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*131 Cong Rec S 17923*

**REFERENCE:** Vol. 131 No. 176 -- Part 2

**TITLE:** FOOD SECURITY ACT OF 1985 -- CONFERENCE REPORT (Continued)

**SPEAKER:** MR. ABDNOR; MR. ANDREWS; MR. BENTSEN; MR. BOREN; Mr. BUMPERS; MR. BURDICK; MR. BYRD; MR. CHAFEE; MR. CRANSTON; MR. DECONCINI; Mr. DIXON; MR. DODD; MR. DOLE; MR. EAGLETON; MR. FORD; MR. GLENN; MR. GORTON; MR. GRASSLEY; MR. HARKIN; MR. HART; MRS. HAWKINS; MR. HELMS; MR. KASTEN; MR. LAUTENBERG; MR. LEAHY; MR. LEVIN; MR. MATHIAS; Mr. McCONNELL; MR. MELCHER; Mr. METZENBAUM; MR. NICKLES; MR. PACKWOOD; MR. PELL; MR. PRYOR; MR. QUAYLE; MR. STAFFORD; MR. STENNIS; MR. SYMMS; MR. THURMOND; MR. WILSON; MR. ZORINSKY

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

#### ILLINOIS FARMERS DESERVE BETTER

Mr. DIXON. Mr. President, when I first came to the Senate, one of my initial speeches in this Chamber was a plea for an increase of a dime a bushel for my Illinois corn farmers. That speech was made 4 years ago, Mr. President, when we were in the process of passing the 1981 farm bill.

Much has happened in the agricultural economy since we developed legislation to bolster farm income. Because of events and economic factors largely beyond their control, farmers in Illinois and elsewhere in our Nation have seen farm income evaporate and the rural economy deteriorate to the worst point we've seen since the Great Depression.

Now, after 11 months of effort, we have fashioned a new farm bill to guide us during the next 5 years. My first question, of course, has to be whether this bill is good for the farmers of Illinois. After a careful review of the bill's provisions which directly impact on Illinois corn and soybean farmers, I have reluctantly concluded, Mr. President, that this is not the bill that the Illinois farmer needs in order to continue farming.

Much of the media attention and our attention has been directed during the last couple of years at the farm credit crisis. There truly is such a crisis, Mr. President, but the problem results from a lack of adequate income. If the farmer can get a decent price for his products, then the credit crunch will begin to disappear. What does this 1985 farm bill do for farm income? Unfortunately, this bill moves it in the wrong direction at the wrong time. The net effect of the bill is

to lower Government loan support prices for corn, soybeans, and wheat, among other commodities.

It is true that the loan rate for corn for 1986 is set at \$2.40 per bushel. That level, however, is 15 cents less than our current loan rate. In addition, there is a mandatory requirement that the Findley amendment be utilized to reduce the loan rate an additional 10 percent. That maneuver knocks another 24 cents off of a bushel of corn. In relation to the current loan rate for corn, we suddenly discover that we have lopped 39 cents off the price of corn. My Illinois farmers do not need that, and they cannot stand that, because we are talking about \$2.16 corn in 1986.

What about soybeans? Well, here things are a little better for 1986 and 1987, because the loan rate is maintained at \$5.02 per bushel. The Secretary, however, has discretionary authority to reduce the loan level up to an additional 5 percent if he decides such a cut is necessary to maintain markets. Downward adjustments in the loan rates can begin in 1988, with the result that the loan rate can drop to a level of \$4.50 per bushel.

The soybean market has already shown us in recent weeks what havoc we can create by the approach we take to commodity prices. I have to say that a drop of 52 cents -- from \$5.02 to \$4.50 -- even if it occurs over time, cannot be viewed as a good deal for Illinois farmers.

The loan rate for wheat in 1986 will be at \$3 per bushel. A mandatory requirement that the 10 percent Findley provision be invoked in 1986 effectively reduces the loan rate to \$2.70 for wheat.

Another element in this bill which threatens to lower prices for Illinois farmers is the provision relating to acreage reduction programs [ARP's]. Even when the loan rate for corn stands at \$2.16 per bushel, which is already low, there are three other monumental problems. The first is the imposition of a 12 1/2-percent minimum ARP. The second is a 2 1/2-percent mandatory PIK set-aside. The third is the additional discretionary authority for the Secretary to require the farmer to set aside 5 percent more acreage. If we add these three items together, Mr. President, the corn farmer could be forced to idle 20 percent of his acreage -- twice the percentage required under current law. The result cannot be anything but even lower prices. As we set aside twice as much acreage in the outyears, Illinois farmers will start receiving less and less income for their crops.

Let me cite a quick example. If a farmer's acreage base for corn is 100 acres, and the farmer planted 90 acres in 1985, then he could plant only 80 acres in 1986. We say we are freezing the target price. We cannot say, however, that we are freezing income supports, because we are increasing acreage reduction programs by 10 percent. With fixed production costs, this means the farmer with the 100-acre corn base is getting the same payment on 10 percent less acreage, which, in turn, means he is receiving 10 percent less income.

This movement toward lower prices is unacceptable to me, and as farmers begin to operate under the terms of this bill, I am sure that my Illinois farmers will likewise find it unacceptable. Lower farm income is the wrong way for us to be heading at this time in American history.

In today's Chicago Tribune, Christopher Drew offers a vivid example: "On a 500-acre Illinois corn farm with a typical yield of 128 bushels per acre," the increased set-asides, he says, "will mean a \$3,200 to \$9,600 drop from this year's total revenue of \$193,920." He also mentions that the "increased set-asides \*\*\* will cut the farmers' output and could lower their earnings by 5 to 15 cents a bushel from the \$3.03-a-bushel target price. \*\*\* "

There are other examples I could cite, Mr. President, but I think my point has been made. This bill moves in the direction of lowering prices at the most inopportune time. It is my understanding that Congress has never before reduced support prices for the commodities I have discussed. Illinois farmers -- indeed, farmers across the Nation -- need income, not lower prices. I favored a 4-year freeze on price supports, and I was satisfied with the 4-year freeze which was the key element in the original Senate farm bill which came out of the Agriculture Committee for our consideration.

My dilemma in looking at the farm bill before us is that I must cast a vote on an entire package. We cannot vote on

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separate sections. That posture poses a problem for me, as it does for others, because there are many good provisions in this bill. I like many of the mechanisms for improving our export sales of farm products. I like the sodbuster and swampbuster provisions. Some of the proposals I have made are embodied in both the export and conservation sections of this bill.

I am especially interested in the cargo preference section, because those of us who are Great Lakes Senators waged a very long, tough battle here on the floor of the Senate to establish a floor under the amount of Government-shipped commodities through our Great Lakes ports. These shipments are important to Midwestern farmers and the Great Lakes maritime industry.

As far as Great Lakes ports are concerned, the cargo preference provisions in the farm bill are bad. In Great Lakes country, we would have been far better off to have returned to the old cargo preference posture. As I mentioned, we won the fight on the floor of the Senate to require a minimum amount of Government-shipped commodities to go through the Great Lakes. The conference committee weakened what was a less than adequate -- but a fair -- proposal, by saying that such protection for shipping levels on the Great Lakes will occur only if it does not impact on other ports. As a practical matter, we probably cannot help the Great Lakes without some small harm to other ports. We desperately need to halt the decline in shipping on the Great Lakes. With the bill in its present form, we have not achieved the objective we had, at one point, accomplished. Our task thus remains unfinished, but we have not given up the fight.

The legislation also contains a separate section designed to bolster our Farm Credit System. We have already dealt with that problem by adopting a separate bill. Restoring confidence and liquidity to the Farm Credit System is absolutely essential to the recovery of our agricultural economy. Farmers, lenders, and rural businesses must be made aware of Congress' determination to maintain a viable farm credit program in this country.

While we have successfully completed action on the Farm Credit System bill, I am terribly disappointed with the administration's opposition to my amendment to the farm bill which would have allowed a private sector initiative whereby rural banks could mark down farm loans to present collateral levels, with the proviso that losses could be written off over a 30-year period rather than taking a massive loss in 1 year. This legislation makes eminently good sense. The farmer can stay on his land by avoiding foreclosure, while continuing as a customer of a rural bank that remains financially strong. I emphasize again my disappointment that this proposal lost on a vote of 44 to 47, failing by only 3 votes to provide financial stability to the private sector of farm lending, as we have for the Farm Credit System lenders.

There are some favorable elements in this bill, but they are outweighed by far too many negative factors. There is no reason for me to belabor the point with a lengthy discussion. The principal difficulty for me is that the net effect of this bill is to lower farm income. Illinois farmers and related businesses and industries cannot afford continuing low prices. We must restore farm income. This bill does not do that in the immediate future, and it is the immediate future that will determine whether many of our farmers will survive or whether the number of farm sales and foreclosures will continue unabated.

I have felt compelled to outline in some detail what my problems are with this bill. I want it fully understood that my vote against the bill is made with great reluctance, but it is cast with the knowledge that what Illinois farmers need is income, and I cannot in good conscience support legislation which does not provide income for our Illinois farmers at the most critical juncture in our agricultural history.

We could have done better, but we did not. Since we did not, I cannot lend my support to farm legislation which makes a bad situation worse. My hope is that we rectify our mistakes when we return for our 1986 session. By then, we will have come to the realization that what we are doing here today simply doesn't do the job. Our Illinois farmers deserve better.

Having set forth these concerns about this important legislation, I will reluctantly vote no on the bill.

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I ask unanimous consent that Christopher Drew's article from the Chicago Tribune be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Chicago Tribune, Dec. 18, 1985]

#### FARM EXPERTS MIXED ON NEW BILL BENEFITS

(By Christopher Drew)

A huge new farm bill lays the groundwork for gradually reviving foreign interest in American grain exports, but it will mean modest cuts in income for most farmers and won't save nearly as many troubled farms as its legislative sponsors had hoped.

That is the reaction of leading farm economists and trade officials to the five-year bill that emerged from nearly a year of intense debate.

Passed by a House-Senate conference last weekend, the bill is expected to win final approval from both chambers Wednesday. It then will be sent to President Reagan, who once threatened a veto but now is considered likely to sign it.

"I see this farm bill as one that moves us toward market realities, but at a fairly slow pace," said Mark Drabenstott, chief farm economist at the Federal Reserve Bank of Kansas City, Mo.

While such a shift is positive, he said, "the bill probably will continue to put most of the benefits in the hands of farmers who are not highly stressed, and that's a disappointment."

Noting that most polls show strong public support for helping troubled farmers, he said, "I think if people really understood when they send in their tax checks on April 15 that their money is going to large cotton farmers in California who have a larger net worth than they do, they'd feel differently about it."

The experts also predicted mixed results from a new plan to pay some dairy farmers to get out of their surplus-ridden business.

The highlight of the bill, according to the economists and trade leaders, is its requirement for immediate cuts of 15 to 20 percent in corn and wheat price supports. The bill also gives the market-oriented Reagan administration power to cut an additional 10 percent if needed to bring U.S. grain prices back into line with world trading levels.

The cuts, the first since the complex web of support programs was put into place in the 1930s, could offset dramatic price hikes caused partly by the surprising strength of the U.S. dollar in recent years. They also could discourage further expansion by low-cost South American producers.

Still, demand for grain in key importing nations remains relatively weak, and there seems little prospect for much growth soon.

Consequently, said Michael Hall, the Washington representative for the National Corn Growers Association, the support cuts may break a five-year skid in U.S. export sales, but they probably won't help lead to a broad recovery for several years.

To protect farmers from the price cuts, legislators voted to freeze separate income-subsidy rates, called target prices, for two years. The government pays farmers the difference between market prices and the higher target rates, so freezing the rates will force it to give them larger checks to offset losses from the lower market prices.

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Still, most grain farmers probably will suffer modest cuts in income under the bill. That's because legislators increased the amount of acreage that farmers must set aside to qualify for the subsidy programs. Corn farmers, for instance, will have to set aside 12.5 to 17.5 percent of their acreage next year, compared to 10 percent in 1985.

The increased set-asides, designed to ease burdensome surpluses and limit government costs, will cut the farmers' output and could lower their earnings by 5 cents to 15 cents a bushel from the \$3.03-a-bushel target price, Hall said.

On a 500-acre Illinois corn farm with a typical yield of 128 bushels per acre, that will mean a \$3,200 to \$9,600 drop from this year's total revenue of \$193,920.

Rep. Thomas Foley [D., Wash.], a prime architect of the bill, defended the cuts as a small price to pay for continued government support in an era of budget-cutting in Washington. He also pointed out that the cuts would have been much greater if Congress hadn't blocked the administration's original plans to phase out the income subsidies.

Drabenstott, the Federal Reserve economist, agreed. But he also argued that the legislators' failure to target more of the benefits to the most troubled farmers may have hastened, rather than prevented, the demise of many of them.

Critics ranging from conservative Sen. Jesse Helms [R., N.C.] to liberal farm groups have complained that only 20 percent of the subsidies now go to farmers in serious trouble.

