and I think they are. I believe this bill can bring stability and improvement in the farm income picture, and it is important for purposes of predictability and being able to make responsible business decisions that we have a responsible law from which to take guidance.

No one should continue this bill as a panacea. It is not. It will not solve all of Agricultures problems. My farmers tell me time and time again that they feel the larger problem in agriculture cannot be fixed by the simple passage of a farm law. They tell me that the farm economy will come into proper relationship with the rest of the economy when we reclaim foreign markets, lost through embargoes and a too-strong dollar and unfair trade practices; when we get deficits under control and real interest rates down to affordable levels. These are not items that can be fully addressed in farm legislation, but to the extent we can, we have tried. Those of us who are agriculture conscious must remain ever vigilant to opportunity for agriculture when we consider the budget and trade issues. I think the trade features of this bill are among its better features. The Ways and Means Committee could add to what we have done. The conservation features of this bill are very positive and will have benefit for our farmers now and will help conserve a precious natural resource, our soil, for the future.

THE CONFERENCE REPORT ON THE FARM BILL BEFORE US TODAY CONTAINS THE REAUTHORIZATION OF SEVERAL FOOD ASSISTANCE PROGRAMS. THE MAJOR FOOD ASSISTANCE PROGRAMS. THE MAJOR FOOD ASSISTANCE PROGRAM IS THE FOOD STAMP PROGRAM WHICH HAS BEEN REAUTHORIZED FOR THE LIFE OF THE BILL. THE TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM, WHICH PROVIDES SURPLUS COMMODITY DISTRIBUTION AUTHORITY, HAS BEEN REAUTHORIZED FOR 2 YEARS. I AM PLEASED THAT THE CONFERENCE DID ADOPT A PROPOSAL I OFFERED ALONG WITH SENATOR Dole and the gentleman from California [Mr. Panetta]. This proposal requires that States set up an employment and training program designed to help certain food stamp participants move into regular employment by providing training and experience and improving the employability of participants. It also allows the States to coordinate employment and training activities under both the food stamp and AFDC programs.

States will have considerable flexibility in designing their programs. State flexibility is important if this program is to succeed. The employment and training program may encompass, at the discretion of the State, job search training and support programs, such as job finding endeavors; training in employment techniques; job placement; or, other training and support activities aimed at improving the employability of food stamp participants.

THE BILL I INTRODUCED EARLIER THIS YEAR, H.R. 2745, PROVIDED THE BASIS FOR THE EMPLOYMENT AND TRAINING PROGRAM CONTAINED IN THIS CONFERENCE REPORT. I APPRECIATE THE COOPERATION AND ASSISTANCE OF OTHER MEMBERS OF THE CONFERENCE, ESPECIALLY SENATOR Dole and Mr. Panetta. I believe that we have a sound, workable employment and training program -- one that combines State flexibility and appropriate review and oversight by the Secretary of Agriculture.

EMERSON EMPLOYMENT AND TRAINING PROGRAM DETAILS

FIRST, STATES MUST DESIGN AND OPERATE AN EMPLOYMENT AND TRAINING PROGRAM ENCOMPASSING ONE OR MORE OF THE COMPONENTS LISTED, BY APRIL 1, 1987, AND MAY INCLUDE JOB SEARCH AND WORKFARE. STATE FLEXIBILITY IS ENSURED AND THE SECRETARY RETAINS THE AUTHORITY TO APPROVE THE STATE PROGRAM.

SECOND, ALL PERSONS SUBJECT TO WORK REGISTRATION ARE REQUIRED TO PARTICIPATE IN THE STATE EMPLOYMENT AND TRAINING PROGRAM, INCLUDING INDIANS ON RESERVATIONS.

STATES MAY TEMPORARILY EXEMPT ADDITIONAL PERSONS AND CATEGORIES OF PERSONS BASED ON PARTICIPATION OF 30 DAYS OR LESS, WORK OPPORTUNITIES, COST-EFFECTIVENESS OF PARTICIPATION, AND PERSONAL CIRCUMSTANCES, SUCH AS LACK OF CHILD CARE. THESE LATTER EXEMPTIONS ARE OF A TEMPORARY NATURE AND MUST BE REEVALUATED AT THE BEGINNING OF EACH CERTIFICATION PERIOD FOR INIDIVIDUAL EXEMPTIONS AND PERIODICALLY FOR CATEGORICAL EXEMPTIONS.

THIRD, STATES MAY OPERATE EMPLOYMENT AND TRAINING PROGRAMS FOR THOSE FOOD STAMP PARTICIPANTS NOT REQUIRED TO PARTICIPATE, EITHER PERMANENTLY OR TEMPORARILY. THOSE PERSONS VOLUNTEERING FOR EMPLOYMENT AND TRAINING PROGRAMS WOULD BE ABLE TO PARTICIPATE IN THE SAME PROGRAMS AS OPERATED FOR THOSE REQUIRED TO PARTICIPATE. VOLUNTEERS WILL RECEIVE THE $25 AS WELL, UNDER THE SAME REQUIREMENTS FOR OTHER PARTICIPANTS. VOLUNTEERS WILL BE ACCEPTED INTO THE STATE PROGRAM WHENEVER PRACTICABLE. STATES MAY HAVE A PROGRAM COMPONENT FOR VOLUNTEERS ONLY.

FOURTH, STATES MUST REIMBURSE PARTICIPANTS FOR COSTS THAT ARE REASONABLY NECESSARY AND DIRECTLY RELATED TO PARTICIPATION IN THE EMPLOYMENT AND TRAINING PROGRAM. THE MAXIMUM REIMBURSEMENT IS $25 PER MONTH, PER PARTICIPANT. REIMBURSEMENT FOR THIS COST IS BASED ON A 50-PERCENT STATE MATCH AND IS CALCULATED OUTSIDE THE GRANT TO STATES FOR EMPLOYMENT AND TRAINING PROGRAMS.

Fifth, the State employment and training program will be a part of the overall State plan of operations. Failure to comply with the requirement to submit an employment and training program for Secretary approval or failure to adhere to such program with result in withholding of Federal funds, as in all violations of the State plan of operation. Regular administrative and judicial review procedures apply.

Sixth, State employment and training grants are set at $40 million for 1986; $50 million for 1987; $60 million for 1988; and, $75 million for 1989 and 1990 (depending on the length of the farm bill). These funds may be used only for employment and training activities related to the State program.

Seventh, the Secretary shall set minimum performance standards, which shall vary according to such factors described by the Secretary, including program characteristics and the types of programs chosen. Such standards can vary from State to State and shall take into consideration the costs to States and the degree of participation by exempt persons. In addition, such standards will relate to those required to participate in an employment and training program and not either permanently or temporarily exempt. In addition, such standards will take into consideration such factors as placement in unsubsidized employment; increase in earnings; reduction in the number of persons participating in the food stamp program; and, other factors as determined by the Secretary and related to employment and training. It is recognized that setting specific minimum performance standards is an essential component of any successful employment and training program. However because this food stamp employment and training program will have different program components and different types of participants, setting minimum standards at this time would be an arbitrary function. For example, States with a simple job search program for recently unemployed persons will have an easier task in meeting standards than other States. Therefore the Secretary is given the authority to delay implementation of the minimum standards for up to 18 months after the beginning of the food stamp employment and training program so that appropriate minimum standards can be determined. In order to allow appropriate phasing in of this employment and training program, the standards shall not exceed 50 percent through 1989.

Mr. de la GARZA. Mr. Speaker, I yield 1 minute to our friend and colleague, the gentleman from Wisconsin [Mr. Obey].

Mr. OBEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in opposition to the conference report. This bill simply reduces surpluses by pushing farmers out of business, and most of the dairy farmers who will go out of business are going to be from the Upper Midwest because of the class I differential which still remains in this bill.

I have no criticism of the conferees. I understand how difficult that problem is. I think this bill is simply an example of how little running room one has when the administration is against one rather than for one and can brandish a threat of a veto in order to get most of what it wants.

There were alternatives available which would have been less costly to the taxpayer and less brutal to the farmers, but unfortunately, the bill does not take them and a human tragedy is about to result.

The administration has taken the 60-percent support it got from farmers in the last election and they have used that as a club to resist really fundamental agricultural reform. The result is this bill today, and the result is that a lot of farmers are going to experience a very brutal crunch in the next 2 years.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. Oxley].

(Mr. OXLEY asked and was given permission to revise and extend his remarks.)

Mr. OXLEY. I thank the gentleman for yielding time to me.

MR. SPEAKER, I RISE IN SUPPORT OF THE CONFERENCE REPORT. I WOULD LIKE TO COMPLIMENT THE DISTINGUISHED CHAIRMAN OF THE HOUSE AGRICULTURE COMMITTEE, RANKING REPUBLICAN, MR. Madigan, AND OTHER MEMBERS OF THE COMMITTEE FOR THEIR DILIGENCE, PATIENCE AND FINE WORK IN BRINGING A FARM BILL TO THE FLOOR THAT ADDRESSES SO FORCEFULLY THE SERIOUS PROBLEMS FACING AGRICULTURE TODAY.

The 5-Year Food Security Act of 1985 includes a resource conservation provision for the lasting protection of our most valuable resource -- the soil.

PAST HISTORY

Fifty years ago, the Federal Government launched an ambitious program to cope with what was then recognized as America's most serious environmental problem: The severe soil erosion that threatened hundreds of millions of acres of agricultural land throughout the country. Since then, U.S. taxpayers have spent billions of dollars to help farmers defray part of the cost of soil conservation practices, and to provide free technical assistance on how to control erosion. Despite this massive Government effort, soil erosion remains a serious national problem.

EROSION PROBLEMS ARE SERIOUS

The U.S. Department of Agriculture [USDA] estimates that soil is eroding at more than twice the official tolerance rates on 96 million acres (23 percent) of the Nation's cropland. More than 3 billion tons of soil are eroded by wind and water from our cropland each year. Another 63 millon acres of land in pasture, range or forest use are eroding at more than double the rate that the USDA considers tolerable. In Ohio we have nearly 2 million acres of eroding cropland that need conservation. In my district, more than 15 percent of the cropland is eroding at excessive rates.

Soil erosion is a deceptively subtle environmental problem. Yet the major form of soil erosion, sheet and rill erosion, usually is invisible even to experts because the soil is washed away in a shallow, uniform layer (sheet erosion) or from minute channels on the soil surface (rill erosion). An acre of land exposed to a sheet and rill erosion rate of 5 tons annually -- the average tolerance level -- is losing less than one thirtieth of an inch of soil each year, about the thickness of a dime.

CONSERVATION PROVISIONS IN THE FARM BILL

We have once more reached a time for a change. The soil conservation provisions of this bill are the most intensive conservation efforts ever undertaken in this country. We expect, by the end of this decade, to retire about 10 percent of the Nation's cropland -- some 40 to 45 million acres of the Nation's most highly erodible, and generally least productive, cropland. In addition to reducing soil erosion, the water quality of our streams, rivers, and lakes will be greatly improved. Fish and wildlife interests will also greatly benefit from the movement to permanent land cover.

CONSERVATION COMPLIANCE

For the first time, plowing up of erodible land for unneeded crop production will be discouraged by this bill. Some lands just should not be farmed. Once plowed, such lands are subject to erosion so severe that the land may not recover for decades. Farmers will still be able to plow out and convert to cropland these lands. They just won't be able to get any help from the taxpayer through price support loans and other Federal program benefits when they do so.

Soil conservation enjoys the overwhelming support of farmers and the public at large. I believe, without question, that this conservation provision in the bill is a good one for the farmer and for the consumer and taxpayer. I urge my colleagues to give it and the entire conference report their full support.

Mr. MADIGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. Gunderson].

(Mr. GUNDERSON asked and was given permission to revise and extend his remarks.)

Mr. GUNDERSON. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of the conference report on the 1985 farm bill. In doing so, I want to begin by extending special commendations to the distinguished chairman, Mr. de la Garza and our distinguished ranking member, Mr. Madigan. Without the leadership, counsel and wisdom of these two men there would not be a farm bill before us today. They deserve the thanks of every farmer in America.

These are special and tragic times in American agriculture. They demand special and unique responses from our Federal Government. We must stabilize farm income in the short run. We must move toward a more market oriented Farm Program in the long term. We must respond to the differing needs and philosophies of every commodity and every region of the country. We must also live within our budget limitations.