The reason is that the payments typically have been used to encourage production cutbacks in times of surplus rather than as vehicles for income transfers. So the biggest checks generally have gone to the largest farmers with the most acreage to set aside.

Mr. McCONNELL and Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I rise in support of this conference report. In my experience during a period of private law practice and as judge-executive of a local government of some size, and I have never been around a subject more complicated than American agriculture and in particular in a year like this, in which times were difficult and many farmers were in trouble. I think it shows the true mettle of our leadership that at a time like this, when American agriculture is truly in a different situation, we are able to produce a farm bill that I am optimistic will improve conditions on the American farm.

I thank the ranking minority member of our committee (Mr. Zorinsky) and in particular, the distinguished chairman of the committee, the Senator from North Carolina (Mr. Helms), with whom I have worked on many issues, for their truly outstanding leadership in the development of this farm bill in what quite possibly is the worst year for the farmer since the Depression.

I personally support the conference report in spite of some reservations I have, but I do not think anybody could have done any better than our leadership in this year on this issue. I particularly thank the chairman for his outstanding work and gladly support the conference report.

Mr. HELMS. Will the Senator yield?

Mr. McCONNELL. I yield to the distinguished Senator from North Carolina.

Mr. HELMS. Mr. President, of course, I thank the distinguished Senator from Kentucky for his remarks, but let me say for the record that I have never seen a Senator come here who has participated so quickly in the delicate and difficult matters as the Senator has described in the agriculture bill. I want to say to Senator McConnell that he is already a fine Senator and it has been my privilege to work with him. I thank the Senator.

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The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, as we meet here this evening to discuss the farm bill, everybody is talking about the merits, what a great solution it is, and nobody remembers that subject we were on about a week ago. That was the Gramm-Rudman bill. Gramm-Rudman was going to help us balance the budget.

Well, it is my understanding that this bill violates section 311 of the Budget Act as amended by Gramm-Rudman. Sixty-one people voted for Gramm-Rudman and I have not heard any of them out here making the point that the farm bill is \$2.5 billion over Gramm-Rudman, over the budget; therefore, this body should not be passing it. If you who voted for Gramm-Rudman -- I fortunately did not. But if you who voted for Gramm-Rudman were as sincere in your convictions and your concerns as you indicated just a couple of weeks ago, where are you today?

I pose a parliamentary inquiry without raising the point, but as a parliamentary inquiry, I ask of the Chair whether or not this bill violates section 311 of the Budget Act as amended by Gramm-Rudman and therefore, if raised, would be subject to a point of order.

The PRESIDING OFFICER. The Senator is correct.

Mr. METZENBAUM. Mr. President, can I say any more? I am right that it violates Gramm-Rudman.

You came out here and you went to the wall and you battled and you insisted that this was the solution, and the editorial writers all over the country wrote about Gramm-Rudman solving the problems of balancing the budget and we were going to move forward and by 1990, we were going to have a balanced budget. OK: Stand up and be counted. Let me hear from you.

I am not going to raise the issue because I did not vote for that Gramm-Rudman provision and I do not think that it is good law. But 61 of you thought it was good law. If you thought it was good law 10 days or 2 weeks ago, why do you not think it is good law today? Why are you not raising the point out here on the floor of the Senate?

Many of us have said that those who were so anxious to vote for Gramm-Rudman would run for cover just as soon as the issue comes before the Senate and they have to bite the bullet. Well, tonight is the night to bite the bullet. Tonight is the night to determine whether or not you meant what you said when you passed Gramm-Rudman.

The Parliamentarian has already indicated that it is indeed subject to a point of order. If you believe as strongly as you indicated just a couple of weeks ago that Gramm-Rudman was the solution to our Nation's economic problems and balancing our budget, now is the time to stand up and be counted and be heard and to raise the point. I stand not because I am opposed to the farm bill; I am not opposed to the farm bill. I stand because I am so concerned that some people come out here and make great speeches and go all over the country and say how they are going to balance the budget and they need to do something for the country and it needed to be done and we have to face the music and therefore, we are passing Gramm-Rudman; therefore, our deficit is only going to be \$141 billion in 1987 and it is going to go down in 1988 and by 1990, we are going to have the budget in full balance.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. METZENBAUM. I do indeed yield, Mr. President.

Mr. DOLE. The Senator has left off the name Hollings all through there. [Laughter.]

Mr. METZENBAUM. As usual, my colleague from Kansas is right on target -- the Gramm-Rudman-Hollings bill. Whether it is Gramm-Rudman or Gramm-Rudman-Hollings, it seems to me when things are going well and the editorial writers are saying great things, it is Gramm-Rudman. But when it comes to a point where nobody is willing to live up to the terms of that bill, my distinguished colleague, the majority leader [Mr. Dole], wants to point out that there is indeed

a Democrat who was a party to the measure.

I guess it is a fact that there were a number of Democrats who voted for Gramm-Rudman-Hollings. This one, I am proud to say, did not.

But if you meant what you said before, let me hear from you tonight.

Mr. HARKIN. Mr. President, will the Senator yield for a question?

Mr. METZENBAUM. I do indeed.

Mr. HARKIN. The Senator makes a good point. To those who came out here and said Gramm-Rudman was a solution to our problem, here we are with a farm bill that is over budget.

The question I pose to the distinguished Senator from Ohio is this: This farm bill, so-called farm bill, received pretty wide support, as indicated by the majority leader. It got a big vote in the House, although I note a number of Midwestern Congressmen voted against it. That will tell us how this farm bill is going to affect the Midwest.

But it did receive a lot of support. There are a lot of lobbyists out there. A lot of powerful people support this bill -- processors, shippers, a lot of big actors out there support this farm bill. I guess the question I have for the distinguished Senator from Ohio is this: What is going to happen, looking down the road to early next year, when maybe a bill comes on the floor that does not have all those powerful lobbyists behind it -- that maybe is for the handicapped; maybe it is to help the poor; maybe it is to help the elderly; maybe it is a bill for education for the disadvantaged. Maybe it is a bill to provide some feeding programs for the poor and maybe it is going to be slightly above budget. Does the Senator think this place will be as quiet or as silent on a point of order as it is right now? I ask the distinguished Senator from Ohio, what does he think will happen at that point? Will there be then a rush to embrace Gramm-Rudman or will we have the same kind of silence from those 61 who supported Gramm-Rudman?

Mr. METZENBAUM. Oh, no, I am happy to respond and say that you may count on it. When the issues have to do with funding for the handicapped or for the poor or for educational programs or for any one of a number of other programs that the Senator alluded to, there will be a lot of people over there who will be happy to raise the point of order that it violates Gramm-Rudman-Hollings, but this farm bill is a different story. The Senator, indeed, makes the point, and makes it very well, that come tomorrow when it is not the farm bill and when there are programs having to do with the nonfarm members of our community, those who live in urban centers, there will be an indifference to their problems and everybody will be rushing to make the point of order. When the cities are cut back by billions of dollars from revenue sharing programs and if the program exceeds by a dollar the provisions of Gramm-Rudman in the budget, they will be out here on the floor making the point of order, and everybody will come here with tears streaming from their eyes saying they are sorry they have to do this but under the banner and the flag of Gramm-Rudman-Hollings they have no alternative but to stand up and say that this is too much. "We must balance the budget."

But it depends on whose back the budget is to be balanced. In this instance nobody, nobody who has supported Gramm-Rudman is on this floor raising the issue. I say their words do not speak as loudly as their actions with respect to the matter of supporting budget balancing, supporting Gramm-Rudman-Hollings.

Mr. BUMPERS. Will the Senator yield just for a comment?

Mr. METZENBAUM. I do indeed.

Mr. BUMPERS. Does the Senator from Ohio have the floor?

Mr. METZENBAUM. I do have the floor.

Mr. BUMPERS. I have the utmost appreciation for what the Senator is saying, but I think the Senator paints with

much too broad a brush. No. 1, I do not know of any segment of the economy in this country that is suffering more right now than the farm economy. No. 2, I have been one of those people who has tried to be cognizant of and sensitive to the needs of all people. I voted for revenue sharing and I have tried my very best to keep faith with what I think the national character of this country ought to be, with a view toward what kind of a future we want for the country. And so while I think the Senator makes a very good point, I hope he is not suggesting that every farm State Senator, and particularly farm State Senators who support this bill, are somehow or other suspect about every other segment of this Nation. I would deeply resent such a comment as that. You cannot go into eastern and southern Arkansas as I have done for the past 5 years and look into the eyes of people who have spent their entire lives trying to build an estate, trying to make a decent living and trying to leave something for their children, you cannot experience the trauma they have been experiencing and believe this bill is any panacea to the farm community of this country. It is nothing more nor less than a holding action. And while I would be reluctant to demoralize the farm community further, I will say that 15 to 20 percent of the people who are now farming and who may get another chance to farm in 1986 as a result of this bill will not be around after 1987. I thank the Senator.

Mr. METZENBAUM. I am happy to have the comments of the distinguished Senator from Arkansas. I think he is aware of the fact -- I do not know at which point he arrived on the floor, but I am not attacking the farm bill, and I share his concern about the farmers of this country. I think all of us do. I am concerned about every American, whether they be on the farm or live in an urban area, and how they are able to attain a quality of life to which they are entitled. What I am talking about has nothing to do with the farm bill. What I am talking about is Gramm-Rudman-Hollings, that great majestic piece of legislation that after a lot of turmoil and a lot of battling back and forth suddenly finally became the law of the land when the President signed it. All I am saying is where are all those who paraded under the banner of Gramm-Rudman-Hollings tonight? How come they are not out here defending the implementation of that piece of legislation as well as the enactment of the law in the first instance?

MR. MATHIAS. MR. PRESIDENT, I WOULD LIKE TO EXPRESS MY APPRECIATION TO THE CHAIRMAN OF THE AGRICULTURE COMMITTEE AND THE OTHER MEMBERS OF THE FARM BILL CONFERENCE COMMITTEE FOR THEIR COOPERATION IN ENSURING OUR NATION'S DEFENSE AGAINST THE POTENTIAL AGRICULTURAL DISASTER REPRESENTED BY THE AFRICANIZED HONEYBEE.

I UNDERSTAND THAT THE CONFERENCE COMMITTEE HAS STATED THE CONCERN OF THE CONGRESS THAT MORE RESEARCH IS NEEDED INTO WAYS TO DETER THE AFRICANIZED BEE, ALSO KNOWN AS THE KILLER BEE, AND HAS DIRECTED THE AGRICULTURAL RESEARCH SERVICE TO MAKE THE NECESSARY FUNDS AVAILABLE TO CONDUCT THIS RESEARCH. COULD I ASK THE MANAGER OF THE FARM BILL IF MY UNDERSTANDING IS CORRECT?

Mr. HELMS. The Senator's understanding is correct. The so-called killer bee, besides being a threat to the lives of animals and people, could wreak havoc with American agriculture because farms and orchards rely upon the peaceful varieties of bees for pollination. The manager's report accompanying the conference report makes clear our concerns on this point and instructs ARS to undertake new research into means of heading off severe disruption to agriculture, and I will be interested to review the progress of this research during the committee's oversight hearings next year.

Mr. MATHIAS. I thank the chairman for his assistance.

MR. BOREN ADDRESSED THE CHAIR.

THE PRESIDING OFFICER. THE SENATOR FROM OKLAHOMA IS RECOGNIZED.

MR. BOREN. MR. PRESIDENT, I ASSOCIATE MYSELF WITH THE REMARKS THAT WERE MADE JUST A FEW MINUTES AGO BY THE DISTINGUISHED SENATOR FROM ARKANSAS. AS HE HAS BEEN GOING AROUND HIS STATE, I HAVE BEEN VISITING WITH THE FARM FAMILIES OF OUR STATE. I HOPE THAT



OUR COLLEAGUES, AS THEY VOTE ON THIS PARTICULAR MEASURE, WILL BEAR IN MIND THE MASSIVE SOCIAL UPHEAVAL THAT IS OCCURRING ACROSS THIS COUNTRY IN THE RURAL AREAS. I WAS CALLED THIS MORNING BY A REPORTER IN MY HOME STATE AND ASKED TO COMMENT ON THE DEMOGRAPHIC SHIFT THAT IS OCCURRING IN MY STATE AS PEOPLE ARE MOVING OUT OF THE RURAL AREAS AND INTO THE CITIES. THEY ARE MOVING BECAUSE THEY ARE LOSING THEIR FARMS. NOW, ON THE EVE OF THE CHRISTMAS SEASON AT ENID, OK, FOR EXAMPLE, IN THE HEART OF THE WHEAT BELT IN MY STATE, IN THAT ONE SMALL GEOGRAPHICAL AREA, THERE ARE 150 FORECLOSURES ON FAMILY FARMS PENDING. I TALKED WITH ONE FARM WIFE THE NIGHT BEFORE LAST, NOW IN HER LATE 1960'S, WHO TOLD ME THAT SHE AND HER FAMILY HAD AND OPERATED A PARTICULAR FARM, ONE OF OUR MORE PRODUCTIVE FARMS, IN THE EASTERN PART OF OUR STATE FOR OVER 50 YEARS. SHE TEARFULLY TOLD ME ON THE PHONE THAT THEY WERE ON THE VERGE OF LOSING THAT FARM; THAT NOT ONLY DID SHE NOT KNOW WHAT HER FAMILY WOULD DO BUT SHE DID NOT KNOW WHAT SIX OTHER FAMILIES THAT HAD WORKED WITH THEM ON THAT FARM, FOR OVER 30 YEARS IN SOME CASES, WOULD DO EITHER. WE READ ABOUT THE TRAGIC STORY OF WHAT HAPPENED IN IOWA FOR ONE FARMER IN HIS SIXTIES, A SOLID MEMBER OF THE COMMUNITY WHO TOOK THE LIFE OF HIS BELOVED WIFE, THE LIFE OF A NEIGHBOR, THE LIFE OF THE BANKER IN THE LOCAL COMMUNITY, AND HIS OWN LIFE BECAUSE OF THE DESPERATION THAT HE FELT IN NOT KNOWING HOW TO BEGIN HIS LIVE OVER WHEN HE WAS LOSING EVERYTHING HE HAD WORKED HIS ENTIRE LIFE TO ACHIEVE. HE DID NOT HAVE OTHER SKILLS. HE DID NOT KNOW ANOTHER WAY OF LIFE. IT WAS NOT EASY FOR HIM TO BE UPROOTED, MOVED INTO SOME URBAN AREA AND A TOTALLY DIFFERENT WAY OF LIFE FOR WHICH HE HAD NEVER BEEN PREPARED.