The task of the conference committee was to do all of this and still remain sensitive to the desires of the House, the Senate and the administration. The fact that we have any farm bill at all is nothing short of a miracle.

DAIRY

The dairy title is obviously a compromise but it does accomplish the goals we set for a new Dairy Program earlier in the year with a supply management program to reduce stocks, a support price to maintain farm income in the short run and a program in the out years that leans toward more market orientation.

The Whole-Herd Buy-Out Program pays producers to leave the dairy industry by having them slaugther or export their entire herd thus eliminating enough milk production to get supply and demand in balance. The program would be funded by producers through an assessment.

In the program the Secretary of Agriculture would be required to remove 12 billion pounds of milk over the 18-month life of the program. Producers would be required to submit a bid to the Secretary of Agriculture outlining the payment they would accept to leave the dairy business for 3 to 5 years. The Secretary would then have the discretion to chose the bids that he determines to be reasonable.

The Dairy Program, as I have said, ought to be maintaining farm income during a time of supply management while moving to more market orientation. This legislation accomplishes that by keeping the effective support price of milk above $11 per hundredweight in 1986 and 1987 while implementing the Whole-Herd Buy-Out Program.

If past history holds true this should result in a market price which will exceed the support price of milk by the end of 1986. As we all recall the Minnesota-Wisconsin series price reached an all time high during the recent partial diversion program. If implemented properly by the Secretary of Agriculture, the Whole-Herd Buy-Out Program should accomplish our goals in the short term as well as the long run.

In 1986 the support price is frozen at a level of $11.60 and reduced to $11.35 in 1987. There will a 40-cent assessment from April 1, 1986 to December 31, 1986, and a 25-cent assessment from January 1, 1987 to September 30, 1987. This assessment should pay for the entire Whole-Herd Buy-Out Program. In 1988 through 1990, there will be a 50 cent price cut annually if Government purchases are to exceed 5 billion pounds.

From the perspective of dairy farmers from the Upper Midwest, I must acknowledge one major inconsistency with the dairy provisions that came out of the conference committee, and that is for an increase in price differentials for certain areas of the country.

Changes in price differentials are not necessary at this time. With a Whole-Herd Buy-Out Program implemented to reduce production by 12 billion pounds over an 18-month time-span why do we need to increase in the price of class I milk in certain areas of the country.

Economists I have consulted have indicated that such legislated increases are likely to increase production in these areas by some 120 million pounds which will increase the cost of the Dairy Price Support Program by $25 million.

In a time when we are faced with surplus production we ought to be moving milk from areas with a surplus rather than creating an artificial incentive to produce more milk.

With this one exception, the dairy title of the farm bill is quite good as it gives those farmers experiencing financial difficulties or just having a desire to pursue other business ventures a chance to leave the dairy business not through a foreclosure or an auction but through the Whole-Herd Buy-Out Program.

While maintaining farm income in the short run with an effective support price of more than $11 in the first 2 years of the bill, it also sends a signal to producers that the dairy industry is leaning toward a more market orientated policy in the future.

CONSERVATION

The conservation title of the farm bill could possibly be the best and strongest title in the bill. Soil erosion is a growing problem across this country and it is imperative that something be done so that our children will also have a foundation on which to grow.

The Conservation Reserve Program will pay producers either through cash or in-kind payments to take their highly erodible land out of production for 10 to 15 years. The intent if the legislation is to remove 40 to 45 million acres over the 5-year life of the bill.

The sodbuster and swampbuster provisions will protect fragile soils and wetlands by penalizing producers who cultivate on highly erodible soil. Producers doing such would be unable to receive price supports and other farm benefits. Highly erodible land that was tilled between 1981 and 1985 will be initially exempted from the program; however, this exemption would not be valid if a producer does not begin applying for a conservation program for his farm by 1990 or if a he doesn't start a program 2 years after a soil survey has been taken.

Due to or extreme desire to maximize our production and plant fence row to fence row, many of our producers have disregarded conservation practices. We are already feeling the effects of major losses of our topsoil. Any more delay in restoring our most important natural resources and our next generation will be paying dearly in years to come.

CREDIT

It is no wonder that the agricultural credit sector has fallen on hard times with substantial decreases in farm income over the past few years.

Just 2 weeks ago we passed legislation to help the Farm Credit System try and help itself. Quite possibly we will be faced with similar legislation in the next session; however, it will most likely deal with the problems facing the commercial banking industry, specifically the agricultural banks.

To insure that the Farmers Home Administration remains a credible lender the conference committee reauthorized $4 billion annually over the next 3 years to provide for farm ownership and farm operating loans to FmHA borrowers. In addition, the Secretary of Agriculture is required to operate a $490 million program through September 1988, which USDA and private lenders would share equally the cost of reducing interest rates to FmHA borrowers.

Farm ownership loans are set at $520 million annually with half being direct loans and the other being guaranteed. By 1988 direct farm ownership loans will be at $130 million and with guaranteed loans will be at $390 million. In reference to farm operating loans, $3.48 billion will be divided equally between direct and guaranteed loans in 1986. By 1988 direct farm operating loans will be $870 million while guaranteed operating loans will be more than $2.6 billion.

Also included in the credit title is the "clear title" provision introduced by Mr. Stenholm and myself. The clear title provision would protect buyers of agricultural products from a legal loophole that can force buyers to pay twice for a product when there is a lien against the seller. While the clear title provision has changed from when it was introduced it gives States a choice of implementing a central filing system or the prenotification system as in the original clear title bill. States will have 12 months to decide between a central filing system or prenotification system. If a central filing system is not in place in a year, the prenotification system will have to be implemented.

Due to the fact that the prenotification system has been around for nonagricultural products for many years, it is only fitting that buyers of agricultural products be adequately protected as well.

FEED GRAINS

In the wheat and feed grains sections the same concern over maintaining farm income was exhibited by the freezing of target prices at current levels for the first 2 years of the bill. Decreases of 2, 3, and 5 percent of the target price will be in effect in the last 3 years of the bill. This type of policy adopted by the conferees should make U.S. grains more attactive in the international market but at the same time give farmers target price protection.

In 1986 and 1987 the target price for feed grains will be set at $3.03 per bushel with gradual reductions beginning in 1988. The loan rate for feed grains is set at $2.40 per bushel in 1986 and may be reduced as much as 5 percent annually. The Secretary of Agriculture is given discretionary authority to reduce loan rates up to 20 percent annually if market prices in the previous year fail to top 110 percent of the previous years loan rate or if the Secretary determines that a further cut is needed to compete in world markets.

In the title, the Secretary of Agriculture is given discretionary authority to allow the repayment of loans at levels which could be as low as 70 percent of the loan rate. He could also give producers one of two types of marketing certificates to help promote exports.

Feed grain producers with a desire to get into the Government program would have to idle a maximum of 20 percent of their base in 1986 if stocks are to be over 2 billion bushels. Of the 20 percent set-a-side, 12.5 percent would be a mandatory minimum, 5 percent would be discretionary with the Secretary and 2.5 percent would receive an in-kind payment. For 1987 through 1990 the maximum acreage reduction would be 20 percent with a mandatory minimum of

12.5 percent and 7.5 percent at the Secretary of Agriculture's discretion.,

The Soybean Program continues with a $5.02 loan rate for 1986 and 1987. In the remaining years of the bill the loan rate can be reduced by as much as 5 percent; however, there is a floor of $4.50 per bushel. The Secretary of Agriculture has discretionary authority to allow repayment of loans for less than the original rate to encourage exports instead of adding to Government stockpiles.

A MIRACLE

Looking at the various titles that affect Wisconsin farmers directly, I am pleased that this bill protects farm income in the short run then phasing into a more market orientated approach in later years. The incorporation of the Whole Herd Buy-Out Program gives us a chance to cull cows and not farmers. Programs within the wheat and feed grain sections protect farm income yet send out the signal that America is coming back strong in the export market. The conservation title with its sodbuster, swampbuster and conservation reserve provisions directly address the concerns of millions of Americans and finally the credit title provides credit to FmHA borrowers and at the same time offers them a means to get their interest payments at reasonable rates.

No one who has spent an extraordinary amount of time on this bill is completely happy with the outcome of all of its titles; but when you consider commodity, regional, market, philosophical and personal differences, it is nothing less than a miracle that we have a farm bill at all.

Mr. de la GARZA. Mr. Speaker, I yield 1 minute to our distinguished colleague and friend, the gentleman from New York [Mr. Rangel].

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in strong support of the conference report. It is not that those of us from New York and other urban communities fully appreciate and understand the problems that our farmers are having, but we do know that the farmers are having serious problem, and Kika de la Garza was kind enough to have several meetings with those of us from urban communities to explain some of the complex problems that the farmers are facing.

We truly realize that many of our colleagues believe that many of those problems are not resolved in this legislation, but I do hope and am looking forward next year to working very closely with the farm community, hoping that we can work out a farm policy that more Members of the Congress can understand and, therefore, more of us can support.

I think the Gramm-Rudman, in and of itself, means that we should expect less Federal funds for many of the projects that those of us who come from communities that need Federal support, maybe if we tried to reach out and understand each other's problems a little better that we will be able to have a more effective Congress and do the best we can for the people who voted to put us here.

So I think this bill goes a long way to bring some support for the farmers who so sorely need help.

Mr. MADIGAN. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. Schuette].

(Mr. SCHUETTE asked and was given permission to revise and extend his remarks.)

Mr. SCHUETTE. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, I want to again commend the chairman of the Agriculture Committee, Mr. de la Garza, and my ranking minority member, Mr. Madigan, for their sterling leadership and guidance on this farm bill. And, I want to express my profound appreciation for the opportunity to work alongside my Agriculture Committee colleagues on both sides of the aisle for the long hours it took to write this bill.

There is no need for us to recite the problems faced by farmers and their families today. I think by now we are all aware of the serious situation faced by producers: Falling prices, plummeting land values, the evaporation of our export markets, just to name a few. But although we in Congress may be familiar with the problems, I suggest that it is time we strip away the statistics and see the real human suffering that is occurring in farm country. We are not talking about numbers: We are talking about living, breathing individuals who have bills that they want to pay but can't because the land into which they have put their sweat and toil is not returning enough for them to live on. And no one knows this better than farmers themselves.

This bill is not perfect; farmers know and understand that. If I were to write a farm bill just for mid-Michigan, it would be different in many respects. But this bill must address the needs of a wide variety of producers across the Nation, and there are no simple, easy answers to the stress farm families face.

What we have tried to do in this bill is to provide profits in agriculture by providing markets for farm products. The thrust of this bill is to maintain much-needed income bridges for farmers and to provide income protection: It does this by essentially freezing target prices for the next 3 years at current levels and maintaining the dairy price support at the current level through next year. The whole-herd buyout, very popular in farm country, will help those farmers who have not been able to afford either to stay in the dairy business nor to leave it, to get a start in another area. This bill has the strongest conservation program of any farm bill in history, protecting our fragile lands through the conservation reserve, sodbuster and swampbuster provisions. Farm exports, so vital to improving commodity prices, receive a boost through the bakers dozen and other initiatives in the bill. And, I am very pleased that the bill maintains our sugar program intact, and at no net cost to the taxpayers.

Yes, this is a bill that will help our farmers get through the tough times they are experiencing. It is long past time that Congress produces a farm bill, and I am pleased that we have produced such an encouraging one. I urge my colleagues to pass this bill without delay.

Mr. de la GARZA. Mr. Speaker, I yield 1 minute to our distinguished colleague and friend, the gentleman from North Dakota [Mr. Dorgan].

Mr. DORGAN of North Dakota, Mr. Speaker, I rise in opposition to the 1985 conference farm bill.

I realize the development of the 1985 farm bill has been a long and arduous process, complicated by the severely depressed economic conditions in agriculture. I believe most would agree that our present farm policies have failed. Within the last 5 years, net family farm income has declined, farm debt has drastically risen, and farm exports have plunged downward. Yet, with the adoption of this bill, the taxpayers will be spending too much on the wrong kind of farm program and family farmers will receive too little.

In recent years, farm programs have not worked because they waste funds on corporate agriculture while ignoring the family-sized farm. Yet, as I have repeatedly stated throughout the past year, this farm bill can easily be viewed as "less of the same" current policy. It's a flawed bill, one which will not work.

We need a price support system that really does what it is supposed to do; provide a bridge over price depressions; a bridge over which family farmers can move during periods of sustained low commodity prices.