WE ARE FACING ACROSS THIS COUNTRY A SERIES OF HEARTBREAKS AND A SOCIAL UPHEAVAL OF MONUMENTAL PROPORTIONS THAT DESERVE THE SYMPATHY AND UNDERSTANDING OF ALL OF US. IT IS NOT ONLY A MATTER THAT DEMANDS OUR EMOTIONAL EMPATHY, OUR UNDERSTANDING, AND THE EXPRESSION OF THE CONCERNS OF OUR HEARTS. IT IS ALSO A MATTER THAT DESERVES OUR ATTENTION AS ECONOMIC POLICYMAKERS.

I AM REMINDED OF WHAT BEGAN IN THIS COUNTRY IN 1926 IN THE AGRICULTURAL SECTOR, AND I AM ALSO REMINDED OF THE GREAT FLURRY OF ACTIVITY AT THE PEAK OF THE STOCK MARKET IN 1929. I AM REMINDED OF WHAT IS HAPPENING IN THE FARM BELT NOW AND WHAT IS HAPPENING ON WALL STREET NOW.

I AM REMINDED OF THE FACT THAT AGRICULTURAL LAND IS DEFLATING IN MY HOME STATE AT THE RATE OF 36 PERCENT A YEAR AND THAT THERE ARE LITERALLY HUNDREDS OF FINANCIAL INSTITUTIONS ACROSS THIS COUNTRY WHOSE ECONOMIC HEALTH IS DEPENDENT UPON STABILIZATION OF THE VALUE OF THE LAND THAT STANDS BEHIND THOSE LOANS.

MORE THAN 4,000 BANKS IN THIS COUNTRY HAVE 25 PERCENT OF THE TOTAL LOANS OR FOLIOS, DEPENDING UPON THE STABILITY OF THE VALUE OF THE AGRICULTURAL LAND.

MR. PRESIDENT, WE FACE A VERY SERIOUS SITUATION. I DO NOT THINK ANY OF US SHOULD FOOL OURSELVES BY BELIEVING THAT THIS FARM BILL IS GOING TO SOLVE THE PROBLEMS. IT IS NOT GOING TO ABATE THE CRISIS WE HAVE IN RURAL AMERICA.

IF YOU FIGURE THE INCOME LEVELS FOR THE AVERAGE FAMILY SIZED WHEAT FARM, FOR EXAMPLE, THIS BILL WILL JUST ABOUT HOLD THOSE INCOME LEVELS WHERE THEY HAVE BEEN THIS YEAR FOR THE NEXT 2 YEARS. THE BEST THING YOU CAN SAY ABOUT THE BILL IS THAT IT IS MUCH BETTER THAN THE FIRST CONFERENCE COMMITTEE PROPOSALS, WHICH WOULD HAVE DROPPED FAMILY FARM INCOME BY APPROXIMATELY 12 PERCENT NEXT YEAR. BUT WHEN WE ARE FACING SUCH A SERIOUS CRISIS ON THE FARM, HOW IN THE WORLD CAN WE SAY THAT

MAINTAINING THE STATUS QUO IS ADEQUATE? IT IS NOT. WE ARE GOING TO BE FEELING THE FINANCIAL AND ECONOMIC EFFECTS AND THE SOCIAL EFFECTS RIPPLING ALL ACROSS THIS COUNTRY OVER THE NEXT 12 MONTHS, AND WE WILL BE BACK HERE NEXT YEAR, I BELIEVE, FACING AGAIN AN ECONOMIC EMERGENCY IN THE AGRICULTURAL SECTOR.

THERE IS SOME HOPE FOR THIS BILL, AND IT IS IN THE AREA OF THE DISCRETIONARY AUTHORITY GIVEN TO THE SECRETARY. I READ AN EDITORIAL WITHIN THE LAST COUPLE OF DAYS ABOUT THIS FARM BILL THAT DESCRIBED IT AS A NEW BEGINNING, IN TERMS OF AN INNOVATIVE POLICY. IT COULD BEGIN TO BE A CHANGE IN POLICY IF THE SECRETARY OF AGRICULTURE WOULD USE THE DISCRETION THAT IS GIVEN TO HIM -- IF, FOR EXAMPLE, HE WILL USE THE DISCRETION TO TARGET THE BENEFITS TO THE FAMILY-SIZED FARM.

WE ADOPTED AN AMENDMENT ON THE FLOOR OF THE SENATE, A BIPARTISAN AMENDMENT, WHICH THIS SENATOR JOINED WITH OTHERS IN OFFERING, THAT WOULD HAVE SAVED OUR PRECIOUS BUDGETARY DOLLARS, AS DISCUSSED BY THE SENATOR FROM OHIO, BY NOT PAYING HIGH PRICE SUPPORTS TO HOBBY FARMERS WHO DERIVE 98 PERCENT OF THEIR INCOME FROM SOURCES OTHER THAN AGRICULTURE. WHEN WE HAVE FAMILY FARMERS GOING OUT OF BUSINESS IN A DESPERATE SITUATION, HOW CAN WE JUSTIFY WASTING OUR DOLLARS TO GIVE HIGHER AND HIGHER BENEFITS TO THOSE WHO SIMPLY DRIVE OUT OF THE TOWNS AND THE CITIES ON THE WEEKEND AND DABBLE AS HOBBY FARMERS?

HOW CAN WE JUSTIFY SPENDING OUR PRECIOUS DOLLARS TO PROP UP HUGE CORPORATE FARMING OPERATIONS? THE SECRETARY IN THIS BILL IS GIVEN AUTHORITY TO TARGET FAMILY-SIZED FARMS AND MAKE MORE EFFECTIVE USE OF THE DOLLARS. IF HE WOULD USE THAT DISCRETION, THIS BILL COULD BEGIN TO MOVE US IN THE RIGHT DIRECTION.

THE SECRETARY IS ALSO GIVEN DIRECTION TO MOVE THE VAST AMOUNTS OF GRAIN WE HAVE IN THIS COUNTRY ONTO THE WORLD MARKETS TO HELP US IN AN AGGRESSIVE WAY TO GET BACK OUR SHARE OF THE WORLD MARKET. THE UNITED STATES HAS BEEN THE PATSY OF THE WORLD TOO LONG. WE HAVE GUARANTEED THE PRICE TO PRODUCERS IN OTHER NATIONS WHO HAVE BEEN PRODUCING FULL OUT. WE HAVE BEEN STORING SURPLUSES FOR THE REST OF THE WORLD, WHILE THEY LAUGH UP THEIR SLEEVES AT US AND DROP THEIR PRICES ENOUGH TO SEIZE THE MARKET FROM US, WHILE WE, IN EFFECT, ARE STORING THEIR SURPLUS GRAIN. IF THE SECRETARY WOULD USE THE DISCRETIONARY AUTHORITY, WE COULD MOVE IN THE RIGHT DIRECTION.

MY CONCERN IS, WILL THE OMB ALLOW THE SECRETARY OF AGRICULTURE TO USE THAT DISCRETION? IN ORDER TO SAVE A LOT OF MONEY OVER A 4- OR 5-YEAR PERIOD, UNDER THE ILL-CONCEIVED ACCOUNTING DEVICES WE OFTEN USE AROUND HERE, THERE WILL BE A TENDENCY TO SCORE SOME COSTS IN THE FIRST YEAR OF OPERATION OF SUCH A PROGRAM.

SO I AM FEARFUL THAT THE NEW BEGINNING WHICH WAS DESCRIBED IN AN EDITORIAL IN ONE OF OUR LEADING NEWSPAPERS MAY WELL NOT OCCUR. IT WILL NOT OCCUR IF THE SECRETARY DOES NOT BOLDLY USE THE DISCRETION GIVEN UNDER THIS FARM BILL.

WILL THIS BILL BE A WARMED-OVER RETREAD OF A FAILED POLICY OR WILL IT BE AT LEAST THE BEGINNING, A START, IN THE RIGHT DIRECTION? MUCH DEPENDS UPON THE ACTIONS OF THE SECRETARY AND THE EXTENT TO WHICH HE USES THE DISCRETIONARY AUTHORITY THAT IS THERE.

SO FAR AS THIS SENATOR IS CONCERNED, I CAN ONLY REPEAT THAT THIS IS NOT AN ADEQUATE FARM BILL. I DO NOT DENIGRATE THE WORK THAT HAS BEEN DONE BY THE CONFEREES, WHO

HAVE SPENT HOURS AND HOURS LABORING OVER THIS MATTER. THEY HAVE WORKED HARD. WE HAVE SOME FINE SENATORS ON THAT COMMITTEE WHO CARE ABOUT AGRICULTURE AND UNDERSTAND ITS IMPORTANCE TO THE REST OF THE ECONOMY. THIS SENATOR CANNOT SAY, IN CONSCIENCE, THAT IT IS GOING TO SOLVE THE PROBLEMS.

I THINK WE SHOULD ALERT THE AMERICAN PEOPLE THAT THE PROBLEM IS NOT GOING TO GO AWAY, THAT MERELY ASSURING THE STATUS QUO SO FAR AS INCOME LEVELS ARE CONCERNED FOR A SECTOR THAT IS ALREADY IN SERIOUS CRISIS IS NOT ENOUGH.

AS I LISTENED TO THE SENATOR FROM OHIO TALK ABOUT THE BUDGET, I COULD NOT HELP THINK TO MYSELF THAT IF YOU COULD SINGLE OUT ONE GROUP OF PEOPLE IN THIS COUNTRY WHO HAVE BEEN THE VICTIMS OF THE BUDGET DEFICITS MORE THAN ANY OTHER GROUP, WHO WOULD IT BE? IT WOULD BE THE FARMERS. THE BUDGET DEFICITS HAVE SO OVERVALUED OUR DOLLAR THAT THAT DEVELOPMENT HAS ABSOLUTELY DESTROYED THE EXPORT MARKET FOR AGRICULTURAL PRODUCTS.

WE HAVE PEOPLE HERE WHO GET UP EARLY IN THE MORNING AND WORK HARD ALL DAY LONG. AS A MAN SAID TO ME AS I WALKED BACK TO MY OFFICE THE NIGHT BEFORE LAST;

I DON'T UNDERSTAND HOW OUR FARMERS, WHO WORK SO HARD, WHO ARE NOT LOOKING FOR A GOVERNMENT HANDOUT BUT WHO WORK AS HARD AS ANY PEOPLE IN THIS COUNTRY, WHO ARE PRODUCTIVE, WHO HAVE KEPT PACE IN TERMS OF SCIENTIFIC AND TECHNICAL DEVELOPMENTS, WOULD BE HANDED SUCH PROBLEMS. IT ISN'T FAIR.

NO, IT IS NOT FAIR, AND OUR FARMERS HAVE SUFFERED MORE THAN ANYONE ELSE BECAUSE OF THE GOVERNMENT DEFICITS AND GOVERNMENT POLICIES WE HAVE FOLLOWED -- PROGRAMS THAT HAVE OVERVALUED OUR DOLLAR, EMBARGOES THAT HAVE BEEN IMPOSED UPON THEM.

WHEN WE TALK ABOUT BUDGETARY EQUITY, I THINK WE SHOULD REALIZE THAT EVEN UNDER THE GRAMM-RUDMAN PROPOSAL, ABOUT 55 PERCENT OF ALL SPENDING IS EXEMPT -- NOT AGRICULTURE, BUT ABOUT 55 PERCENT OF ALL THE REST OF THE SPENDING IS EXEMPT -- FROM AUTOMATIC CUTS. THE FARMERS ARE WILLING TO DO THEIR PART.

THIS BILL REPRESENTS A SHARP REDUCTION IN COST FROM A CONTINUATION OF CURRENT LAW.

HAS DEFENSE BEEN TRIMMED FROM CURRENT LAW? HAVE THE SOCIAL PROGRAMS BEEN TRIMMED FROM CURRENT LEVELS OF SPENDING? NO.

IN TERMS OF WHAT HAS ACTUALLY HAPPENED AROUND HERE, THE FARMERS HAVE AGAIN AND AGAIN BEEN ASKED TO DO THEIR PART. OTHERS HAVE BEEN EXEMPTED AND, BECAUSE THEY HAVE BEEN EXEMPTED, WE HAVE NOT DONE ANYTHING TO REALLY GET THE DEFICIT DOWN. THE FARMERS ARE THEN DESTROYED.

THEN WE HAVE THE QUESTION RAISED AS TO WHETHER OR NOT THEY ARE DOING THEIR PART FROM A BUDGETARY POINT OF VIEW.

THEY ARE THE INNOCENT VICTIMS OF OUR OWN FAILURE TO BE RESPONSIBLE IN DEALING WITH THE BUDGET OVERALL.

THE DEFENSE BUDGET HAS FENCES BUILT AROUND IT. WE CANNOT TOUCH SACRED COWS LIKE SOCIAL SECURITY EVEN FOR THOSE PEOPLE WHO ARE IN THE UPPER INCOME LEVELS, AND, AS WE

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ALL KNOW, JUST BECAUSE PEOPLE ARE OVER 65 IT DOES NOT AUTOMATICALLY MEAN THAT THEY ARE IN LOWER INCOME LEVELS. YES, I WANT TO PROTECT THOSE WHO ARE AT THE POVERTY LEVEL. WE HAVE BEEN AFRAID TO EVEN TOUCH THOSE WHO ARE MILLIONAIRES IF THEY HAPPEN TO BE OVER A CERTAIN AGE BECAUSE WE HAVE ALLOWED CERTAIN AREAS OF THE BUDGET TO BECOME SACRED COWS POLITICALLY AND UNTOUCHABLE.

SO WHEN IT COMES TO FAIRNESS, MR. PRESIDENT, I DO NOT THINK IT IS FAIR TO SINGLE OUT THAT PART OF SOCIETY WHICH IS SUFFERING THE MOST RIGHT NOW THROUGH NO FAULT OF ITS OWN AND TO SAY THAT IT SHOULD BEAR THE BURDEN BY ITSELF WHILE WE EXEMPT SO MUCH OF THE REMAINDER OF THE BUDGET FROM ANY SACRIFICES AT ALL IN TERMS OF TRYING TO GET OUR BUDGETARY HOUSE IN ORDER.

WE WILL BE REVISITING THIS ISSUE NEXT YEAR. I HOPE WE CAN DO BETTER. I HOPE ONE OF THESE DAYS WE WILL TAKE ACTION THAT WILL GIVE THE FARMERS A CHANCE TO EARN A FAIR ENOUGH INCOME THAT WE CAN TURN THE DEPRESSION IN THE AGRICULTURE SECTOR AROUND; BUT REGRETTABLY THIS BILL WILL NOT DO THAT, AND AS WE VOTE ON IT NO MEMBER OF THE SENATE SHOULD BE DELUDED INTO THINKING THAT IT WILL.

MR. LAUTENBERG. MR. PRESIDENT, TODAY THE SENATE IS CONSIDERING THE CONFERENCE REPORT ON THE FARM BILL. IT IS ONE OF THE FIRST MEASURES TO COME BEFORE THE SENATE WITH SIGNIFICANT BUDGETARY CONSEQUENCES, SINCE WE PASSED GRAMM-RUDMAN.

WHAT DO WE SEE? IT IS OVER BUDGET. IT IS WAY OVER BUDGET.

CBO HAS DONE A PRELIMINARY ESTIMATE. THE FARM BILL IS \$2.5 BILLION OVER CURRENT SERVICES IN FISCAL YEAR 1986. IT SPENDS \$2.5 BILLION MORE THAN IF WE JUST LEFT CURRENT PROGRAMS IN PLACE, \$2.5 BILLION.

BUT THAT IS NOT ALL. IT IS \$4.5 BILLION OVER WHERE WE SHOULD BE. IT IS \$4.5 BILLION OVER THE LEVEL FOR FARM PROGRAMS ASSUMED IN THE BUDGET RESOLUTION THAT WE PASSED LAST SUMMER. IT IS ROUGHLY \$4.5 BILLION OVER WHAT THE AGRICULTURE COMMITTEE WAS ALLOTTED IN THE BUDGET RESOLUTION.

NOW, THAT BUDGET RESOLUTION ASSUMED A DEFICIT OF \$172 BILLION. WELL, WE KNOW WE ARE NOT GOING TO COME NEAR THAT NUMBER. IN FACT, ACCORDING TO THE LATEST CBO SCOREKEEPING, WE HAVE ALREADY OVERSHOT THE TARGET BY CLOSE TO \$19 BILLION, \$16 BILLION FROM SPENDING, CLOSE TO \$3 BILLION FROM A SHORTFALL IN REVENUES. SO, WE ARE CLOSE TO \$19 BILLION OVER, BASED ON LAWS THAT CONGRESS HAS ALREADY PASSED, AND THE PRESIDENT SIGNED.

THE FARM BILL ADDS ANOTHER \$2.5 BILLION TO THAT.

SUPPORTERS OF THE FARM BILL SAY IT DOES NOT ADD TO THE DEFICIT. THEY SAY IT CUTS THE DEFICIT; THAT IT SAVES MONEY. THAT IT SAVES \$11.2 BILLION OVER 3 YEARS EVEN IF IT COSTS \$2.5 BILLION THIS YEAR. THEY SAY IT MAKES IT BACK AND MORE IN 1987 AND 1988.

MR. PRESIDENT, THIS IS A TIME-WORN STATEMENT AND ONE WE HEAR OVER AND OVER AGAIN IN CONGRESS. IT IS THE KIND OF MENTALITY THAT HAS GOTTEN US INTO THE DEFICIT HOLE WE ARE IN.

BUT, THE IMPLICATIONS OF APPROVING THIS BILL ARE BROADER. AND SENATORS AND THE PUBLIC SHOULD KNOW THIS. BY APPROVING THIS FARM BILL, WE NOT ONLY ADD TO OUR DEFICIT.

UNDER GRAMM-RUDMAN, ONCE WE APPROVE THIS CONFERENCE REPORT, WE WILL BE PICKING THE POCKETS OF OTHER PROGRAMS TO PAY FOR THE BILL.

MR. PRESIDENT, THAT IS BECAUSE TODAY WE ARE OVER BUDGET. AND UNDER GRAMM-RUDMAN, THAT MEANS CUTS THIS YEAR, NOT IN 1987, NOT IN 1988. COME JANUARY, THE CBO AND OMB WILL SIT DOWN AND FIGURE IT ALL OUT. THEY WILL FIGURE OUT HOW FAR OVER WE ARE, AND HOW MUCH TO CUT.

THE MORE WE SPEND ON PRICE SUPPORTS, THE LESS WE SPEND ON EDUCATION, THE LESS WE SPEND ON ENVIRONMENTAL PROTECTION, THE LESS WE SPEND ON THE DEFENSE OF OUR NATION.

WE HAVE ALL READ ABOUT THAT TRAGIC STORY OF THE FARMER WHO SHOT HIS FAMILY AND THEN SHOT HIMSELF. IT IS A STORY OF DESPAIR, OF HOPELESSNESS. SOME SAY THIS FARM BILL WILL HELP TRAGEDIES LIKE THAT.

BUT WHAT OF THE FAMILIES IN NEW JERSEY EXPOSED TO THE DANGERS OF TOXIC WASTE? WHAT OF THE DISPLACED INDUSTRIAL WORKER WHO WILL BE DENIED JOB TRAINING? WHAT OF THE POOR BUT ASPIRING STUDENT WHO WANTS TO PURSUE HIS OR HER EDUCATION? WHAT OF THE YOUNG CHILD OR SENIOR CITIZEN WHO NEEDS FEDERALLY ASSISTED MEDICAL CARE? THESE TOO ARE STORIES OF DESPAIR. THE MORE WE SPEND ON PRICE SUPPORTS, THE LESS WE SPEND ON THESE PROGRAMS, ON JOB TRAINING, ON HEALTH CARE, ON EDUCATION. AND, MR. PRESIDENT, UNLIKE THE FARM PROGRAMS, ALL OF THESE PROGRAMS HAVE ALREADY BEEN SUBJECT TO THE BUDGET CUTTING KNIFE THIS YEAR. ALL HAVE BEEN CUT ALREADY IN FISCAL YEAR 1986. THAT MEANS THAT GRAMM-RUDMAN CUTS IMPOSED ON THESE PROGRAMS WILL COME ON TOP OF CUTS ALREADY MADE, WHILE FUTURE GRAMM-RUDMAN CUTS ON FARM PROGRAMS WILL BE PROTECTED BY THE CUSHION PROVIDED BY THIS BILL.

IRONICALLY, IT IS A CUSHION ON TOP OF A CUSHION. THE CUTS THAT GRAMM-RUDMAN WOULD IMPOSE ON FARM PROGRAMS WILL NOT EVEN HIT PRICE SUPPORT PROGRAMS, NOT IN 1986 ANYWAY, NOT IF THE FARMERS SIGN UP FAST. ANY CONTRACTS SIGNED BEFORE FEBRUARY 1, WHEN THE SEQUESTER ORDER IS ISSUED, WILL BE SAFE THIS YEAR. IN FACT, EVEN IF A FARMER DOES NOT SIGN UP, BUT ANOTHER FARMER GROWING THE SAME CROP DOES, THEN THEY ARE BOTH EXEMPT. SO, IF SOME WHEAT FARMERS SIGN UP, THEN ALL THE WHEAT FARMERS ARE EXEMPT FROM GRAMM-RUDMAN.

MR. PRESIDENT, WE ARE PLAYING A ZERO SUM GAME. A VOTE TO BREAK THE BUDGET HERE, IS A VOTE TO CUT EDUCATION, AIR TRAFFIC SAFETY, THE FBI, THE CIA.

THERE IS ANOTHER POINT. GRAMM-RUDMAN PUTS A LIMIT ON HOW MUCH WE WILL CUT NEXT YEAR AUTOMATICALLY. THE GRAMM-RUDMAN ACT SAYS IF WE ARE AS MUCH AS \$20 BILLION OVER THE DEFICIT SET IN THE BUDGET RESOLUTION, THEN CUT, CUT BACK ROUGHLY \$12 BILLION OF THAT.

WHAT IF CONGRESS AND THE PRESIDENT SPEND \$25 BILLION OVER THE DEFICIT SET IN THE BUDGET RESOLUTION? THE ANSWER IS STILL, CUT JUST \$12 BILLION. NOW, WHAT DOES THAT DO? IT PUTS US FURTHER INTO DEBT. WE COULD TOP OUR TARGET BY \$30 BILLION, AND THE RESULT WOULD BE THE SAME, \$12 BILLION IN AUTOMATIC CUTS IN 1986, NEXT YEAR, REACHING OUR TARGET FOR FISCAL YEAR 1987, A TARGET OF \$144 BILLION, WILL BE THAT MUCH HARDER.

WE ARE NOT TALKING ABOUT INSIGNIFICANT SAVINGS. WE ARE TALKING ABOUT SAVINGS THAT COULD PREVENT MAJOR CUTS IN OTHER PROGRAMS.

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THE SENATE SHOULD START EXERCISING ITS RESPONSIBILITIES NOW. GRAMM-RUDMAN DID NOT JUST AUTHORIZE AUTOMATIC SPENDING CUTS. IT DID NOT JUST AUTHORIZE CONGRESS TO GIVE AWAY ITS CONTROL. IT MADE CHANGES IN HOW WE EXERCISE OUR OWN POWER, IT MADE CHANGES IN OUR OWN CONTROLS. UNDER SECTION 201(B) OF THE GRAMM-RUDMAN ACT, THIS FARM BILL CONFERENCE REPORT SHOULD BE OUT OF ORDER. OUT OF ORDER BECAUSE IT BREAKS THE BUDGET THAT CONGRESS PASSED. OUT OF ORDER UNDER SECTION 311 OF THE BUDGET ACT, AS AMENDED BY 201(B) OF THE GRAMM-RUDMAN ACT.

NOW, THE BUDGET ACT SAYS IF A POINT OF ORDER IS MADE, THE BUDGET ACT CAN BE WAIVED, BUT ONLY IF THREE-FIFTHS OF THE SENATORS AGREE. THAT MEANS 60 SENATORS, NOT THREE FIFTHS OF THOSE VOTING -- THREE FIFTHS OF THE ENTIRE BODY. THE FARM BILL GOT JUST 61 VOTES WHEN IT PASSED THE SENATE. IT MIGHT BE A PRETTY CLOSE VOTE.