We don't need a price support under every gallon of milk produced by the 3,000 milk cows in the morning on the largest dairy operation in the country. We don't have to place a loan rate under every bushel of wheat, barley, or corn produced by the largest producers in America. We do need a basic price support on which family farmers can depend when market prices don't keep pace with the costs of production.

Why did Congress fail to chart a new course? It's simple. Those who now get the bulk of the benefits in the farm program fight hard to keep them. Under our supply management farm program, the biggest producers get the biggest benefits. For example, in 1984, less than 20 percent of all direct Government agricultural benefits went to financially stressed farmers. So, in order to give $1 to a struggling farmer, we will be giving $4 to his prosperous neighbor -- and competitor.

For more than a decade, Federal farm programs have forced America's farmer to overproduce in a hopeless effort to meet rising costs in the disastrously low crop prices. The family farmer and the whole agricultural system that the farmer supports confronts the darkest financial crisis to grip rural America since the Great Depression. If current trends are not reversed, many experts believe that one of every three farms in America today will be bankrupt or beyond help within 2 to 3 years.

Farmers have suffered 4 consecutive years of negative return on equity, averaging a loss of 7 percent per year. Since January of 1981, approximately 28,000 farmers have gone out of business in the United States and we now are losing them at a rate of nearly 1,600 every week. In addition, USDA analysts report that net farm income could fall by 10 percent, from $29 billion this year to as low as $22 billion next year. Just 2 years ago, net farm income stood at $34.5 billion.

If we're going to save family farmers, we're going to have to take control of agricultural production from the hands of centralized, integrated food conglomerates. We have to wean the big corporate farms from the public trough and utilize the available money to provide a stronger target price for first increment of production for family farmers.

In closing, I must remind everyone that our best farmers are going out of business because they cannot pay their bills with their current income. They -- the American family farmers -- must be given a fighting chance to hold on until improvements are made in monetary, fiscal, tax, trade, and foreign policies. Changes within these areas coupled with a subsequent increase in commodity prices and world demand for American exports, is what is needed today.

Mr. Speaker, I must sadly conclude that this 1985 farm bill does not move in that direction. It is the same old approach -- just less of it -- and that's not enough for the family farmers in trouble in America.

I intend to keep fighting for the right kind of help for our farmers.

Mr. MADIGAN. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. Combest] a member of the committee.

(Mr. COMBEST asked and was given permission to revise and extend his remarks.)

Mr. COMBEST. Mr. Speaker, for nearly a year now, I have been telling the people in my district who are concerned about agriculture that the farm bill has to meet three things: It has to be a bill that can be signed, it has to be a bill that provides income protection, and it has to be a bill that is within budget.

I think we have met those three things. And the fact that it was such a difficult time, I want to highly commend the chairman of the committee, the ranking member of the committee, and every member of the committee.

There may have been some differences on exact philosophy. I do not believe there were any differences on where we were trying to go in a farm bill, and that was to provide some income stability to agriculture and to try to help out agriculture in probably the most difficult times they have ever faced.

I believe it is important to note that we have in this bill some opportunities that I think will provide income protection, that I think will provide the opportunity for us to be competitive in world markets, and certainly be able to get us to a position to regain some of the markets that we have lost. At the same time, the income of that farmer will be protected, and the brunt of us being competitive in world markets will not be left on the back of the farmer.

I think there are some good parts, there are some bad parts, but I would certainly say that given the constraints we have, I highly recommend that Members vote for the farm bill.

Mr. de la GARZA. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. Ray].

(Mr. RAY asked and was given permission to revise and extend his remarks.)

Mr. RAY. Mr. Speaker, I rise in support of the 1985 farm bill and urge my colleagues to vote for adoption of this conference report.

Everyone recognizes that this bill is not perfect. It does not provide a remedy for the agricultural ills of this country.

This bill is the result of much compromise, which was reached only after many months of diligent negotiation. Such accommodation is a natural part of the normal legislative process, and I commend my colleagues on the Agriculture Committee for their hard work in molding this legislation.

This bill does allow our farmers to hang on until a real solution can be found.

One particular provision in the bill which I would like to highlight is the establishment of a National Commission on Agricultural Policy. I have been advocating the creation of this type of study group for many months.

Early this year, in one of my regular meetings with an advisory group of farmers and agribusiness from my district, I was told that those in the agricultural community are going to have to set aside their differences which divide them by region and commodity. They need to unite in an effort to find ways to reverse the desperate farm situation in this country.

A national commission will bring together various agricultural elements and provide the mechanism for finding long-term answers for a very disturbing situation.

The future security of the United States is jeopardized if we allow our great agricultural machinery to deteriorate and do not maintain the necessary means for feeding and clothing our own people. We have to find some answers soon.

Mr. de la GARZA. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. Seiberling].

Mr. SEIBERLING. Mr. Speaker, I rise in order to engage in a colloquy with the chairman of the Agriculture Committee in order to clarify the meaning and intent of a provision of this bill.

Mr. de la GARZA. Mr. Speaker, if the gentleman will yield, which title and section is it to which the gentleman from Ohio refers?

Mr. SEIBERLING. It is the provision entitled "Control of grasshoppers and Mormon crickets on public land," in the general provisions portion of the bill. As chairman of the Public Lands Subcommittee of the Committee on Interior and Insular Affairs, I am concerned about this provision, which would allow the U.S. Department of Agriculture to use funds appropriated by the Congress for use of the U.S. Department of the Interior.

I would ask the gentleman if my understanding of this provision is correct in that the Agriculture Department must first use its own appropriated funds for grasshopper control before asking for funds from the Interior Department?

Mr. de la GARZA. Yes; that is correct. I would also like to point out that the continuing resolution will increase the funding of this Agriculture Department program substantially. However, we felt that this provision of the farm bill was needed to insure that no matter what the status of Agriculture Department funds, money would be available for grasshopper control on Department of Interior rangelands if and when it is needed.

Mr. SEIBERLING. Am I correct in saying that any funds derived from appropriations for the Interior Department pursuant to this provision will be used on Interior Department rangelands?

Mr. de la GARZA. Yes; that is correct.

Mr. SEIBERLING. And is it the intent of the gentleman that the Department of the Interior look to funds appropriated for management of BLM lands as the proper source of funding for grasshopper control on BLM lands?

Mr. de la GARZA. Yes; that is our intent.

Mr. SEIBERLING. And is my understanding correct that this provision is not intended to override existing laws or regulations, including those pertaining to the management of public lands, to authority over those lands, or to the protection of the environment?

Mr. de la GARZA. Yes; that is correct.

Mr. SEIBERLING. I thank the gentlemen and the distinguished chairman for their reassurances on these points.

Mr. MADIGAN. Mr. Speaker, I yield 1 minute to the gentlewoman from Nebraska [Mrs. Smith] who has been very helpful.

(Mrs. SMITH of Nebraska asked and was given permission to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, I rise in support of the conference report on H.R. 2100, the Food Security Act of 1985, the most important piece of legislation this year to my congressional district, the second most agricultural in the Nation.

I would like to take this opportunity to commend and congratulate the leadership of the House Agriculture Committee; namely, Chairman de la Garza, and ranking minority member Madigan, for their persistence in finally bringing the most complex farm legislation in the Nation's history next door to its legislative home; namely, signature into final law.

My support for this measure is predicated on the fact that this Nation's farmers and ranchers need a farm bill. Continued price and income supports, although not at levels satisfactory or necessary to the survival of thousands of farmers in Nebraska and across the country, are needed in final law as soon as possible to provide assurance to lenders.

In the last 24 hours, I have called top officials of every agricultural organizaiton in Nebraska. They don't like the proposal before the House today, but almost unanimously, they recommend that I vote for it because agriculture must have a bill with which to work.

Let me briefly list provisions of greatest importance in this legislation to my congressional district:

Loan and target price programs for wheat and feed grains are continued, including a 2-year freeze on target prices. Although I would have preferred a 5-year freeze, as in the House version, this provides minimum assurance over the next 24 months of income security to our farmers.

The sugar program is continued with a freeze of the loan rate at 18 cents per pound, while making provisions that should provide for the continued operation of the program at no net cost to the U.S. Treasury. In addition, growers whose financial status has been imperiled by the bankruptcy of the Great Western Sugar Co. or other firms will receive fulfillment of their contractual entitlements for sugar delivered under this bill.

Beef and pork promotion programs are included. These self-help provisions are intended to help address recent declines in retail demand for nutritious red-meat products.

The export title is very strong and shows the recognition of the Congress that agricultural exports are essential to the revitalization of rural America. The export commodity bonus program, plus the export credit/credit guarantee programs, should stimulate American agricultural exports in areas of growing demand for our food.

I was pleased that the conference committee adopted language to exempt commercial export programs, including blended credit, from cargo-preference requirements, although I personally oppose the expansion of the cargo-preference requirement to 75 percent on food aid shipments. I also oppose the so-called snapback provision that would set aside this agreement if sufficient funds are not available from the Department of Transportation.

I strongly support the conservation title of this bill, including the sodbuster and conservation reserve provisions. These provisions are essential to preserve our most valuable soil and water resources.

Provisions are also included to extend USDA credit, rural development, research, extension, and food programs. Also, grain quality standards, a topic of great interest and concern in Nebraska, will be carefully reviewed under the provisions of this bill.

Mr. Speaker, this isn't a perfect bill. Many say this bill isn't enough. It's not as much as I would like. But it is the bill we will get this year, and we can continue to work on it to make it a better piece of legislation. I encourage my colleagues to join me in supporting it.

Mr. de la GARZA. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. Panetta], our distinguished chairman of the Subcommittee on Nutrition.

(Mr. PANETTA asked and was given permission to revise and extend his remarks.)

Mr. LUNDINE. Mr. Speaker, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from New York.

(Mr. LUNDINE asked and was given permission to revise and extend his remarks.)

Mr. LUNDINE. Mr. Speaker, I rise in support of the conference report in spite of the provision on peanuts.

I rise in support of the conference report on the 1985 farm bill, H.R. 2100. While I do not agree with every aspect of this piece of legislation, I commend the conferees for their efforts on behalf of the farm sector of the economy.

I am much happier with the dairy provisions in the conference report than those in the farm bill which the House passed in October. In the southern tier of New York dairy farmers do not sell their product to the Federal Government. We have a milk shortage in our area which forces processors such as Cuba Cheese, Leprino Cheese, and Dunkirk Ice Cream to ship milk in from Ohio and Pennsylvania. Because my farmers do not contribute to the national dairy surplus problem, I am pleased that they will not have to pay to finance a dairy diversion program which benefits only those large farmers who can afford to cut back on their production. While the dairy diversion program was designed to help address the dairy surplus problem, I do not believe that the 18-month diversion program did so effectively, and am therefore pleased that the conferees have removed this section from the farm bill.

I support the dairy provisions in the conference report primarily because of the whole-herd buyout provision, and the freeze in the milk support price for 1986. I firmly believe the buyout mechanism will allow some of America's dairy farmers to get out of the dairy business with both their dignity and their assets intact. I was also pleased to see that the compromise retains the increase in the class 1 differential, which will help processors reduce their transportation costs for hauling fluid milk.

This farm bill begins to move our farm programs in the right direction. We must begin to wean farmers off Government price supports and move toward a more free market farm economy. I believe that the dairy provisions of the Food Security Act of 1985 takes the necessary first steps toward such an economy.

However, I am very disappointed that the conferees failed to alter significantly the peanut and sugar provisions. These two programs force consumers to pay artificially inflated prices for food staples such as peanut butter. I proposed phasing out the peanut program when the House first took up the farm bill because it is an antiquated and unnecessary quota system. This peanut price support forces consumers to pay more for American peanuts than our Canadian neighbors. I will continue to oppose the authorization of these boondoggles that my colleagues call farm programs.

And yet, while I disagree with these provisions, I think that the conferees showed foresight in their adoption of a 2-year freeze on wheat and corn target prices. Wheat and corn farmers are among the hardest hit by the declining farm economy and this freeze will begin to help these farmers stabilize their lives and businesses.

American farmers have experienced tremendous difficulties over the last 5 years. Some of their problems have been a direct result of Government programs that were orginally intended to make their lives better. Farmers in my district know how the Federal Government has tried to help and they know how it has failed. I support this legislation not because it is an answer to all the problems that American farmers face, but because it is clearly a step in the right direction -- a step toward a free market farm economy.

Mr. PANETTA. Mr. Speaker, first of all, I want to thank the chairman of the committee and the ranking member on the Republican side for the help and assistance in putting together one of the titles that sometimes few people pay attention to, but it is the title on food assistance and nutrition which impacts on millions of American citizens in this country.

Mr. Speaker, H.R. 2100, the Food Security Act of 1985, is the constructive and responsible product of months of hard work by both the House and Senate. It is a bill that strikes a balance between the pressing needs of our agricultural sector and the need for budgetary restraint. I urge my colleagues to support its passage.

There are many reasons why this bill is worthy of widespread support. As chairman of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, I would like to highlight several areas that are of particular concern to me. I hope the following discussion will influence Members, particularly those from nonagricultural districts, to support this bill.

DOMESTIC HUNGER

Title XV of H.R. 2100 relates to domestic food assistance and nutrition programs. It would take affirmative steps to address the current domestic hunger problem by reauthorizing and improving the Food Stamp Program, the Temporary Emergency Food Assistance Program [TEFAP], and the Commodity Supplemental Food Program. Title XV would also augment these efforts by strengthening current programs for nutrition education and nutrition monitoring for low income households.

I am very pleased that the bill that has emerged from conference with the Senate includes several key food stamp benefit enhancements. In my view, this is the best package of food stamp changes since 1977. As I have stated to this body many times over the past 3 years, we have a serious and growing problem of hunger in America. The Food Stamp Program is this Nation's bulwark against hunger. If we want to ease the hunger pangs of our most vulnerable citizens, the Food Stamp Program is the best way to reach them.

I regret that all of the program improvements approved by the House did not survive the conference committee. H.R. 2100 restores only a small portion of the deep cutbacks mandated in 1981 and 1982. However, it does include important changes to: First, restore the earned income deduction from 18 to 20 percent; second, establish a separate child care deduction; third, raise the ceiling on the excess shelter deduction from $139 to $147; fourth, increase the liquid assets limitations from $1,500 to $2,000 for nonelderly households and from $1,500 to $3,000 for single elderly households; and fifth, eliminate the sales tax that about 20 States and localities impose on food stamp purchases.

Many of these changes are targeted on the working poor. Not only do they increase work incentives but they result in fairer treatment for those who work. In combination with the innovative Employment and Training Program mandated by this legislation, these provisions will greatly strengthen the Food Stamp Program's approach to work requirements and incentives.

The principal author of the Employment and Training Program adopted by the conferees was Representative Bill Emerson. Much credit belongs to Mr. Emerson for crafting a reasonable compromise between the House and Senate provisions. I was pleased to be involved in developing this proposal.

My understanding of the adopted proposal, as reflected both in legislation and the Joint Explanatory Statement of Conference, is that it calls for maximum State flexibility in designing employment and training programs. While the Secretary would exercise approval power over each State's plan and could refuse to approve plans that are unworkable, the Secretary would not be expected to substitute his judgment for that of the States in designing the various aspects of the plan. For instance, the Secretary would be expected to ussue broad guidelines on how to operate job finding clubs but not tell the States precisely how to run them. The details of who would participate for how many hours or weeks would be a matter of State discretion.

Furthermore, States would be afforded great flexibility in determining which categories of participants and which individuals would be exempt from the employment and training program. So long as a State has a rational basis for exemptions -- and does not reduce the pool of persons involved to the point that virtually no one is served -- these exemptions should be approved. The Secretary should approve a State's request to exempt persons who have participated in the Food Stamp Program 30 days or less so long as a logical reason for doing so -- such as the desire to target limited resources on longer term recipients -- has been provided.

In establishing numerical performance standards for the States, the Secretary would be required to consider the costs to each State of the standard developed for that State. If meeting the standard would entail large additional State expenditures, it would be a sign that the Secretary has developed unreasonable and unrealistic performance standards.

Furthermore, the Secretary is expected to vary the performance standards from State to State since he must consider the differing approaches chosen by States and the differing nature of the populations to be served. The Secretary would be well advised, in my view, to forgo any numerical performance standards until fiscal year 1989, as the legislation explicitly authorizes, in order to have the benefit of the actual experience of States in operating programs. This would provide a more informed basis for setting standards.

I hope that in regulating the employment and training programs, the Secreatry has the wisdom to avoid the pitfalls that have plagued earlier attempts at enforcing work requirements. Above all, Congress does not want a paperwork shuffle where States engage in perfunctory compliance with arbitrary numerical standards. We really want meaningful programs that will result in constructive changes in people's lives. If States wish to target their resources on a minority of employable recipients in order to provide a more intensive -- and possibly more expensive -- program for these people, they should be able to do so. We want positive results that are most likley to emerge from cooperative Federal and State efforts in operating these programs.

There are many other positive aspects of the bill:

The Food Stamp Program is reauthorized for 5 years with spending ceilings that should prove adequate barring unforeseen increases in unemployment or inflation.

The treatment of low-income home energy assistance [LIHEA] benefits in the Food Stamp Program has been clarified. The Department's policy memorandum disallowing standard utility allowances for recipients of vendor payments has been overruled. These recipients, as well as other energy assistance beneficiaries, generally can now receive the same standard utility allowance as all other households.

Categorical eligibility has been established for households composed exclusively of AFDC or SSI participants. This should provide significant relief in administering the program.

Additional projects to test standardized benefits and simplified applications would be authorized.

Many antifraud measures and improvements in program management have been mandated, including fraud detection units, increased verification, enhanced use of computers, better targeting of monthly reporting and retrospective budgeting, and tougher sanctions against stores violating the Food Stamp Act.

Reasonable timeframes have been provided for State and local adminstrators to implement food stamp changes. The nightmare of implementing the 1982 law will not be repeated since the Secretary has been given flexibility for orderly implementation.

Major improvements in the Commodity Supplemental Food Program are provided. Not only would local programs be able to serve elderly persons -- if there is caseload available after women and children are served -- but new program sites should find it easier to join the program. Administrative funding has also been strengthened.

The TEFAP Program would be strengthened, with administrative funding to be provided in advance to States and emergency feeding organizations. Although States would be subject to a matching requirement for Federal administrative funds, it should be one that is relatively easy to satisfy. In-kind contributions will be considered and the State would not have to match any funds passed on to the local level or expended by the State for local level activities.

Funding for the Puerto Rico block grant would be increased to reflect anticipated increases in the cost of food.

A new program of nutrition education for low-income persons would be authorized and nutrition monitoring of this population would be improved.

Altogether, these and other provisions comprise a very positive step forward for domestic nutrition programs. This bill constitutes one of the few legislative bright spots for our Nation's poor in recent years.

WORLD HUNGER

I am most pleased that the conference committee approved the essential elements of an amendment I authored, and introduced with Representative Cooper Evans, to provide surplus commodities oversees via section 416 of the Agricultural Act of 1949. For the first time, minimum tonnages of grains, oilseeds, and dairy products would be mandated for overseas distribution. For each of the next 5 years, no less than 500,000 metric tons of grains and oilseeds and 150,000 metric tons of dairy products will be made available through private voluntary organizations, cooperatives, and others.

While worldwide attention on famine appears to be waning, a food crisis remains in many areas of the globe. Section 416 can be a valuable tool in meeting the demand for emergency food assistance. By mandating that 5 percent of the commodities provided under this program must be monetized, the bill will greatly improve the effectiveness with which it will be distributed.

MARKETING ORDERS

H.R. 2100 includes several amendments that will improve the operation of marketing orders. By increasing the potential penalties that marketing order violators may face, H.R. 2100 will improve the enforcement and administration of marketing orders.

The bill also overturns a recent arbitrary decision by USDA to terminate the marketing order for hops. While the hops order certainly can and should be improved, its mandated dissolution by the Secretary -- against the wishes of the industry -- was not warranted. H.R. 2100 includes safeguards that should discourage similar arbitrary activity by the

Secretary in the future.

A third marketing order amendment would reaffirm the confidentiality of information provided by growers and handlers subject to an order. While the final bill is not as strong as I had hoped, I believe it sends a clear message to the Department not to freely release the names and addresses of growers and handlers nor provide a mailing service for private parties who seek to express their views to such handers and growers. The amendment also reinforces the confidentiality of many other types of information -- such as acreage, production, and other commercial data.

CONCLUSION

This bill is a positive step forward in many areas. In these times, it is difficult to frame legislation that meets the many competing policy concerns. I believe that Agriculture Chairman de la Garza and ranking minority member Madigan merit high praise for their cooperative effort to bring this constructive legislation to this jucture. I urge the House to enact H.R. 2100.

Mr. MADIGAN. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. Roth].

(Mr. ROTH asked and was given permission to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, I thank my good friend from Illinois for yielding me this time.

No one is entirely satisfied with this bill, but I do want to congratulate the chairman of the Agriculture Committee and the ranking member and all of the people who have worked so hard on this legislation. It is not easy legislation and we appreciate the job you have done on it.

The real issue here is either we are going to have a bill or we are not, and I think the worst possible position for our Congress and our farmers to be in would be to not have a bill.

I feel there is a real defect in this bill in the sense that we do not have a diversion program. Diversion in the area of dairy, which got our inventory down by 3 percent last year, was a good step in the right direction, and the diversion program proved right. We do not have it in this bill, but we cannot have everything we want.

But this bill does have some real pluses, and in the area of trade is where we find a real plus. Either we are going to export more, import less or produce less. Those are the only three avenues we have.

This avenue of exporting more is one that is really emphasized in this legislation. We are going to open up more markets overseas, we are going to internationalize our markets, we are going to GATT and ask for a better agreement so that we have agriculture and many factory products on the same level in our GATT negotiations. So I think we are making some real progress in this area.

Last week, we heard that agriculture exports were at their very lowest.

Mr. de la GARZA. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee [Mr. Jones] our very distinguished chairman of the Subcommittee on Conservation and Credit who has done yeoman work in this endeavor.

(Mr. JONES of Tennessee asked and was given permission to revise and extend his remarks.)

Mr. JONES of Tennessee. Mr. Speaker, at this point I want to say to this body that the gentleman from Texas, Chairman de la Garza, deserves much credit, as does the ranking member of this full committee for the great job that they have done in over 2 years in putting together a farm bill that I think is commendable and very helpful, and that this body, without a doubt, appreciates, just as the previous speaker said, and we need so badly.

Mr. Speaker, after nearly 2 years of earnest, hard work, the Congress is finally ready to adopt a new long-term farm bill. Although we have missed our deadline for enacting this bill by nearly 3 months -- and few people believe this truly will be a long-term bill -- we, nevertheless, have a conference report that, in my opinion, deserves the support of this House.

I will be the first to admit that this farm bill could be better in some respects, and I certainly wish it did more to improve farm income. However, there comes a time when we finally have to accept the realities of the budget process and the political process. If I didn't think this was the best we could do at this time I would not support this bill. But I am convinced we fought a good battle, and now is the time to move on.

Without a doubt, interim changes will have to be made in agriculture policy before this bill expires 5 years from now, whether due to the recently enacted more rigorous budget constraints, or a further deepening of the already severe eocnomic depression across our Nation's Farm Belt.

If for no other reason, I urge my colleagues to support this bill because of its soil and water conservation provisions. This bill is the most significant achievement in the field of resource conservation since the 1930's. The "sodbuster," "swampbuster," and conservation reserve programs established by this farm bill will change the face of rural America.

Five years from now I predict the American people will look back on this legislation and remember it for one reason: The foresight we will demonstrate today when we adopt a new, enlightened national policy of stewardship for our most precious natural resources.

Again, I urge my colleagues to support this bill and remove the uncertainty so our Nation's farmers will finally know what programs they will operate under in this crop year.

Mr. MADIGAN. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. Stangeland].

(Mr. STANGELAND asked and was given permission to revise and extend his remarks.)

Mr. STANGELAND. Mr. Speaker, I rise in strong support of this conference report and just stand here to plead with all of my colleagues to vote for this conference report and pass it. It is not the best bill in the world, it is not everything that I would like to see in a farm bill. But it is the best we can do.

Let me tell my colleagues I am very saddened to hear some of my colleagues who represent agricultural districts stand and say they cannot support this conference report. I would like to remind them all that we have tried everything, and if they are going to vote against this, what is their alternative? We have done the best we could. We have fought the fight, and I want to commend the chairman of the committee and the ranking member and the chairmen of the subcommittees, the Democratic chairmen of the subcommittees. We had the best philosophical farm debate in the Agriculture Committee that anybody can recall. It was not partisan, but it was philosophical, and we tried everything.