BUT, I AM TOLD, A SENATOR INTENT ON PASSING THE BILL HAS ANOTHER ROUTE. HE CAN APPEAL THE RULING OF THE CHAIR. SUBMIT IT TO A VOTE. FOR THAT, THE SENATE NEEDS JUST A BARE MAJORITY. BUT IF THE CHAIR'S RULING IS APPEALED, AND IF A MAJORITY OVERTURNS THE CHAIR, THEN WE HAVE NO MORE SECTION 311 POINT OF ORDER. WE SET A PRECEDENT THAT RENDERS A CONTROL, NO CONTROL.

DO I THINK THERE ARE 51 SENATORS WHO WANT THE FARM BILL THAT BAD? SO BAD THAT THEY WOULD UNDERMINE GRAMM-RUDMAN SO SOON AFTER ENACTMENT? ARE THERE 51 SENATORS WHO WANT THE FARM BILL SO BAD, THAT THEY WOULD SET A PRECEDENT THAT SAYS \$2.5 BILLION OVER IN OUTLAYS IS NOT OVER IN OUTLAYS?

UNFORTUNATELY, I DO.

FOR THAT REASON, I WILL NOT MAKE A POINT OF ORDER.

MR. PRESIDENT, I YIELD THE FLOOR.

MR. DOLE. MR. PRESIDENT, I JUST WANT TO TAKE A SECOND. I KNOW THERE ARE OTHER SPEAKERS. BUT I WOULD LIKE TO GET SOME INDICATION THAT WE COULD HAVE A VOTE ON THIS MATTER. I THOUGHT MOST PEOPLE WANTED TO GO HOME FOR THE HOLIDAYS. APPARENTLY, I WAS MISTAKEN. SO WE ARE PREPARED TO STAY HERE WELL INTO THE EVENING, IF NECESSARY.

WE STILL HAVE THE CONTINUING RESOLUTION, RECONCILIATION, PLUS SOME OTHER MINOR RESOLUTIONS THAT PEOPLE MIGHT WANT TO DISCUSS. THEY WERE ABLE TO DISPOSE OF THIS CONFERENCE REPORT IN THE HOUSE TODAY, WITH 435 MEMBERS, IN ABOUT AN HOUR. WE HAVE BEEN ON IT FOR NEARLY 3 HOURS.

I CERTAINLY DO NOT WANT TO SHUT ANYONE OFF, BUT I WONDER IF THE MANAGERS MIGHT BE ABLE TO GET AN AGREEMENT THAT WE VOTE BY 6 P.M. ON FINAL PASSAGE.

MR. HARKIN. MR. PRESIDENT, I HAVE BEEN WAITING FOR 2 HOURS TO GET RECOGNITION. I AM CONSTRAINED TO OBJECT TO THAT. I DO NOT THINK I WILL TAKE MORE THAN 10 OR 15 MINUTES.

MR. DOLE. MAYBE I CAN FIND OUT HOW MANY SPEAKERS THERE ARE.

MR. ZORINSKY. IF THE MAJORITY LEADER WOULD ALLOW US TO CHECK WITH THE MINORITY LEADER.

MR. DOLE. WHY DO WE NOT LET PEOPLE SPEAK, BUT I HOPE WE MIGHT BE ABLE TO HAVE A

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VOTE BY 6 O'CLOCK.

SEVERAL SENATORS ADDRESSED THE CHAIR.

THE PRESIDING OFFICER. THE SENATOR FROM IOWA.

MR. HARKIN. MR. PRESIDENT, I FIRST OF ALL WANT TO JOIN WITH OTHERS WHO HAVE COMPLIMENTED THE DISTINGUISHED CHAIRMAN OF THE COMMITTEE, THE SENATOR FROM NORTH CAROLINA, FOR HIS STEWARDSHIP OF THE BILL THROUGHOUT THE YEAR. IT HAS NOT BEEN AN EASY TASK. WE HAVE HAD SOME LONG DAYS. I KNOW THAT THE CHAIRMAN WAS FRUSTRATED AT MANY TIMES BECAUSE A QUORUM WOULD NOT SHOW UP IN THE COMMITTEE MEETINGS. I SHARED THAT FRUSTRATION WITH HIM MANY TIMES.

BUT I ALSO WANT TO ADD AGAIN FOR THE RECORD, AS I HAVE DONE BEFORE, THAT AT NO TIME DURING THIS LONG MARKUP OF THIS BILL DID THE CHAIRMAN EXHIBIT ANYTHING OTHER THAN THE GREATEST COURTESY AND INDULGENCE TOWARD ALL MEMBERS OF THE COMMITTEE. I KNOW THAT THE CHAIRMAN AND I HAVE HAD SOME VERY STRONG DISAGREEMENTS ON CERTAIN ASPECTS OF THIS BILL. AGAIN, I SAY FOR THE RECORD THAT AT NO TIME WAS THIS SENATOR EVER CUT OFF AT ANY TIME FROM EITHER OFFERING AN AMENDMENT OR FROM DEBATING AT LENGTH THOSE AMENDMENTS THAT I SUPPORTED OR OPPOSED. AND FOR THAT I AM MOST GRATEFUL.

AGAIN, I COMPLIMENT THE CHAIRMAN FOR EXHIBITING A GREAT DEAL OF PATIENCE AND FOREBEARANCE DURING A LONG MARKUP SESSION. IT DOES NOT, HOWEVER, SAY THAT WE STILL DO NOT HAVE SOME STRONG DISAGREEMENTS ON THE CONTENTS OF THE BILL.

I ALSO WANT TO COMPLIMENT THE DISTINGUISHED RANKING MINORITY MEMBER ON OUR SIDE, SENATOR ZORINSKY, FROM MY NEIGHBORING STATE OF NEBRASKA, FOR EXHIBITING THE SAME KIND OF PATIENCE AND FORBEARANCE AS THE DISTINGUISHED CHAIRMAN OF THE COMMITTEE IN KEEPING US THERE DURING THE LONG MARKUP SESSIONS. HE WAS SUCCESSFUL IN INSURING THAT, ON OUR SIDE, WE DID, I THINK, ON THE VAST MAJORITY OF OCCASIONS, HAVE A MAJORITY THERE DURING THE MARKUP SESSIONS. SO I WANT TO AGAIN COMPLIMENT THE SENATOR FROM MY NEIGHBORING STATE FOR HIS STEWARDSHIP ON OUR SIDE OF THE AISLE ON THIS FARM BILL FOR A LONG YEAR. I KNOW THERE WERE TIMES WHEN HIS HEALTH WAS NOT THE BEST AND YET HE STAYED HERE AND WORKED ON THE BILL TO SEE IT THROUGH.

BUT, MR. PRESIDENT, I HAVE SAID AND MAINTAINED SINCE THE FIRST DAY OF THE FIRST HEARING OF THIS BILL BACK IN THE SPRING OF THIS YEAR THAT I WOULD STAKE OUT A POSITION AND THE POSITION WOULD BE THIS: THAT I COULD NOT, IN CONSCIENCE, VOTE FOR ANY FARM BILL, NOR COULD I VOTE FOR ANY AMENDMENT TO A FARM BILL, THAT WOULD CUT FARM INCOME ANY LESS THAN WHAT IT WAS RIGHT NOW. MR. PRESIDENT, THAT IS EXACTLY WHAT THE CONFERENCE REPORT DOES. IT CUTS FARM INCOME.

I WOULD LIKE TO POINT OUT WHAT IT DOES TO A TYPICAL IOWA FARMER. EVEN THOUGH THE TARGET PRICE HAS BEEN FROZEN FOR 2 YEARS, AN IOWA CORN FARMER NEXT YEAR HAS TO RETIRE 75 PERCENT OF HIS LAND TO QUALIFY FOR THE PROGRAM THAN HE DID THIS YEAR. AFTER NEXT YEAR, HE WILL HAVE TO RETIRE 100 PERCENT MORE OF HIS FARMLAND TO QUALIFY THAN HE DID THIS YEAR. SO THE FARMER'S OVERALL INCOME IN IOWA IS GOING TO DECLINE, EVEN THOUGH THE TARGET PRICE HAS NOT BEEN REDUCED.

I HAD MY STAFF RUN A STUDY OF A TYPICAL IOWA CORN FARMER WITH A 300-ACRE CORN BASE. NEXT YEAR, THAT FARMER WILL HAVE ABOUT AN 8-PERCENT CUT IN HIS GROSS INCOME -- SOME \$8,000. AND THAT DOES NOT COUNT INFLATION. IF INFLATION GOES UP BY 3 PERCENT, THEN

THAT COULD BE AS MUCH AS AN 11-PERCENT CUT; OR, IF THERE IS A 4-PERCENT INFLATION, THAT COULD BE AS MUCH AS A 12-PERCENT CUT IN THE GROSS INCOME OF THAT IOWA CORN FARMER. BUT, NONETHELESS, EVEN IF THERE IS NO INFLATION, THERE WILL BE AN 8-PERCENT CUT IN THE INCOME OF THAT IOWA FARMER.

MR. PRESIDENT, IOWA FARMERS CANNOT STAND TO HAVE THEIR INCOME CUT ANY FURTHER. AND IT IS NOT JUST THE FARMERS, BUT IT IS THE BANKERS, IT IS THE SMALL BUSINESS PEOPLE, IT IS OUR EDUCATIONAL SYSTEM, IT IS THE WHOLE STRUCTURE OF OUR SOCIETY IN THE STATE OF IOWA THAT CANNOT STAND ANOTHER 8-PERCENT CUT IN THE INCOME OF THESE FARMERS.

MR. PRESIDENT, I WOULD POINT OUT, IN ALL HONESTY, THAT THIS CONFERENCE REPORT IS BETTER THAN WHAT THE SENATE PASSED. THIS CONFERENCE REPORT IS SLIGHTLY BETTER THAN WHAT WAS ORIGINALLY PASSED BY THE SENATE. FOR EXAMPLE, UNDER THE SENATE BILL, THAT SAME IOWA CORN FARMER WITH THE 300 ACRE CORN BASE WOULD HAVE HAD HIS INCOME CUT NEXT YEAR BY 10 PERCENT, NOT 8 PERCENT. SO THIS BILL IS JUST A LITTLE BIT BETTER.

THE SENATE BILL, FOR EXAMPLE, HAD A 5-PERCENT CUT IN THE TARGET PRICE IN 1988 AND A 10-PERCENT CUT IN 1989. THE CONFERENCE REPORT HAS A 2-PERCENT CUT IN 1988 AND A 3-PERCENT CUT IN 1989 AND A 5-PERCENT CUT IN 1990. SO THIS BILL, FOR THE CORN FARMERS, IS SLIGHTLY BETTER THAN WHAT CAME OUT OF THE SENATE, BUT IT STILL CUTS FARM INCOME.

I MIGHT POINT OUT ALSO THAT THE WHEAT FARMERS IN THE MIDWEST ALSO HAVE A CUT IN THEIR INCOME; NOT AS BAD AS THE CORN FARMERS, BUT WHEAT FARMERS WILL ALSO HAVE A CUT IN THEIR INCOME NEXT YEAR.

NOW, IT HAS BEEN POINTED OUT THAT THE VOTE IN THE HOUSE WAS TREMENDOUS IN FAVOR OF THIS BILL. BUT, AS I SAID EARLIER, IF YOU LOOK AT THE MIDWEST, THERE WERE A CONSIDERABLE NUMBER OF MIDWEST MEMBERS OF THE OTHER BODY THAT VOTED AGAINST THIS BILL. AND THAT OUGHT TO TELL YOU SOMETHING WHEN THOSE IN THE MIDWEST BEGIN VOTING AGAINST IT.

AS FAR AS I CAN SEE, THE BILL THAT PASSED THE SENATE AND THIS CONFERENCE REPORT IS AN ANTI-MIDWEST FARM BILL, BECAUSE THAT IS WHERE THE BIGGEST CUTS COME. SO, AS I SAID, MR. PRESIDENT, I SHOULD NOT SAY THIS IS BETTER THAN WHAT CAME OUT OF THE SENATE, I SHOULD SAY IT IS NOT AS BAD. THIS IS NOT AS BAD AS WHAT WAS ORIGINALLY PASSED BY THE SENATE.

WHAT CAME OUT THE SENATE IS NOT AS BAD AS WHAT THE PRESIDENT SENT DOWN EARLIER THIS YEAR. BUT THAT IS NOT SAYING MUCH. IT IS LIKE THE DIFFERENCE BETWEEN, AS I SAID EARLIER, A PUFF ADDER SNAKE AND A RATTLESNAKE. I GUESS THE BITE OF THE PUFF ADDER KILLS YOU IN JUST A FEW SECONDS, AND A RATTLESNAKE TAKES SLIGHTLY LONGER. BUT THE EFFECT IS STILL THE SAME.

THIS FARM BILL FOR THE FARMERS THAT I REPRESENT IS LIKE THE BITE OF A RATTLESNAKE. WE HAVE HAD A WARNING. THE WARNING IS THERE. IT IS GOING TO BE AN 8-PERCENT CUT IN THE FARM INCOME NEXT YEAR.

WHAT IS GOING TO MEAN IS MORE AND MORE FARMERS ARE GOING TO GO UNDER, AND MORE AND MORE FARM FAMILIES ARE GOING TO BE DRIVEN OFF THEIR FARMS. THIS FARM BILL CONTINUES THE MISGUIDED POLICIES OF THE PAST. THERE ARE THOSE WHO SAY THIS IS A GREAT BREAK WITH THE PAST; SOMEHOW THIS CHARTS A NEW COURSE IN AGRICULTURE -- FAR FROM THE TRUTH. THIS CONTINUES THE SAME OLD POLICY OF REDUCING FARM INCOME FROM WHAT THE



FARMERS GET FOR THEIR PRODUCTS, AND TRYING TO MAKE IT UP WITH APPROPRIATIONS FROM U.S. TREASURY. THE ONLY DIFFERENCE IS THAT THOSE APPROPRIATIONS NEXT YEAR AND THE NEXT YEAR ARE GOING TO BE LESS AND LESS. BUT IT IS NOT A CHANGE IN THE FUNDAMENTAL POLICY OF WHAT WE HAVE HAD.

MR. PRESIDENT, THE DEBATE OVER THIS FARM BILL HAS NOT BEEN A BUDGET DEBATE. I AM GOING TO HAVE MORE TO SAY ABOUT THE LATER ON THE POINT OF ORDER. BUT THIS HAS NOT BEEN A BUDGET DEBATE. MAYBE IT SHOULD HAVE BEEN. IF IT HAD BEEN A BUDGET DEBATE, WE MIGHT HAVE GOTTEN A DIFFERENT KIND OF FARM BILL. BUT THIS HAS BEEN A DEBATE OVER PHILOSOPHY.

FOR EXAMPLE, THIS BILL CALLS FOR AN ESTIMATED \$52 BILLION OVER THE NEXT 3 YEARS, AND THAT IS NOT ALL. WE ARE GOING TO BE BACK NEXT YEAR FOR PROBABLY A MINIMUM OF \$10 BILLION JUST TO HELP BAIL OUR THE FARM CREDIT SYSTEM. WE WILL BE BACK AGAIN FOR MORE ASSISTANCE TO BANKS, TO SMALL BUSINESSES THAT ARE GOING TO GO UNDER BECAUSE OF THE FURTHER DROP IN THE FARM INCOME. SO IT HAS BEEN A DEBATE ON PHILOSOPHY.

I ASKED THE SECRETARY OF AGRICULTURE ONCE IN A MEETING THAT TOOK PLACE IN THE CAPITOL ABOUT THIS, WHETHER BUDGET WAS CONTROLLING OR WHETHER PHILOSOPHY WAS CONTROLLING. HE TRIED TO SAY WELL MAYBE THEY WANT TO GET IT UNDER THE BUDGET. I SAID IF YOU DO, WHAT WE SHOULD HAVE IS A FARMER REFERENDUM, AND HAVE A SUPPLY MANAGEMENT PROGRAM. WELL, NO, THAT WAS AGAINST THEIR PHILOSOPHY. SO IT HAS BEEN A PHILOSOPHICAL DEBATE, NOT THAT THEY WANT TO BRING IT UNDER BUDGET, BUT THAT THEY WANT TO CONTINUE THE SAME MISGUIDED POLICIES OF THE PAST.

THE PHILOSOPHY BASICALLY IS TWO PRONGED. THE FIRST PRONG IN THE PHILOSOPHY SAYS THERE ARE TOO MANY FARMERS. WE HAVE TO GET RID OF SOME OF THEM. THE SECOND PRONG OF THAT PHILOSOPHY SAYS COMMODITIES ARE TOO HIGH PRICED, AND WE HAVE TO REDUCE THE PRICE OF THOSE COMMODITIES.

I BELIEVE NEITHER IS TRUE. I BELIEVE OUR FAMILY SIZED FARMERS ARE AN ECONOMIC ASSET TO THIS COUNTRY, AND NOT AN ECONOMIC DRAIN. I BELIEVE OUR FAMILY FARMS ARE A VIABLE ECONOMIC UNIT OF PRODUCTION, AND NOT SOMETHING THAT HAS TO GO BY THE WAYSIDE.

MR. PRESIDENT, THERE HAS BEEN A LOT OF TALK ABOUT THE DEATH OF THE FAMILY FARMER, THAT IT IS A THING OF THE PAST. THERE IS A FINE ARTICLE IN THE DES MOINES REGISTER THIS MORNING ENTITLED "OBITUARY FOR FAMILY FARM IS VIEWED AS PREMATURE."

MR. PRESIDENT, I ASK UNANIMOUS CONSENT THAT THIS ARTICLE FROM THE DES MOINES REGISTER OF THIS MORNING BE PRINTED IN THE RECORD AT THIS POINT.

THERE BEING NO OBJECTION, THE ARTICLE WAS ORDERED TO BE PRINTED IN THE RECORD, AS FOLLOWS:

[FROM THE DES MOINES REGISTER, DEC. 17, 1985]

OBITUARY FOR FAMILY FARM IS VIEWED AS PREMATURE

(BY DIXON TERRY)

THE FIGHT IS OVER. FAMILY FARMING IS DEAD. THIS IS THE IMPLICIT MESSAGE IN THE REMARKS OF DEAN KLECKNER, IOWA FARM BUREAU FEDERATION HEAD, IN A DES MOINES

REGISTER INTERVIEW. THIS WOULD SEEM A DRAMATIC TURN-ABOUT FOR AN INDIVIDUAL WHO, UNTIL A LITTLE OVER A YEAR AGO, REFUSED TO ACKNOWLEDGE THE EXISTENCE OF AN AGRICULTURAL CRISIS.

STRANGER STILL, KLECKNER'S GLOOMY PREDICTIONS COME RIGHT AT THE TIME OF THE FARM BUREAU'S SEEMINGLY SUCCESSFUL LOBBYING EFFORT IN CONGRESS TO PASS A 1985 FARM BILL THAT WOULD ASSURE LOWER PRICES, INCREASED BANKRUPTCY AND THE GRIM FUTURE HE FORESEES.

KLECKNER'S "FREE MARKET" FUTURE WOULD LEAVE FARMING IN THE HANDS OF THOSE FARMERS WHO CAN GROW CORN FOR LESS THAN \$2 PER BUSHEL. IN EFFECT, THE OCCUPATION OF FARMING WOULD BE RESTRICTED TO THOSE WHO ARE WEALTHY IN TERMS OF LAND AND OTHER CAPITAL, OR THOSE WHO WOULD FARM AS A HOBBY WHILE EARNING A LIVING IN TOWN.

EVEN IF THE JOBS WERE THERE FOR THE GREAT MAJORITY OF US WHO WOULD FALL INTO THE SECOND CATEGORY, FARMING FOR NOTHING ON NIGHTS AND WEEKENDS IS NOT A HERITAGE TO PASS ON TO THE NEXT GENERATION.

POSING FARM-PRICE LEVELS WELL BELOW THE AVERAGE FARMER'S PRODUCTION COSTS AS THE STANDARD OF EFFICIENCY EFFECTIVELY SLAMS THE DOOR ON FARMING AS A FULL-TIME OCCUPATION AND CONTINUING WAY OF LIFE FOR THE MAJORITY OF IOWA FARM FAMILIES.

THIS IS A PHONY STANDARD THAT FAILS TO RECOGNIZE THAT FARMERS IN GENERAL HAVE SUCCESSFULLY INCORPORATED MOST OF THE ADVANTAGES OF TECHNOLOGICAL INNOVATION INTO FAMILY-SIZED OPERATIONS. AS A POLICY GOAL, \$2 CORN FAVORS THOSE ADVANTAGED BY INHERITANCE, TAX BREAKS OR OUTSIDE CAPITAL AND PUTS CONTROL OF THE LAND IN FEWER HANDS.

JUDGING THE FUTURE OF AGRICULTURE BY SUCH NARROW STANDARDS IGNORES THE TREMENDOUS PSYCHOLOGICAL, SOCIAL AND ENVIRONMENTAL COSTS INVOLVED WITH MOVING IN THE "FREE MARKET" (THAT IS, CORPORATE DOMINATED) DIRECTION.

LOSS OF FARMERS MEANS DECLINING RURAL COMMUNITIES AND INCREASED UNEMPLOYMENT. INDUSTRIALIZED AGRICULTURE, WITH ITS DRIVE FOR ALL-OUT PRODUCTION AND INCREASING CHEMICAL DEPENDENCE, HOLDS AN UNACKNOWLEDGED BUT COSTLY INEFFICIENCY IN THE DETERIORATION IT CAUSES IN SOIL AND WATER RESOURCE BASE. FARM FAMILIES AS STEWARD OF SOCIETY'S MOST VITAL RESOURCES CAN NEVER BE REPLACED.

KLECKNER'S "TOUGH TALK" IS THE LAST THING IOWA'S FARMERS NEED RIGHT NOW. COUNSELING FARMERS TO ADJUST TO SUCH A GRIM FUTURE CAN ONLY INCREASE THE GROWING SENSE OF DESPERATION IN THE COUNTRYWIDE AND CONTRIBUTE TO THE OCCURENCE OF MORE PERSONAL TRAGEDIES.0

SINCE THE NATIONAL FARM BUREAU LEADERSHIP IS SPOUTING THE SAME LINE, THIS APPEARS TO BE A POSITION FROM THE ORGANIZATION HIERARCHY WITH A PURPOSE BEHIND IT. THE PURPOSE SEEMS CLEARLY TO BE TO CONVINCING US THAT THE FARM-POLICY FIGHT IS OVER.

THE BUREAU LEADERSHIP HAS USED ITS FULL LOBBYING FORCE THIS PAST YEAR WORKING WITH THE GRAIN TRADE, THE AG-SUPPLY CONGLOMERATES AND THE REST OF THE AGRIBUSINESS ESTABLISHMENT TO DEFEAT IN CONGRESS THE PRODUCER REFERENDUM ON HIGHER PRICES AND SUPPLY MANAGEMENT ADVANCED BY A NATIONAL GRASSROOTS FARM MOVEMENT. NOW IT WANTS TO CONSOLIDATE ITS GAINS. IT WANTS US TO BELIEVE THE FIGHT FOR FARMERS TO

CHOOSE THEIR OWN DESTINY IS DEAD.

BUT EVEN AS KLECKNER SPOKE, THE HOUSE OF REPRESENTATIVES WAS PASSING BY A VOTE OF 220-TO-200 AN AMENDMENT TO THE BUDGET RESOLUTION ATTACHED BY APPROPRIATIONS CHAIRMAN JAMIE WHITTEN THAT IN TWO PARAGRAPHS SUMMARIZES THE GUTS OF THE HARKIN FARM BILL AND DIRECTS THE SECRETARY OF AGRICULTURE TO IMPLEMENT IT ALONG WITH A MORATORIUM ON FORECLOSURES. TIRING OF CONGRESS' FAILURE TO HELP FARMERS, WHITTEN TOOK THE INITIATIVE AND THE HOUSE SUPPORTED HIM OVER THE OPPOSITION OF THE ADMINISTRATION.

REGARDLESS OF THE OUTCOME OF THIS PARTICULAR ATTEMPT, ONE POINT MUST BE UNDERSTOOD. THE BATTLE IS NOT OVER. THE NATIONAL COALITION OF ORGANIZATIONS WORKING FOR FAIR PRICES IS GROWING MONTHLY IN STRENGTH AND INTENDS TO COME BACK AGAIN AND AGAIN WITH THE SAME DEMAND.

THE 36 SENATORS WHO SUPPORTED SENATOR TOM HARKIN'S PROPOSAL PROVIDE A VERY POWERFUL BASE ON WHICH TO BUILD. WITHOUT A DOUBT, EMERGENCY FARM LEGISLATION WILL BE PROPOSED AFTER THE END OF THE YEAR TO REPLACE THE DISASTROUS FARM BILL NOW EMERGING IN CONGRESS.

THIS IS THE MESSAGE THAT IOWA NEEDS. THERE IS HOPE FOR A FUTURE THAT INCLUDES MORE FARMERS, NOT FEWER, AND HEALTHY RURAL COMMUNITIES. THE HOPE LIES IN THE POWER FARMERS ALREADY HAVE DEMONSTRATED IN CONGRESS. THE POWER LIES IN UNITY AND ORGANIZATION.

THE IOWA FARM UNITY COALITION HAS SUCCESSFULLY BROUGHT TOGETHER STATEWIDE GROUPS INCLUDING FARM ORGANIZATIONS, ORGANIZED LABOR AND ALL THE MAJOR CHURCH DENOMINATIONS TO FORM A COMMON FORCE AS PART OF THIS NATIONAL FARM MOVEMENT.