We tried everything on this floor, from high price supports, rigid controls, to what the House committee passed, and the House turned those other alternatives down.

If the House turned those alternatives down, then I think we have done the best job possible. This conference report is as close to the House bill as you can get, without actually having the House bill that we passed here before it went to conference.

So I say, I plead with the Members of this body, pass this conference report.

Mr. Speaker, this is not a great bill and it certainly will not, in and of itself, solve all of agriculture's problems. But that should not come as any surprise to any of us because I cannot recall any farm bill that has guaranteed a profitable farm sector.

I am disappointed that this conference report does not include a mandatory marketing loan which would permit farmers to repay their Government loans at the price they receive in the marketplace. But it does contain discretionary authority for the Secretary and I am one Member who will be doing everything in my power to encourage the administration to implement the marketing loan and offer farmers some hope for the future.

H.R. 2100 does not do nearly for farmers what I or many of my colleagues think needs to be done. But it does offer some short-term stability in the way of target price protection that, hopefully, will sustain our financially squeezed producers until market prices are bolstered.

This bill also contains significant conservation provisions that will remove from production at least 40 million acres of highly erodible land and discourage fragile soils from being exposed in future years. It also maintains the present sugar program that generates $1 billion in the Red River Valley economy which borders my congressional district.

One other point, having been personally involved in the farm bill conference's work on the cargo preference issue, I know that we have made some significant changes in the manner in which our Nation's cargo preference laws will be applied. I would emphasize, however, one thing that was not changed by the conference, and that is the preexisting statutory requirements regarding the "availability" of U.S.-flag ships. Nothing in the conference report makes any attempt to define the "availability" of U.S.-flag ships or to affect pending litigation relating to this issue.

In conclusion, this is not a great bill and, in some instances, may not even be characterized as a good bill. But it is the best we have been able to come up with after a full year of congressional deliberations.

I know I will be joining many here today in fighting for improvements when we return next year. But we need to pass a bill now and I urge my colleagues to support the 1985 farm bill conference report.

Mr. de la GARZA. Mr. Speaker, I yield such time as he may consume to the distinguished vice chairman of the committee, our distinguished whip, the gentleman from Washington [Mr. Foley].

(Mr. FOLEY asked and was given permission to revise and extend his remarks.)

Mr. FOLEY. Mr. Speaker, I rise in support of the conference report, and commend the chairman and the ranking members, and all members of the committee for this product which I think is an excellent one, and I urge support of the conference report.

Mr. de la GARZA. Mr. Speaker, I yield such time as he may consume to our colleague, the gentleman from Michigan [Mr. Conyers].

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. I thank the chairman. I want to commend everybody that worked on this.

Mr. Speaker, I rise in opposition to the conference report. I cannot support a bad 5-year bill that, by lowering loan and target price rates, guarantees a lower net farm income from 18 to 20 percent according to the numerous credible econometric studies. The Congressional Budget Office [CBO] puts the figure at 25 percent. It is bad for our farmers and ultimately for consumers because production will be concentrated in fewer hands. It is bad for interest rates. It is bad for farm employment and bad for urban employment because demand for machine tools will be substantially suppressed. We can and should do more for farmers.

Farm income is the lowest since the Great Depression. The committee bill will make it lower by lowering price supports. The Board of Governors of Federal Reserve has reported that there is a $111 billion negative cash flow annually in the farm industry. Rather than gaining assets they are losing them at this incredible rate.

Two hundred thousand jobs have already been lost as a direct result of the declining farm economy including 80,000 in the manufacturing of farm equipment alone. At the current pace, 270,000 additional jobs can be expected to be lost in the next 5 years. Ultimate jobs lost could be as high as 800,000 which in itself imposes staggering economic costs.

Farmers will not be the only ones to suffer if the 1985 farm bill reduces net farm income. Wharton Econometrics Forecasting Associates of Philadelphia, the Farm Journal, the Food and Agricultural Policy Research Institute at Iowa State University and theUniversity of Missouri study commissioned by the National Corngrowers Association, as well as other documentation all agree on the agregate catastrophic economic effect an impact of lower farm income on the economy as a whole.

The Wharton study shows that every American will be affected. Consumer interest rates alone are predicted to increase by as much as 1 to 2 percent by 1987 depressing other industries such as automotive production and housing; 270,000 jobs outside agriculture could be lost at a rate of three times the job loss for farmers according to the figures. The study indicates the national debt could swell an additional $20 billion before 1990.

The Reagan administration is no friend of the farmer. The administration and the Farm Bureau claim that prices must drop to "market clearing levels" if farmers are to regain lost export markets. This argument does not hold water today.

Lower prices will not regain export markets. Lower prices will only throw our Nation into a sever depression that, in the words of my distinguished colleague from Oregon Jim Weaver, will "make the 1930's look like a garage sale."

If the administration argument had any basis in fact, our exports would be booming today. Comparing our export performance thus far, for the 1985-86 marketing year for wheat sheads some light. Those on the low-price bandwagon say that the export volume is supposed to rise 1 percent for every 1 percent decline in prices. Wheat exports have declined 37 percent compared to a year ago and the U.S. export price is down by 13.5 percent. Actual export volume has dropped 2.74 percent for each 1 percent drop in export prices.

Dan McGuire, director of the Nebraska Wheat Board, may have put it best when he said that "if the United States Government allows itself to be used by millers, bakers, international trading companies, and multilateral corporations to take the lead in lowering world grain prices, this country will deserve the corresponding decline in world prestige that goes along with it."

Rural Americans have a right to life. This bill takes away that right. Its bad policy. I urge my colleagues to vote against it.

Mr. MADIGAN. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. Morrison], a very valuable member of the committee.

Mr. MORRISON of Washington. Mr. Speaker, this farm bill attempts to do two things at once, and it might well succeed. First of all, it provides income protection for farmers growing these supported crops to the extent that we can afford under budget pressures.

The second thing it does is it is market oriented. It gradually tells the world that we are going to compete, and the trade provisions provide support from the U.S. Department of Agriculture in making that statement to the world.

The conference report is a balance, and it is worthy of your support. I feel that it is fiscally responsible, and it includes new policy, of which we can be proud.

I commend the chairman, Mr. de la Garza; our ranking member, Mr. Madigan, for the finesse in finding this balance, and the courtesies they have extended to all of us as Members of this body.

Mr. de la GARZA. Mr. Speaker, I yield such time as he may consume to our distinguished colleague from Oregon [Mr. Weaver].

(Mr. WEAVER asked and was given permission to revise and extend his remarks.)

Mr. WEAVER. Mr. Speaker, contained in the conference report is the organic farm bill which I sponsored and which passed a a freestanding bill in the House earlier in this session. This is landmark legislation which will start us on the path toward a more fundamentally sound agriculture without degradation of our soils and water and will help us produce cleaner, cheaper food and to feed ourselves and others in the future. I vote today for that organic farm bill.

Mr. OBERSTAR. Mr. Speaker, I rise to address the cargo preference subtitle of this legislation. This provision exempts certain export commodities from cargo preference entirely, while requiring 75 percent of Public Law 480 and section 416 commodities principally, to be carried on U.S.-flag vessels.

This provision could be administered in such a way as to be extremely detrimental to the ports of the Great Lakes.

Mr. Speaker, Great Lakes ports are heavily dependent on Food for Peace, or Public Law 480 title II, cargoes, as well as those exported under section 416 of the Agricultural Act of 1949. These cargoes act as magnets, encouraging vessels to enter the Great Lakes/St. Lawrence system, pick up these commodities, and while they are in the system, pick up other cargoes at other ports.

Without these Food-for-Peace magnet cargoes, Great Lakes ports would be hard-pressed to survive, financially.

The requirement that 75 percent of these cargoes be transported on U.S.-flag vessels, which choose not to serve the lakes, has the potential to destroy Great Lakes ports and the port-related sectors of our Great Lakes economy.

Faced with that potential for disaster, the Senate added a provision guaranteeing a minimum percentage share, or metric tonnage, whichever is lower, of bagged, processed or fortified commodities for Great Lakes ports for the next 4 years. That share is based on the 1984 shipping figures.

This provision is absolutely essential for the lakes, within the context of a 75-percent reservation for U.S.-flag vessels. We are appreciative of the efforts of those Senators who were able to include this minimal protection in the Senate version of the forum bill.

In conference we asked whether House conferees representing the Merchant Marine and Fisheries Committee, that figure is a floor and not a ceiling. We were assumed that the reference is a minimum. As a conferee, I reaffirm that intent and insist that the provision be administered in such a way that Great Lakes ports are not frozen at the 1984 shipping level, because that was a poor cargo year for the lakes.

However, other ports ranges expressed concern that this provision, minimal as it is, would cause cargoes to be diverted from their ports.

That is not the intent of this language.

Virtually the only cargoes our ports handle are the bagged, processed and fortified commodities of title II, Public Law 480, and section 416. If the Department of Agriculture fails to properly interpret and apply the availability concept contained in the Cargo Preference Act, then, under this legislation, the lakes will be eligible to bid on less than 5 percent of all grains shipped under Public Law 480, titles I, II, and III, and are more likely to successfully bid on a mere 3 percent.

There is no question in my mind that the administration can, as it must, administer the entirety of this provision of the farm bill in such a way that no port range suffers any loss of preference cargoes under this provision.

I also want to put my colleagues and the USDA on notice that, should any port range be discriminated against in the administration of this subtitle, there will be that much added pressure to see the entire provision self-destruct at the earliest possible moment.

Mr. de la GARZA. Mr. Speaker, I yield 2 minutes to our distinguished colleague the gentleman from Texas [Mr. Stenholm].

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, I rise in support of the conference report we have before us today. We have not yet found the magic wand of the improved farm income so vitally necessary, but in this bill we have laid a foundation that will move us in that direction.

It also moves us in the direction that we must go for budget reasons. The bill before us today is some $3 billion below the bill that was reported from the House a few weeks ago. The trendlines are in the direction that it must go if we are to meet the commitments of Gramm-Rudman, as tough as they will be.

In this bill we have a title called the Clear Title Act. In this case, we do not have a better bill; we have a conference bill. We have a conference, a disagreement between the House and Senate concerning what clear title should be.

There is substantial agreement that the buyer of farm products should be removed from liability, from those actions that he has no knowledge about. The House version provided for prenotification of those individual buyers. The Senate, in their bill, had central filing.

The conference committee action on clear title, or during conference committee action on this, I commended Senator Cochran of Mississippi, the prime sponsor of the Senate version, for his statements. In his statement he said, because the buyer would have to rely completely upon the accuracy of data when he searches the State-compiled list prior to purchase, it is only appropriate to place the risk of any error that might escape the attention of a reasonably diligent buyer on the lender.

I completely concur with the distinguished Senator from Mississippi; buyers have enough of a risk of their ordinary daily operations without being saddled with the additional concerns of accuracy and verification of lien notices generated by a central file, and I hope that the actions of this conference will work that problem out.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. Martin].

(Mr. MARTIN of New York asked and was given permission to revise and extend his remarks.)

Mr. MARTIN of New York. Mr. Speaker, I thank the ranking member, and I rise in support of the conference report.

Mr. Speaker, I rise in support of this conference report and want to take this opportunity to commend the House conferees on H.R. 2100 for their diligence in crafting a farm bill which lends at least some degree of certainty to the rules under which our dairy farmers will be operating for the next 4 years.

I also want to thank the farmers of the 26th Congressional District of northern New York who spent hours and hours of their time in discussion with my office in order that we might fashion a bill with which we could all live. We realize there are imperfections, but considering the herculean problems we were all attempting to solve. I believe the conference report addresses many of the concerns which were expressed.

As I have said in the past, I am not enamored with the prospect of an assessment on our farmers. However, I am proud that the dairy industry, as always, is willing to make the sacrifice and take the necessary steps toward solving the suplus problem we are facing. I hope the whole-herd buyout program is successful in addressing the situation and reducing the glut which has been created. I am skeptical, however, that further spot shortages could occur in the Northeast as they did under the dairy diversion program.

I am pleased that the mandatory diversion program was dropped in conference. I am also encouraged the provisions relating to casein have been retained, since I believe that foreign imports of Casein have contributed to the situation we are trying to resolve. The increase in the milk-marketing order differentials will also be beneficial to the Northeast.

In conclusion Mr. Speaker, I can in good conscience lend my support to the conference report. It is a carefully crafted compromise which I believe our farmers can live with and which deserves a chance.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa [Mr. Lightfoot].

(Mr. LIGHTFOOT asked and was given permission to revise and extend his remarks.)

Mr. LIGHTFOOT. Mr. Speaker, I rise in support of the legislation.

After months of debate and delay the House and Senate have reached tentative agreement on a new farm bill.

We have put this off long enough. Farmers in Iowa and across the country need an answer. We have already passed the fall fertilizer season in my State and many farmers are beginning to talk to their lenders about arranging financing for next year's crop. No lender is going to give them an answer one way or another without knowing what our farm policy is going to be for the coming years and the near future. Our farmers have been left in the dark long enough.

I think we must pass this legislation today, but as you are all aware, this bill or any other farm bill will not provide the sole answer to the problems in our rural economies. But a responsible farm bill is a major factor in the effort to regain some stability for farmers in Iowa and across the country.

This farm bill provides a measure of that much needed stability. Under the bill, target prices are protected over the life of the bill giving farmers the opportunity to plan their operations with some confidence in their longer range projections. I supported the House bill's freeze over the 5-year life of the bill, but the Conference Committee was unable to reconcile themselves to that and have provided a 2-year freeze with modest declines in the out years. Nevertheless, this is a somewhat of a victory in itself, in light of the fact that the administration wanted to cut the farmer off at the knees in a few short years.

Now that we've dodged that bullet of a 1-year freeze on target prices, we have to turn our attention to the forces that prey upon profit prospects of our farmers. One great culprit in that category is a Federal deficit that feeds our high interest rates and our still too strong dollar. We've taken decisive action against that problem by passing legislation mandating a balanced budget by 1991. Now Congress must demonstrate the political courage to pull the reins in on federal spending and restore fiscal responsibility.

As I said, these actions are all a part of more comprehensive approach to address the problems in rural America. In addition to deficit reduction measures we're on the verge of passing long overdue legislation which will reorganize the farm credit system and make it more accountable to its owner/borrowers.

Now that we know where we stand with respect to some protection of farm income, we must begin investigating ways to bring our production costs toward some synch with those numbers. And I believe we should start with one of farmers' greatest input costs, high interest rates. Declines of a point or two in this regard will, in many cases, make the difference between going out of business and staying on the farm. We must do what we can to begin to address the farm problem from this angle.

In addition to commodity price protection, the bill will give Iowa farmers and others a conservation program with some teeth and the most comprehensive trade title we've had in a farm bill.

There's a tough road ahead and this bill will not answer all of our concerns. But by providing our farmers some stability and a measure of predictability we can begin to address the other forces and problems that so directly affect our agricultural economy.

Mr. MADIGAN. Mr. Speaker, I yield 45 seconds to the gentleman from New York [Mr. Gilman].

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of the conference report on H.R. 2100, the Food Security Act of 1985 and commend the distinguished chairman, the gentleman from Texas [Mr. de la Garza], and the ranking minority member, the gentleman from Illinois [Mr. Madigan] for guiding this bill to the House floor. As a member of the conference for foreign affairs portions of the bill, I can attest to this being one of the hardest-working conferences I have ever attended. Chairman de la Garza and Chairman Helms, and their staffs, are to be commended for their unflagging effort to get this important measure before the Congress before the end of the 1985 session.

There are a number of provisions in this report which are particularly meritorious. I am pleased that the Public Law 480 title II minimums were increased, that there is a mandatory 5-percent minimum for monetization, and that section 416 provisions were adopted which are beneficial for private voluntary organizations. It was important too to that we increased child immunization activities in connection with Public Law 480. As an author in 1980 of the legislation for a 4 million ton food security wheat reserve, for use as a Public Law 480 backup in case of serious food shortages, I am pleased that the conferees agreed to extend this humanitarian food reserve for another 5 years.

Several new initiatives in the export title of the conference report deserve special mention:

The new Food for Progress Program, under which food aid is to be provided on grant or highly concessional terms to countries committed to moving their agricultural activities toward a free market system I was proud to have sponsored that proposal, which was proposed by the President, in the House.

Also the new program for promotion of private enterprise abroad under which foreign currencies, derived from Public Law 480 aid are to be loaned to banks, cooperatives, and other intermediaries in the developing countries; which will in turn use the money for loans to nongovernmental businesses, small farmers, and other private entities for productive private enterprise activities. I was pleased we could reach accommodation with Chairman Helms who was also sponsoring Food for Progress and private enterprise promotion legislation in the Senate.

Another new initiative is a Special Assistant to be appointed by the President who shall serve in the White House as an advisor, a recommender, an ombudsman, and in particular as an expediter Government wide for our foreign food aid and agricultural trade promotion programs.

Upon the whole, this is a good report and I urge its adoption.

Mr. de la GARZA. Mr. Speaker, I yield 1 1/2 minutes to the distinguished chairman of the Subcommittee on Livestock and Dairy, the gentleman from California [Mr. Coelho].

Mr. LEHMAN of California. Mr. Speaker, will the gentleman yield?

Mr. COELHO. I yield to the gentleman from California.

(Mr. LEHMAN of California asked and was given permission to revise and extend his remarks.)

Mr. LEHMAN of California. Mr. Speaker, I rise in support of this legislation. I would like to especially congratulate the gentleman from Texas [Mr. de la Garza] for the good work he has done, and most especially, my colleague from California for crafting a dairy compromise that is in the best interest of all dairymen in this country.

Mr. COELHO. Mr. Speaker, I rise in strong support of the conference report and all its different provisions. I would like to specifically speak to the dairy provisions, which are a compromise, and I think address the problems of all the dairy interests throughout the United States.

We were concerned about maintaining a support price that would keep our dairy farmers alive financially. What we have here is a price that is guarnateed for the 1986 year; we have a supply program, a whole-herd buyout that I think will work over an 18 month period; the dairy farmers are willing to pay for it themselves.

We have a situation where we are cutting the taxpayers by their costs of this program, by $3.7 billion; and we have a situation where, if this program works that we will have at the end of 18 months the effective dairy price being above the price support price, so that the dairy farmer does not have to worry about the price support cuts that the administration and others would like to see occur.

I think it will work; I think it is an effective program, and I applaud and congratulate those that have worked hard for it.

Mr. KASTENMEIER. Mr. Speaker, it is with a sense of regret that I cast my vote today in opposition to the conference report on the 1985 farm bill.

Some have argued that we should support this bill because it is a miracle that we have any farm bill at all and that this bill is the best we could do. While I agree that this bill is somewhat better than President Reagan's original proposal to simply cut loan and target prices for grains and the support price for milk, I cannot bring myself to vote for this bill because it so blatantly misses the point.

The point is that American farmers and rural counties are facing the absolute worst of times. Farmers need income. This bill will lower the prices they receive.

Ultimately I have to ask myself if I can defend this bill to farmers who are facing the imminent loss of their farms, if I can assure them that it will help them to survive. Since I cannot give that assurance, I must vote against the bill.

I voted for the 1985 farm bill when it passed the House in October because it at least contained a dairy diversion program. That program would have spread the reduction in surplus production around so that no section of the country and no individual farmers would be asked to give up too much.

In the conference report, however, the diversion program was replaced by the whole herd buy out. This program will reduce milk production. But it will do so by speeding up the exodus from dairy farming. It requires farmers to submit bids to USDA on how much per hundredweight they need to get out of dairying and how much their production would be if they stayed in. There are going to be inequities resulting from this bidding process.

Wisconsin dairy farmers may be more inclined than others to take part in the program. This is because the terms of the bill are much more beneficial to farmers the further away you get from Wisconsin, thanks to the increases in class I DIFFERENTIALS INCLUDED IN THE BILL. SOME ESTIMATE THAT FLORIDA DAIRY FARMS WILL GAIN OVER $50,000 A YEAR BECAUSE OF THOSE INCREASES. OUR FARMERS GAIN ALMOST NOTHING.

FINALLY, ALTHOUGH THE BILL PURPORTS TO ACCOMPLISH A PRICE FREEZE FOR DAIRY FARMERS, THERE WILL BE DECREASES. THE 15-CENT PROMOTIONAL DEDUCTION AND THE 40-CENT DEDUCTION TO PAY FOR THE WHOLE HERD BUYOUT WILL REDUCE THE EFFECTIVE PRICE TO $11.05. IN 1987 WE ARE LIKELY TO SEE TWO CUTS OF 25 CENTS EACH. THOSE CUTS CAN BE FOLLOWED BY MORE CUTS AT 50 CENTS EACH.

GRAIN LOAN AND TARGET PRICES WILL DECLINE OVER THE LIFE OF THE BILL. I HAD SUPPORTED EFFORTS TO PASS LEGISLATION CONTROLLING GRAIN SUPPLIES AND PRICES. IT

CERTAINLY WOULD HAVE BEEN POSSIBLE TO WORK OUT THE DETAILS TO FINE TUNE A CERTIFICATE PROGRAM -- SIMILAR TO THAT INTRODUCED BY MR. BEDELL -- FOR GRAINS THAT WOULD HAVE ALLOWED DOMESTIC PRICES TO RISE BY CONTROLLING SUPPLY, ALLOWED FARMERS TO PRODUCE EXTRA GRAIN FOR EXPORT, AND STILL WOULD HAVE HONORED EXISTING IMPORT/EXPORT COMMITMENTS. THE PRESIDENT, HOWEVER, MADE CLEAR HIS INTENTION TO VETO ANY SUCH APPROACH AND THE CONGRESS NARROWLY TURNED ITS BACK ON FARMERS. WE APPARENTLY JUST MISSED THE POINT ON HOW SERIOUS OUR AGRICULTURAL CRISIS IS.

THERE IS ONE COMPONENT OF THE BILL WHICH I DO REGRET NOT VOTING FOR. THE BILL INCLUDES A SOIL CONSERVATION SECTION WHICH CONTAINS A SODBUSTER/SWAMPBUSTER PROVISION TO STOP THE SPREAD OF FARMING TO ERODIBLE LANDS, A CONSERVATION RESERVE TO REMOVE SUCH LANDS WHICH ARE ALREADY BEING FARMED FROM PRODUCTION, AND A LONGER TERM PROGRAM WHICH WILL ENCOURAGE FARMERS TO DEVELOP SOIL CONSERVATION PLANS WHICH WILL KEEP SUCH LANDS OUT OF PRODUCTION. UNLIKE CERTAIN PARTS OF THE BILL, THIS IS A PROVISION WE CAN BE PROUD OF.

Mr. DREIER of California. Mr. Speaker, America's farmers have been sending the Congress a long and loud SOS, signaling the utter failure of our farm policies. Unfortunately, we are responding with our own SOS: the "same old subsidies."

This legislation may show compassion, but it shows little foresight or, for that matter, hindsight. The billions we've directed at farmers to help them over the past decade has not helped avoid the current crisis: Indeed, some say it has helped precipitate it. And here we go with another dose of SOS.

What will the farmer and the taxpayer get for the 50-odd billion dollar price tag of this bill? Commodity prices lower than the ones that have led farmers into the poor house, for one. And a price structure too rigid to give American farmers a fighting chance on world markets, for another.

We have spent countless hours in this chamber this year bemoaning two national crises, in our farm and trade policies, without giving much attention to any link between the two. This is a monumental mistake.

Does anyone of us really expect that the woes of American agriculture will be truly solved 5 years from now when this authorization expires? I hope we will find time during that span to develop a new agricultural trade policy, not as an afterthought to a subsidy bill, but as part of a real solution to the farm income problem.

MR. SENSENBRENNER. MR. SPEAKER, ON SATURDAY, DECEMBER 14, HOUSE AND SENATE CONFEREES BROKE AN IMPASSE AND APPROVED A FUNDAMENTAL CHANGE IN THE FEDERAL PROGRAM TO SUBSIDIZE DAIRY PRICES. MISSING FROM THE PROGRAM IS A DAIRY DIVERSION PLAN WHICH WOULD PAY THE DAIRY FARMER TO CUT PRODUCTION, AND WAS CONTAINED IN THE HOUSE VERSION.

MR. SPEAKER, I CANNOT SUPPORT ANY FARM LEGISLATION WHICH DOES NOT INCLUDE A DIVERSION PLAN, SINCE DROPPING THE PAID DIVERSION WILL NOT SAVE MONEY AND WILL RUIN THE FAMILY FARMER.