THIS WINTER THE COALITION WILL CONTINUE TO BUILD THIS KIND OF UNIFIED EFFORT ON THE LOCAL LEVEL THROUGH COUNTY FARM UNITY COMMITTEES. WE MUST FIRST UNITE IN OUR COMMUNITIES TO SUPPORT EACH OTHER EMOTIONALLY AND MATERIALLY THROUGH THIS DIFFICULT TIME. AT THE SAME TIME, WE MUST STRENGTHEN OUR BATTLE IN WASHINGTON AND IN THE STATE-HOUSE. THERE IS A ROLE FOR EVERYONE TO PLAY, WHETHER THEY BELONG TO FARM BUREAU, THE AMERICAN AGRICULTURE MOVEMENT OR NONE OF THE ABOVE.

IOWA FARMERS NEED REAL HOPE, NOT TOUGH MEDICINE. BY COUNTERING DESPAIR WITH CONSTRUCTIVE ACTION, THE FARM UNITY COALITION OFFERS HOPE THROUGH EMPOWERMENT. THE FUTURE DIRECTION OF FARMING IS A POLITICAL DECISION IN WHICH WE ALL CAN PARTICIPATE.

MR. HARKIN. I BELIEVE ANY OBITUARIES ON THE FAMILY FARM REALLY ARE PREMATURE. WE WILL BE BACK. THERE IS A PRAIRIE FIRE GROWING OUT THERE IN THE COUNTRYSIDE AMONGST THOSE WHO SEE WHAT IS HAPPENING TO OUR FAMILY FARM STRUCTURE. IT USED TO BE JUST A FEW FARMERS. NOW IT IS GROWING LARGER AND LARGER. NOW IT IS NOT JUST THE FARMERS. NOW IT IS THE SMALLTOWN BANKERS. IT IS THE IMPLEMENT DEALERS. IT IS THE FARM SUPPLY BUSINESSES NOW. IT STARTED IN IOWA. NOW IT IS GROWING TO OTHER STATES.

BUT MORE AND MORE WE ARE FINDING A GROWING SUPPORT FOR SOME KIND OF A SUPPLY MANAGMENT PROGRAM THAT WILL PRESERVE THE FAMILY FARM STRUCTURE.

I BELIEVE THE SUPPORT FOR THIS WILL GROW RATHER THAN DWINDLE.

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THE POINT ON THE PRICE OF COMMODITY PRICES BEING TOO HIGH, I HAVE ONE MESSAGE TO THOSE WHO REPRESENT A MORE URBAN CONSTITUENCY. THIS CHEAP FOOD FARM BILL -- THAT IS WHAT IT IS -- MAY LOOK PLEASING IN THAT IT WILL KEEP THE PRICE OF FOOD CHEAP BUT I BELIEVE THAT IS REALLY A SHORT-TERM RELIEF MASKING A LONGER TERM, MORE SERIOUS PROBLEM; THAT IS, THE CONCENTRATION OF LAND IN FEWER AND FEWER HANDS, THE DESTRUCTION OF OUR SOIL BASE, AND THE OUTMIGRATION FROM OUR RURAL AREAS TO THE CITIES, ALL ARE GOING TO WEIGH MORE HEAVILY UPON THOSE IN URBAN AREAS THAN TRYING TO GET MORE INCOME FOR THE FARMER THROUGH A HIGHER PRICE FOR HIS COMMODITIES.

AGAIN, I POINT OUT THAT GIVING THE FARMER A LITTLE BIT HIGHER PRICE FOR HIS COMMODITIES I THINK WOULD BE THE BEST AND FAIREST WAY TO DO THIS AND, QUITE FRANKLY, I THINK IT WOULD BE CHEAPER WHEN YOU COMPARE IT TO THE NUMBER OF TAX DOLLARS OR DEFICIT SPENDING THAT THIS COUNTRY IS GOING TO ENGAGE IN TRYING TO SUPPORT TO SOME MINIMUM LEVEL OF INCOME FOR THOSE FARMERS THAT ARE NOT NOW GETTING ENOUGH MONEY FOR THEIR COMMODITIES.

LET ME SAY JUST A WORD HERE ABOUT THE FARM CREDIT BILL THAT RECENTLY PASSED AND IS NOW ON ITS WAY TO THE PRESIDENT FOR HIS SIGNATURE. BUT AGAIN THAT FARM CREDIT BILL IS JUST AN EXTENSION OF THE SAME PHILOSOPHY THAT IS IN THIS FARM BILL. THE FARM CREDIT BILL THAT CAME THROUGH IS FINE FOR THE FARM CREDIT SYSTEM. IT IS FINE FOR THE BONDHOLDERS. AND I SUPPOSE THERE IS GOING TO BE A LITTLE BIT OF TRICKLE DOWN TO HELP THE FARMERS. BUT IT DOES NOT REALLY HELP THE FARMERS RESTRUCTURE THEIR DEBT. THAT IS WHAT WE NEED. THE SENATOR FROM MINNESOTA, I, AND OTHERS JOINED IN AN AMENDMENT THAT WOULD HAVE DONE THAT -- WOULD HAVE HELPED THE FARMER RESTRUCTURE HIS DEBT, AND STRETCH IT OUT OVER A LONG PERIOD OF TIME.

WE WERE NOT SUCCESSFUL IN THAT. SO AGAIN THE FARM CREDIT BILL IS GOING THROUGH. MONEY WILL FLOW OUT OF THE TREASURY BUT IT WILL NOT HELP THE FARMERS A BIT.

NEXT TO LAST, LET ME MAKE A POINT ON THE INTERNATIONAL IMPACT ON THIS FARM BILL. REDUCING OUR FARM INCOME IN THIS COUNTRY, AND DEPRESSING THE PRICE OF OUR FARM COMMODITIES IS GOING TO DO THE SAME THING THROUGHOUT THE WORLD: IT IS GOING TO DECREASE THE INCOME TO FARMERS IN OTHER COUNTRIES; IT MAY CAUSE UNREST, CHAOS AND VIOLENCE IN MANY COUNTRIES AROUND THE WORLD.

LAST, MR. PRESIDENT, WE FOUGHT ALL YEAR FOR PEANUTS. I DO NOT MEAN PEANUTS SPECIFICALLY. I MEAN PEANUTS FIGURATIVELY IN TRYING TO GET MORE FOR FARMERS. WE HAVE TRIED TO MITIGATE THE DAMAGE TO FARM INCOME. WE HAVE TRIED TO MITIGATE WHAT THE PRESIDENT SENT DOWN EARLIER THIS YEAR -- HIS FARM BILL THAT WAS DEAD ON ARRIVAL. BUT HIS FARM BILL WAS INTRODUCED. IT SORT OF SET THE STANDARD BY WHICH WE THEN OPERATED WHICH WAS HOW MUCH COULD WE MITIGATE THE DAMAGE RATHER THAN WHAT COULD WE DO TO GET FARM INCOME UP.

NEXT YEAR, MR. PRESIDENT, GRAMM-RUDMAN, AS OTHERS BEFORE ME HAVE SAID, IS GOING TO COME DOWN THE PIKE, AND MORE CUTS WILL COME IN THE FARM PROGRAM. THERE HAVE BEEN THOSE WHO HAVE SAID TIME AND TIME AGAIN THAT WE NEED A LONG-TERM CONSISTENT FARM PROGRAM. HERE WE ARE PASSING A 5-YEAR FARM BILL, BUT GRAMM-RUDMAN WILL BE HERE NEXT YEAR AND THERE WILL BE FURTHER CUTS IN THE FARM PROGRAMS AGAIN NEXT YEAR, MAKING OUR FARM POLICY EVEN MORE UNSTABLE AND UNPREDICTABLE.

SO FOR THOSE WHO THINK THAT THIS CONFERENCE REPORT IS GOING TO GET THEM

SOMETHING, ALL I CAN SAY IS DO NOT GO TO THE BANK YET. DO NOT COUNT ON IT BECAUSE GRAMM-RUDMAN IS COMING DOWN THE PIKE. WE ARE GOING TO HAVE MORE CUTS NEXT YEAR.

FINALLY, MR. PRESIDENT, I WANT TO TALK ABOUT THE POINT OF ORDER. IT HAS BEEN RAISED BY AT LEAST TWO SENATORS PRIOR TO NOW. AND, MR. PRESIDENT, THIS POSSIBLE POINT OF ORDER I THINK IS INTRIGUING.

IF I THOUGHT THAT BY RAISING A POINT OF ORDER IT WOULD CHANGE THE DIRECTION OF THIS FARM BILL, I WOULD RAISE THE POINT OF ORDER. IF I THOUGHT THAT A POINT OF ORDER WOULD REDIRECT THIS MISERABLE POLICY THAT WE HAVE, I WOULD RAISE THE POINT OF ORDER. IF I THOUGHT THAT BY RAISING A POINT OF ORDER THAT WE WOULD GET A CHANGE IN PHILOSOPHY THAT WOULD HELP RAISE FARM INCOME BY GETTING A BETTER PRICE IN THE MARKETPLACE FOR WHAT THE FARMER SELLS RATHER THAN PUSHING IT DOWN, IF I THOUGHT THAT WOULD HAPPEN, I WOULD RAISE A POINT OF ORDER. BUT THAT WILL NOT HAPPEN.

HOWEVER, THERE IS ANOTHER REASON FOR RAISING A POINT OF ORDER. IT HAS TO DO WITH RESPONSIBILITY AND ACCOUNTABILITY.

I HAVE LONG BELIEVED THAT THOSE WHO HOLD PUBLIC OFFICE OUGHT TO BE HELD ACCOUNTABLE FOR THE VOTES THAT THEY CAST AND BE RESPONSIBLE FOR THOSE VOTES. PEOPLE WHO VOTED FOR GRAMM-RUDMAN, THOUGH I DID NOT, PEOPLE WHO SUPPORTED GRAMM-RUDMAN AND THINK THAT IS THE WAY WE OUGHT TO GO, PERHAPS THERE OUGHT TO BE AN ACCOUNTING FOR THAT AND THEY OUGHT TO BE HELD RESPONSIBLE FOR THAT VOTE.

SO HERE WE HAVE A BILL THAT EXCEEDS THE BUDGET AUTHORITY, SUBJECT TO A POINT OF ORDER.

BUT, AGAIN I HAVE TO ASK THE QUESTION, IF I RAISE THE POINT OF ORDER, WOULD IT REALLY HOLD PEOPLE ACCOUNTABLE FOR THE ACTIONS THAT THEY TOOK ON PASSING GRAMM-RUDMAN?

AGAIN I WOULD HAVE TO SAY NO. WHAT WOULD HAPPEN IS TWO THINGS: THE RULING OF THE CHAIR WOULD BE APPEALED AND THERE WOULD BE 51 VOTES TO DO SO. I HAVE NO DOUBT THERE WOULD BE 51 VOTES. I WOULD PROBABLY VOTE TO OVERTURN THE RULING OF THE CHAIR MYSELF BECAUSE I NEVER SUPPORTED GRAMM-RUDMAN. OR THERE WOULD BE A MOTION MADE TO WAIVE THE BUDGET ACT. THERE WOULD PROBABLY BE 60 VOTES AND, AGAIN I WOULD BE ONE WHO WOULD SUPPORT IT MYSELF BECAUSE I WAS NOT ONE WHO SUPPORTED GRAMM-RUDMAN.

SO, FOR THOSE REASONS, I, TOO, WILL NOT RAISE A POINT OF ORDER. BUT THERE WILL COME A TIME NEXT YEAR WHEN THIS BODY WILL HAVE TO BE HELD ACCOUNTABLE AND RESPONSIBLE FOR THE ACTION THEY TOOK ON GRAMM-RUDMAN.

MR. PRESIDENT, IN CONCLUSION, I WILL VOTE AGAINST THIS FARM BILL BECAUSE IT DECREASES FARM INCOME. IT RAIDS THE TREASURY. IT INCREASES THE DEFICIT. IN NO WAY WILL IT HELP US GET OUT OF THE MESS THAT WE ARE IN IN RURAL AMERICA TODAY.

MR. ABDNOR. MR. PRESIDENT, I AM GOING TO VOTE IN FAVOR OF THIS CONFERENCE REPORT TODAY, BUT I DO NOT DO SO IN THE BELIEF THAT THIS CONGRESS OR THE ADMINISTRATION HAVE DONE AMERICA'S FINANCIALLY PRESSED FARMERS ANY GREAT FAVORS THROUGH THIS LEGISLATION.

THIS FARM BILL FALLS SHORT OF RECOGNIZING AND ACTING TOWARD THE ECONOMIC CRUNCH FACED BY THE AGRICULTURE SECTOR. IT DOES NOT TAKE INTO CONSIDERATION THE

FACT THAT WE ARE FACED WITH A CRISIS IN AGRICULTURE EQUIVALENT IN ECONOMIC PAIN AND SUFFERING TO THE 1982 RECESSION THAT PROMPTED CONGRESS TO SPEND OVER \$1 BILLION IN ASSISTANCE.

CONGRESS HAS NOT ACTED AS COMPASSIONATELY NOW AS IT DID THEN. IT HAS NOT ANSWERED THE NEEDS OF OUR FARMERS AND RANCHERS, OF RURAL AMERICA. BUT IN CONSIDERING THIS BILL, I HAVE TO ASK MYSELF ONE QUESTION: WHAT IS OUR ALTERNATIVE?