THE DAIRY DIVERSION PROGRAM, ESTABLISHED TO HELP STABILIZE THE SUPPLY AND DEMAND FOR MILK, WAS IN EFFECT FROM JANUARY 1984 THROUGH MARCH 1985. THE PROGRAM RESULTED IN A REDUCTION OF 1984 MILK PRODUCTION BY ABOUT 3.74 TO 4.11 BILLION POUNDS. THE GENERAL ACCOUNTING OFFICE DIRECTLY ATTRIBUTES A $650 MILLION SAVINGS TO THE PROGRAM. HOWEVER, EVIDENCE SUGGESTS THAT MILK PRODUCTION, AND THEREFORE THE DEPARTMENT OF AGRICULTURE'S PRICE -- SUPPORT PURCHASES, WILL INCREASE AFTER THE PROGRAM'S END. A DAIRY DIVERSION PROGRAM WORKS FOR BOTH THE TAXPAYER AND FEDERAL GOVERNMENT. THIS

HAS BEEN REJECTED BY THE CONFEREES FOR ANOTHER, UNTRIED PROGRAM.

WITHOUT A DIVERSION PROGRAM THE FAMILY FARMER IN THE MIDWEST WILL BE RUINED, WHILE THE CORPORATE CONGLOMERATE FARMS IN OTHER AREAS OF THE COUNTRY WILL BENEFIT. THE CONGRESSIONAL BUDGET OFFICE ESTIMATES THAT ANY PRICE CUTS WILL DECREASE NET FARM INCOME BY 30 PERCENT. FOR WISCONSIN FARMERS, DECLINING PROFITABILITY WILL RESULT IN LOWER LAND PRICES, REDUCING THE VALUE OF THE COLLATERAL ON SOME LOANS, CREATING FURTHER FINANCIAL DIFFICULTIES. ADDITIONALLY, AS MANY AS 45 REGIONAL MARKETING-ORDER DISTRICTS RESTRICTING THE SALE OF MILK FROM REGION TO REGION WILL BE DESIGNED PRIMARILY TO BENEFIT SOUTHEASTERN PRODUCERS. THIS LIMITS THE WISCONSIN FARMER'S ABILITY TO SELL HIS PRODUCT TO A SMALL AREA.

MR. SPEAKER, LIKE MANY OTHER MIDWEST STATES, WISCONSIN'S AGRICULTURE TRULY IS AMERICANA. THE DRIVE TO SUCCEED IS THERE, BUT THE SMALL FARMER IS THREATENED AND WITH HIM THE FARM ECONOMY AS THE BACKBONE OF AMERICA.

Mr. SMITH of Iowa. Mr. Speaker, it became obvious early this year when we could not override a veto of a very modest credit bill that essentially what is in this bill is the very most which we could pass and he signed. It is essentially an extension of existing programs with reductions in loan rates mostly offset by higher deficiency payments.

I had high hopes we would also be able to secure a good long term conservation reserve removing a large share of the 60 million acres of highly erodible land. However, I am really sorry to say that the conservation reserve section of this farm bill represents a waste of the best opportunity we have had and perhaps the best we will ever have to make some real progress toward removing 60 million acres of highly erodible land out of production in this country.

This bill sets up conditions for enrolling land in the conservation reserve which those who pay the cost of carrying the land cannot meet. It would require an owner and the mortgagor to give a permanent easement in return for rent payments received for only 10 years. No owner would give a permanent easement in return for a few years of annual payments unless the annual payments were a great deal higher than the $50 per acre they intend to pay. The result is that the conservation reserve approved in that bill will attract only a small portion of the amount of the highly erodible land we need out of production.

The bill also prohibits owners who farm any erodible land after 1990 from participating in soil conservation programs or the annual-set-aside programs. To avoid disqualification, owners would be required to erect soil conservation structures and fully comply with an approved plan. Even if sufficient Federal matching money were available (and it is not) to terrace and bring that much land into compliance in a few years, it would cost more than seven times as much per year for each of the next 10 years as farmers have been able to match.

Since the majority of farmers will have some such erodible land which they cannot possibly afford to idle without a payment and will therefore be disqualified for the annual control program after 1990, they will have no set-aside acres and will also put all their erodible land in grain crops and perhaps plow up any remaining land which could be tilled. With the majority of producers out of the annual production control program, production will increase instead of being reduced and the annual program will not control supplies after 1990 either.

The effect of these provisions is to largely defeat the purpose of the conservation reserve section and the bill will be a flop if it is not amended. It will result in more erodible land being farmed instead of less.

Mr. EVANS of Illinois. Mr. Speaker, I rise in opposition to the conference report. I recognize the hard work of the conferees and commend them for their efforts to improve the farm bills produced by both bodies.

However, I cannot in good conscience tell farmers in my district or across this Nation, that the proposal being offered here tonight is good farm policy for 1985 or for the next 4 years. The agreement falls short of addressing the urgent needs of our farmers, and most importantly, does nothing to enable farmers to increase their income. Without such an increase, banks and businesses in our rural communities will suffer and unemployment will continue in our manufacturing centers.

If this program becomes law, I fully expect the Congress to be back here in 1986 and 1987 facing a deepened depression in the farm belt of this Nation. Our farmers and our Nation deserve and demand better.

Mr. DAUB. Mr. Speaker, I rise to support the conference report on the farm bill. Although there are still problems with this legislation, it is in many ways an improvement over the version the House sent to conference last October.

There is a very real danger that by the next decade America could become a net food importer. Since we enacted the last farm bill, American commodity exports have fallen 25 percent. Although other factors such as the high dollar were significant in this decline, our inflexible farm programs inducing storage, rather than sale, of farm products was certainly one important factor in this trend.

The 1981 bill with its rigid loan rate structure made mounting surpluses almost a certainty. It told our competitors in advance how much to plant and how much of our markets they can take. As a result, exports have fallen and the American farmer is swimming in a sea of grain.

It has been estimated that wheat and corn exports could fall another 20 percent next year.

Argentina, Paraguay, and Uruguay have 215 million acres of very fertile soil which are as yet unplowed. This is nearly half of all cropland in the United States. Unless we do something about inflexible loan rates the signal those countries will get is: Gentlemen start your plows.

The most significant change that the conference report makes over the House bill and current law is its recognition of our competitive problem and the inclusion of more flexible loan rates to address it. This bill signals that the United States will not continue to tell our competitors in advance the prices at which we sell and how much of the world markets we are willing to give them.

Furthermore, the conference report contains important and innovative programs for export assistance. It contains $500 million for a badly needed intermediate credit program, $2 billion worth of commodities for an export bonus program, $5 billion for short term credit and $325 million for "blended credit" export programs.

The House bill continued cargo preference requirements that force federally generated exports to be shipped on uncompetitive American flagships. Although an improvement over the House provisions, the conference report does not completely solve the problem. In fact, cargo preference requirements are increased from 50 to 75 percent for food donation programs, but the cost of to the Agriculture Department will not be over the current level of 50 percent.

Importantly, the conference report exempts export and blended credit programs from the cargo preference requirements. Current provisions, preserved in the House bill led to suspension of the blended credit program to the great detriment of our commodity exports. The conference version should resolve this problem.

At the same time, the bill maintains income supports for farmers with a 3-year target price freeze spread over 4 years for wheat and feed grains. While not as generous as the original House bill, and not directed at the farmers who are in most need which I would like to see, these provisions will maintain an income safety net for farmers in these difficult times.

This bill represents a milestone in our efforts to conserve the most important natural resource agriculture has: our soil. I have been trying for a long time to get many of the conservation measures in this bill enacted. The conservation reserve and the sodbuster and swampbuster provisions are significant steps toward these worthy conservation goals.

The tax reform bill passed yesterday contains conservation provisions that I offered in the Ways and Means Committee. This legislation puts the sodbuster and swampbuster provisions in the Tax Code and denys the deduction for clearing land to add to unneeded production. These provisions will compliment the farm bill conservation section.

This farm bill is projected to cost about $53 billion over the next 3 years. This is a record amount of farm spending and with it the Congress has demonstrated its concern for the plight of rural American. Despite this record spending, we should be candid enough to admit that we don't have all the answers for the complicated farm problems.

Perhaps the best thing that can be said about recent actions Congress has taken is that, on the whole, Congress has apparently done more for farmers than to them. Two actions justify this conclusion.

First, the farm bill will reform inflexible price supports which has lead to record grain supplies and provide income maintenance needed in the Midwest.

Second, the Gramm-Rudman balanced budget bill should reduce the overvalued dollar also making farm products more competitive overseas. Real control of Federal spending will provide vital interest payment relief for farmers.

Finally, it should be noted that the ratio of urban to rural members in Congress is declining. Without Farm State members sticking together on the farm bill, we may not get one at all and that would be tragic. We need a farm bill this year, not a continuation of the 1981 bill farmers have suffocated under the last 4 years.

I urge adoption of the conference report.

Mr. BIAGGI. Mr. Speaker, I rise to urge support of H.R. 2100, the farm bill. The House conferees are hopeful this legislation will help resolve a serious dispute that has created tremendous resentment and hostility between two important industries. I am, of course, alluding to the issue of cargo preference. The 1954 cargo preference law provides that U.S.-flag vessels will carry at least 50 percent of goods given away -- and sales subsidized -- by the Government. Newly developed promotional export programs sponsored by the U.S. Department of Agriculture have raised the issue of the scope of the cargo preference laws.

The Department of Agriculture emphasized the "commercial" nature of the export programs and felt that cargo preference should not apply. The Department of Transportation viewed at least one of these programs, blended credit, as subject to cargo preference because of the extensive Government assistance that made the sales competitive on the world market. Finally, the Department of Transportation agreed that though cargo preference was legally binding, it would not be applied in this case because to do so would undermine USDS's export program.

After the agencies resolved their difference the matter was taken to Federal court, where the judge found that the export program in question fell within the scope of cargo preference.

Shortly after the court decision, Secretary Block terminated all sales under the blended credit program. This action caused great harm to both our farmers and seafarers.

In the aftermath of the court action and Secretary Block's termination of the program, representatives of the maritime and agricultural industries met to see if there was any possibility of a compromise to resolve the problems. After numerous meetings, spanning almost 6 months, hard negotiations, and a great deal of blood, sweat, and tears, an agreement was reached. This compromise was adopted by the Senate and with minor improvements became the language adopted by the conferees.

The compromise provides that subsidized sales will be exempt from cargo preference. In exchange for this concession, donational programs will be subject to a 75-percent cargo preference requirement. I would point out that this increase in cargo preference will have absolutely no impact on agricultural spending. The added costs associated with the use of U.S.-flag vessels will be paid by the Department of Transportation.

The compromise reached with the Senate assures the agriculture industry that promotional export programs will not be subject to cargo preference and will not be delayed or interrupted by administrators and courts debating the applicability of cargo preference.

The maritime industry will enjoy an increase in cargo because of the 75-percent cargo preference requirement on donational sales.

Under the compromise, neither side can claim a complete victory. There are substantial risks for the maritime industry in entering into this agreement with agricultural interests. USDA has a history of noncompliance with cargo preference, some programs seem particularly designed to circumvent the letter of the cargo preference law. These factors, among others, forced me to be cautious in accepting the compromise.

I know that both industries are sanguine that this compromise will be beneficial to all parties by eliminating uncertainty and ending this harmful dispute between two crucial American industries. I, quite frankly, am not so optimistic. Cargo preference is essential to the merchant marine, and the merchant marine is indispensible to national security and economic independence. Whatever happens, I hope the future of the maritime fleet is safe.

Mr. MADIGAN. Mr. Speaker, I yield myself the balance of my time.

(Mr. MADIGAN asked and was given permission to revise and extend his remarks.)

Mr. MADIGAN. Mr. Speaker, let me tell you what this bill is not; it is not a magic carpet upon which farmers are going to glide through the balance of the 1980's. It is a compromise between the economic problems on American farms and the budget deficit problems of our Government.

It maintains the safety net for farmers, but it moves us in the direction of becoming more competitive in world markets.

I want to take the balance of my time to say to all of the members of the committee, including those who did not get everything they wanted, that you were all gentlemen, and I congratulate you on your demeanor; and to the staff that undertook the Herculean task of putting this report together over the weekend, I express my personal thanks, my personal thanks to the chairman for his good humor and intelligence throughout this process.

Ladies and gentlemen, this is a reasonable product; it deserves your support. I hope you will cast a favorable vote for it.

Mr. Speaker, I yield back the balance of my time.

Mr. de la GARZA. Mr. Speaker, I yield one-half minute to our distinguished colleague, the gentleman from Virginia [Mr. Olin].

(Mr. OLIN asked and was given permission to revise and extend his remarks.)

Mr. OLIN. Mr. Speaker, I rise in strong support of the conference report, and commend the work of the conferees; particularly the chairman, Mr. de la Garza, the ranking minority member, Mr. Madigan, and all the others.

Mr. Speaker, there is much to be commended in the conference report on H.R. 2100, Food Security Act of 1985. The conferees worked hard and have delivered a bill that is much improved over the one passed by the House. I especially appreciate the leadership of our committee chairman, Mr. de la Garza, and the ranking minority member, Mr. Madigan, in insisting that a farm bill must be completed and acted upon before adjournment.

Even the dairy provisions, which I strongly opposed when the House considered the bill, are now improved. Gone is the mandatory diversion program which would have paid farmers for not producing milk. Gone is the cost-of-production formula which would have pushed up milk support prices and further encouraged production.

The whole-herd buyout provisions, which I initially opposed, now seem to offer the best opportunity to make an immediate -- and economical -- impact on the soaring increases in mik production. Support price cuts alone would have taken too long to achieve the results we must have.

The combination -- whole-herd buy out for a limited period of time coupled with scheduled decreases in the support price as long as there are immense surpluses -- is an acceptable plan.

It starts us in the right direction.

It is budget responsive.

It provides the long-term policy statement our dairymen need and deserve.

I do continue to have some reservations, however. I was surprised and disappointed to learn that the conference recommended discretionary authority for the Secretary of Agriculture to impose a diversion program or extend the whole-herd buyout if the initial 18-month buyout does not achieve the necessary decrease in production.

It is imperative that the initial 18-month buyout achieve its goals -- the reduction of our national dairy herd by an estimated 935,000 cows and a reasonable balance between milk production and consumption. If we achieve that balance, the reduction of price supports established in the bill will be adequate to maintain an equilibrium.

The Agriculture Committee must monitor the buyout closely to be sure it achieves the necessary reductions and be prepared to take corrective legislative action if it does not. Neither another diversion program nor an extension of the whole-herd buyout will be a satisfactory response if this experiment fails. It must be a one-time action; it must get the surplus down to about 5 billion pounds. We can accept no other answer.

I also am disappointed that an assessment will be imposed on all dairy farmers. I had hoped it would not be necessary, but I now recognize that the fiscal realities of meeting a budget target mandate the assessment. Another note of caution, however. The initial 40-cent assessment, followed by a 25-cent assessment, may not be sufficient to pay for the buyout that will be needed. Careful scrutiny of the costs and revenue of the program will be required of the Agriculture Committee.

Retaining the legislated class I differentials is unfortunate. Some States will benefit; others may be penalized. Assuming legislative control of the differentials was politically inspired, and the levels set do not necessarily relate to the actual cost of transporting and handling of milk. I fear that regional imbalances may result because of this action and ask that the Agriculture Committee be prepared to offer a prompt remedy before the imbalances severely impair regional milk production.

Although the dairy title is not perfect, it is an acceptable improvement, and one of many parts of H.R. 2100 now worthy of our support.

I strongly support the emphasis on conservation that is included in the bill. The recent floods in western Virginia, invading the full length of the congressional district I represent, impresses even further the need for scrupulous care of the soil. We can no longer ignore the damage -- and the potential tragedy -- of the abuse of our resources. H.R. 2100 goes a long way in enforcing the necessary stewardship of our farmland.

I also joined in the effort by the gentleman from Texas [Mr. Stenholm] and others in removing the double standard that has been in effect for buyers of farm products. The inclusion of clear title provisions in the farm bill is a necessary improvement in agricultural business transactions.

The bill continues to recognize the wisdom of investment in research; it continues support of our land-grant colleges. It boosts our commitment to both domestic and international nutrition programs. It provides the goundwork for an improvement in trade -- a vital issue if our immensely productive and efficient farm community is going to regain its role as an active exporter of quality food and fiber.

Just as importantly, H.R. 2100 recognizes the necessity that any farm bill we pass must be sensitive to the overall economy of this country. We are trying to control the deficit. We simply cannot afford to provide all of the income support needed to guarantee the profitability of every farmer. H.R. 2100 offers the assurance of a reasonable, market-oriented floor under farm prices. It is a healthy, feasible, economical plan. Unless we subdue the raging deficits, no farm policy can by itself be the salvation of American agriculture.

Mr. Speaker, the work, of the last year has been intense. The House Agriculture Committee labored over this bill; we debated, we discussed, we may even have argued at times. But each of us wanted the best possible long-term policy for our country's farmers. The conference report on H.R. 2100 is the best effort for these times. I urge my colleagues' support.

Mr. de la GARZA. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from Texas has 1 minute remaining.

Mr. de la GARZA. Mr. Speaker, the end result of what we do here today is a credit to our Nation and to our people. It is our system of government which allows us to be truly representatives of the people. We want the world to know that we care, that within the framework of the art of the possible we were responsible and yet compassionate. This is the most important thing we do here today, telling American agriculture that we care.

We cannot delay any longer. The future is now, the place is here, the vote is "yes."

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were -- yeas 325, nays 96, not voting 13, as follows:

(See Roll No. 474 in the ROLL segment.)

The Clerk announced the following pair:

On this vote:

Mr. Gray of Illinois for, with Mr. Nelson of Florida against.

Mr. LENT and Mrs. SCHNEIDER changed their votes from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ROLL:

[Roll No. 474]

YEAS -- 325

Ackerman	Addabbo	Akaka
Andrews	Annunzio	Anthony
Applegate	Aspin	Atkins
AuCoin	Barnard	Barnes
Barton	Bateman	Beilenson
Bennett	Bentley	Bereuter
Berman	Bevill	Biaggi
Bilirakis	Boehlert	Boggs
Boland	Boner (TN)	Bonior (MI)
Bonker	Borski	Bosco
Boucher	Boulter	Boxer
Breaux	Brooks	Broomfield
Brown (CA)	Brown (CO)	Broyhill
Bruce	Burton (CA)	Burton (IN)
Bustamante	Byron	Callahan
Campbell	Carper	Carr
Chapman	Chappell	Chappie
Clay	Clinger	Coats
Cobey	Coble	Coelho
Coleman (TX)	Collins	Combest
Conte	Cooper	Courter
Coyne	Craig	Crockett
Daniel	Darden	Daub
Davis	de la Garza	Dellums
Derrick	DeWine	Dickinson
Dicks	Dingell	Dixon
Donnelly	Dowdy	Duncan
Durbin	Dwyer	Dyson
Early	Eckart (OH)	Eckert (NY)
Edgar	Edwards (CA)	Emerson

Erdreich	Evans (IA)	Fascell
Fazio	Feighan	Fiedler
Fish	Flippo	Florio
Foglietta	Foley	Ford (MI)
Ford (TN)	Fowler	Franklin
Frenzel	Frost	Fuqua
Gallo	Garcia	Gaydos
Gejdenson	Gekas	Gilman
Gingrich	Gonzalez	Goodling
Gordon	Gray (PA)	Grotberg
Guarini	Gunderson	Hall (OH)
Hamilton	Hammerschmidt	Hartnett
Hatcher	Hawkins	Hayes
Hefner	Hendon	Henry
Hiler	Hopkins	Horton
Howard	Hoyer	Hubbard
Huckaby	Hughes	Hutto
Hyde	Jeffords	Jenkins
Johnson	Jones (NC)	Jones (TN)
Kanjorski	Kaptur	Kasich
Kemp	Kennelly	Kildee
Kindness	Kleczka	Kolbe
Kolter	Kostmayer	Kramer
LaFalce	Lantos	Latta
Leach (IA)	Leath (TX)	Lehman (CA)
Lehman (FL)	Leland	Lewis (FL)
Lightfoot	Livingston	Lloyd
Loeffler	Long	Lott
Lowery (CA)	Lowry (WA)	Lujan
Lundine	MacKay	Madigan
Manton	Marlenee	Martin (IL)
Martin (NY)	Matsui	Mavroules
Mazzoli	McCain	McCandless
McCloskey	McDade	McEwen
McHugh	McKernan	McMillan
Meyers	Mica	Michel
Mikulski	Miller (OH)	Mineta
Mitchell	Moakley	Molinari

Mollohan	Montgomery	Moore
Morrison (CT)	Morrison (WA)	Murtha
Myers	Natcher	Neal
Nielson	O'Brien	Oakar
Olin	Ortiz	Owens
Oxley	Panetta	Parris
Pashayan	Pease	Pepper
Perkins	Pickle	Pursell
Quillen	Rahall	Rangel
Ray	Regula	Reid
Richardson	Ridge	Rinaldo
Roberts	Robinson	Rodino
Roe	Roemer	Rogers
Rose	Roth	Roukema
Rowland (CT)	Rowland (GA)	Roybal
Rudd	Savage	Saxton
Scheuer	Schuette	Schulze
Seiberling	Sharp	Shaw
Shelby	Shumway	Shuster
Siljander	Sisisky	Skeen
Skelton	Slaughter	Smith (FL)
Smith (IA)	Smith (NE)	Smith (NJ)
Smith, Denny (OR)	Smith, Robert (OR)	Snowe
Solarz	Solomon	Spence
Spratt	St Germain	Staggers
Stallings	Stangeland	Stenholm
Stokes	Strang	Stratton
Studds	Sundquist	Sweeney
Swift	Swindall	Tallon
Tauke	Tauzin	Taylor
Thomas (CA)	Thomas (GA)	Torres
Torricelli	Towns	Traficant
Traxler	Udall	Valentine
Vander Jagt	Visclosky	Walgren
Walker	Waxman	Weaver
Weiss	Wheat	Whitehurst
Whitley	Whittaker	Whitten
Wilson	Wise	Wolf

Wolpe	Wortley	Wright
Wylie	Yatron	Young (AK)
Young (FL)		

NAYS -- 96

Alexander	Anderson	Archer
Armey	Bartlett	Bates
Bedell	Bliley	Bryant
Carney	Chandler	Cheney
Coleman (MO)	Conyers	Coughlin
Crane	Dannemeyer	Daschle
DeLay	DioGuardi	Dorgan (ND)
Dornan (CA)	Downey	Dreier
Edwards (OK)	English	Evans (IL)
Fawell	Fields	Frank
Gibbons	Glickman	Gradison
Green	Gregg	Hall, Ralph
Hansen	Hertel	Holt
Hunter	Ireland	Jacobs
Jones (OK)	Kastenmeier	Lagomarsino
Lent	Levin (MI)	Levine (CA)
Lewis (CA)	Lipinski	Luken
Lungren	Mack	Markey
McCollum	McCurdy	Miller (CA)
Miller (WA)	Monson	Moody
Moorhead	Mrazek	Murphy
Nowak	Oberstar	Obey
Packard	Penny	Petri
Porter	Ritter	Rostenkowski
Russo	Sabo	Schaefer
Schneider	Schroeder	Schumer
Sensenbrenner	Sikorski	Slattery
Smith, Robert (NH)	Snyder	Stark
Stump	Synar	Vento
Volkmer	Vucanovich	Watkins
Weber	Williams	Wirth
Wyden	Yates	Zschau

NOT VOTING -- 13

Badham	Dymally	Gephardt
Gray (IL)	Heftel	Hillis
Martinez	McGrath	McKinney
Nelson	Nichols	Price
Young (MO)		

SUBJECT: AGRICULTURAL MARKETING (90%); FARMERS & RANCHERS (79%); EXPORT CREDIT INSURANCE (59%); RURAL DEVELOPMENT (59%); AGENCY RULEMAKING (59%); INTERNATIONAL TRADE (59%); MEATS (59%); BUDGET (59%); AGRICULTURAL SUBSIDIES (59%); LEGISLATIVE BODIES (59%); GRAIN FARMING (59%); AGRICULTURE (59%); LEGISLATION (59%); GOVERNMENT BUDGETS (59%); INTERNATIONAL TRADE FINANCING (59%); AGRICULTURAL COMMODITY REGULATION (59%); INTERNATIONAL ASSISTANCE (59%); AGRICULTURAL LAW (59%); WETLANDS (59%); CONFERENCES & CONVENTIONS (59%); EXPORT TRADE (59%); EROSION (59%); EXPORT PROMOTION (59%); IMPORT TRADE (59%); PEANUT FARMING (59%);