I WANT TO MAKE IT CLEAR THAT I AM NOT FAULTING THE CONFEREES FOR THE WORK THEY HAVE DONE ON THIS LEGISLATION. SOME OF THIS BODY'S STRONGEST AGRICULTURE ADVOCATES SERVED ON THAT CONFERENCE COMMITTEE. THEY WORKED FOR 8 SOLID DAYS ON THIS LEGISLATION, AND THEY DECIDED THAT THIS WAS THE BEST LEGISLATION ACHIEVABLE GIVEN THE CIRCUMSTANCES THEY WERE WORKING UNDER. I AM NOT GOING TO QUARREL WITH THEIR JUDGMENT.

IT WOULD BE VERY EASY FOR ME TO VOTE NO ON THIS BILL, AND SAY I AM GOING TO GET SOMETHING BETTER FOR THE FARMERS AND RANCHERS IN MY STATE. THAT WOULD MAKE ME QUITE A HERO BACK HOME. IT WOULD ALSO BE A CRUEL HOAX ON THOSE FARMERS AND RANCHERS, BECAUSE THERE ARE NO BETTER ALTERNATIVES OUT THERE THAT ARE EITHER VIABLE OR ACHIEVABLE.

GIVEN THE URBAN ORIENTATION OF THIS CONGRESS AND THE INCLINATION OF MANY IN THIS TOWN TO MAKE DEEP SLASHES IN THE AGRICULTURE BUDGET IF GIVEN HALF AN OPPORTUNITY, I SHUDDER TO THINK OF WHAT MIGHT HAPPEN IF WE DEFEAT THIS BILL AND GIVE THEM THAT OPPORTUNITY.

NOW, MR. PRESIDENT, I AM NOT GOING TO STAND HERE AND DEMAGOG THIS LEGISLATION AND SAY THAT IT IS 100 PERCENT NEGATIVE. IF IT DID NOT HAVE SOME VERY SUBSTANTIVE REDEEMING FACTORS, I COULD NOT VOTE FOR IT.

THIS BILL CONTAINS "SODBUSTER" PROVISIONS, SOMETHING A LOT OF US HAVE WAITED FOR A LONG TIME. IT WILL HELP PREVENT OUTSIDE TAX SHELTER-SEEKING INVESTORS FROM COMING INTO STATES LIKE SOUTH DAKOTA AND BREAKING UP OUR FRAGILE LANDS AND EXACERBATING SOIL EROSION PROBLEMS. THIS PROVISION, COMBINED WITH WHAT I HOPE WILL BE THE EVENTUAL PASSAGE OF MY LEGISLATION RESTRICTING THOSE WHO SEEK MASSIVE TAX WRITEOFFS THROUGH FARM OPERATIONS, WILL CHANGE THE FACE OF AMERICAN AGRICULTURE FOR THE BETTER.

THIS BILL CONTAINS STRONG SOIL CONSERVATION PROVISIONS, A LONG-TERM CONSERVATION RESERVE PROGRAM UNDER WHICH FARMERS WOULD CONTRACT FOR PERIODS OF 10 TO 15 YEARS TO RETURN 40 TO 45 MILLION HIGHLY ERODIBLE ACRES TO LESS INTENSIVE USES, LIKE GRASS OR TREES.

IT INCLUDES INCREASED CREDIT AND PROMOTION MONEYS FOR FARM EXPORTS, SOMETHING THAT IS ABSOLUTELY VITAL IF WE ARE GOING TO BEGIN REGAINING OUR SHARE OF THE WORLD AGRICULTURAL MARKET.

AND I LIKE TO THINK THAT I MADE THIS BILL SIGNIFICANTLY BETTER THROUGH THE ADOPTION OF FOUR OF MY AMENDMENTS, AMENDMENTS THAT PROTECT FARMERS FROM THE COSTLY IMPACT OF THE ENVIRONMENTAL PROTECTION AGENCY'S LEADED GAS BAN; THAT HELP TRANSPORT EMERGENCY FEED PROGRAM GRAIN STOCKS TO SPARSELY POPULATED AREAS OF THE COUNTRY; THAT ADDRESS INEQUITIES WITH WINTER WHEAT INSURED BY THE FEDERAL CROP INSURANCE [FCI]; AND THAT INVESTIGATE HOW POSSIBLY DECLINING GRAIN QUALITY

STANDARDS AFFECT OUR FARM EXPORTS.

MR. PRESIDENT, LET ME NOTE THAT IT DISTURBS ME THAT THE CONFEREES DROPPED THE STUDENT AID AMENDMENT I OFFERED TO THIS BILL. I AM ADVISED THAT MY AMENDMENT WAS DROPPED BECAUSE SIMILAR LANGUAGE IS CONTAINED IN ANOTHER BILL. IN ACTUALITY, MR. PRESIDENT, MY PROVISION IS INCLUDED IN TWO OTHER BILLS: H.R. 3128, THE RECONCILIATION MEASURE, AND THE SENATE LABOR AND HUMAN RESOURCES COMMITTEE BILL TO REAUTHORIZE THE HIGHER EDUCATION ACT. I APPRECIATE GREATLY THE ASSISTANCE I HAVE RECEIVED FROM SENATORS PELL, STAFFORD, HATCH, AND KENNEDY ON THIS ISSUE.

MR. PRESIDENT, IF WE COULD STATE WITH CERTAINTY THAT THE RECONCILIATION MEASURE WILL BE ENACTED BEFORE THE NEW YEAR, I WOULD NOT BE RAISING THIS ISSUE TODAY. I AM HOPEFUL THAT MEASURE WILL BE APPROVED. HOWEVER, I UNDERSTAND THAT CONFEREES ON THE RECONCILIATION BILL HAVE REACHED AN IMPASSE THAT THEY HAVE BEEN UNABLE TO RESOLVE. IN THE EVENT THE CONFEREES DO NOT RESOLVE THEIR DIFFERENCES IN TIME TO PASS H.R. 3128 BEFORE WE ADJOURN, WE HAVE LOST OUR ONLY OTHER OPPORTUNITY TO RECTIFY THIS SITUATION IN TIME TO ASSIST THOSE STUDENTS WHO ARE SEEKING AID FOR THE REMAINDER OF THIS SCHOOL YEAR.

THIS FARM BILL IS NOT, BY ANY MEANS, A BILL COMPLETELY LACKING IN POSITIVE ASSETS. IT FALLS SHORT IN THAT IT DOES NOT PROVIDE WHAT AMERICA'S FARMERS NEED IN THE DIRE SITUATION THEY FACE. EVEN THEN, THE BILL DOES ENOUGH TO BUY US TIME TO FIGHT AGAIN AT A TIME WHEN THE CONGRESS AND THE ADMINISTRATION MAY BE MORE RECEPTIVE TO THE NEEDS OF RURAL AMERICA.

TO TRY TO GET A BETTER BILL NOW BY REJECTING THIS ONE WOULD BE UTTER FOLLY AND WOULD GIVE CARTE BLANCHE TO THOSE AT THE OFFICE OF MANAGEMENT AND BUDGET WHO WOULD SHAPE A BILL THAT WOULD BE ABSOLUTE DISASTER FOR AMERICAN AGRICULTURE. I AM NOT WILLING TO DO THAT, AND I AM GOING TO VOTE FOR A BILL THAT REPRESENTS THE BEST WE CAN ACHIEVE UNDER THE CURRENT CIRCUMSTANCES.

LET ME CLOSE BY COMPLIMENTING THE WORK DONE BY THE CONFEREES, AND THE DILIGENT EFFORT OF THE CHAIRMAN [MR. HELMS] AND THE RANKING MINORITY MEMBER, [MR. ZORINSKY] OF THE AGRICULTURE COMMITTEE THROUGHOUT THIS PROCESS. THEY DESERVE OUR ACKNOWLEDGEMENT FOR A CONSCIENTIOUS UNDERTAKING OF A VERY DIFFICULT TASK.

MR. GRASSLEY. MR. PRESIDENT, I OPPOSE THIS BILL BECAUSE IT WILL LIKELY REDUCE FARM INCOME IN THE MIDWEST.

I HAD HOPED THAT THE CONFEREES COULD CRAFT A COMPROMISE THAT WOULD AT LEAST MAINTAIN THE SAFETY NET FOR FEED-GRAIN FARMERS. AS LONG AS OUR GOVERNMENT TAKES ACTIONS THAT DISRUPT FARM MARKETS AND REFUSES TO TAKE TOUGH STANDS AGAINST UNFAIR TRADE PRACTICES OF OUR FOREIGN COMPETITORS, OUR FARM PROGRAMS WILL BE COSTLY.

THE ANSWER TO THE PROBLEM, HOWEVER, DOES NOT LIE WITH ATTACKING THE SYMPTOMS OF HIGH COSTS.

I DON'T HAVE ANY FARMERS IN IOWA THAT LIKE TO FARM FOR THE GOVERNMENT. IOWA FARMERS PRIDE THEMSELVES IN THEIR SELF-RELIANCE. IT'S ONLY WHEN "BIG BROTHER" GOVERNMENT INTERFERES WITH FARMING THAT IOWA FARMERS ARE FORCED TO RELY UPON FARM PROGRAMS.

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CLEARLY, THIS CONFERENCE REPORT IS BETTER THAN WHAT WE VOTED FOR INITIALLY IN THE SENATE. BUT IF MY SENATE COLLEAGUES TRULY UNDERSTOOD THE MAGNITUDE OF THE FARM ECONOMY PROBLEMS, AND UNDERSTOOD THE REAL SOURCE OF THOSE PROBLEMS, THEY WOULD VOTE AGAINST THIS FARM BILL, TOO.

MR. PRESIDENT, THE FARM BILL WE ARE CONSIDERING TODAY IS BETTER THAN THE ONE WHICH PASSED THE SENATE A FEW WEEK AGO. HOWEVER, IT IS NOT A REAL 3- OR 4-YEAR FREEZE, ESPECIALLY WHEN COMPARED TO THE 1985 SUPPORT LEVELS.

THE TARGET PRICE, WHICH IS THE ONLY REAL INCOME SUPPORT IN THIS BILL, WILL BE REDUCED AFTER 2 YEARS IN THIS BILL. INSTEAD OF 3 OR 4 YEARS WITH A \$3.03 TARGET PRICE, FARMERS WILL WITNESS A REDUCTION TO \$2.97 IN 1988, \$2.88 IN 1989, AND \$2.75 IN 1990. TARGET PRICE STABILITY WAS ESSENTIAL UNDER THIS BILL BECAUSE THE LOAN RATE IS BEING DROPPED SO DRAMATICALLY. BOTH FARMERS AND THEIR LENDERS WILL CERTAINLY NEED TO DEPEND ON GOVERNMENT PROGRAMS FOR THEIR INCOME STABILITY. WITHOUT A FREEZE IN TARGET PRICES THEY WILL BE MAKING DECISIONS BASED ON PROJECTIONS INSTEAD OF KNOWN FACTORS.

IN ADDITION TO THE TARGET PRICE REDUCTION THERE IS AN INCREASE IN THE SET-ASIDES REQUIRED TO BE IN THESE COMMODITY PROGRAMS. IN 1985, OUR CORN FARMERS WERE REQUIRED TO SET ASIDE 10 PERCENT OF THEIR CROP ACRES TO BE IN THE FARM PROGRAM. IN 1986 UNDER THIS BILL FARMERS WILL BE REQUIRED TO SET ASIDE AT LEAST 15 PERCENT AND UP TO 20 PERCENT, WITH 2.5 PERCENT OF THAT BEING A PAID DIVERSION. IN THE OUT YEARS, SET-ASIDES COULD BE AS HIGH AS 20 PERCENT WITHOUT ANY PAID DIVERSION. THIS INCREASE IN THE SET-ASIDES WILL SERIOUSLY UNDERMINE MANY FARMERS' ABILITY TO MAKE A PROFIT.

PRIMARILY IT IS FOR THESE REASONS THAT I CANNOT SUPPORT THIS BILL EVEN THOUGH IT IS AN IMPROVEMENT OVER THE SENATE BILL. WHEN I VOTED TO SEND THE FARM BILL TO THE CONFERENCE COMMITTEE IN NOVEMBER WITH A 2-YEAR FREEZE, I FULLY EXPECTED AT LEAST A 3- OR 4-YEAR FREEZE IN TARGET PRICES BECAUSE THE HOUSE BILL CONTAINED A 5-YEAR FREEZE. AGRICULTURE IN MY STATE IS IN WORSE ECONOMIC SHAPE OF ANY IN THE COUNTRY. TO HELP MY FARMERS RECOVER FROM THE CRISIS THEY ARE NOW EXPERIENCING, WE NEEDED STABILITY IN THIS FARM BILL. THIS BILL DOES NOT GUARANTEE US STABILITY, IN FACT IT GUARANTEES US REDUCTIONS WHICH I CANNOT ACCEPT.

MR. QUAYLE. MR. PRESIDENT, TODAY, THE SENATE IS COMPLETING ITS WORK ON THE CONFERENCE REPORT ON THE 1985 FARM BILL, AN OMNIBUS PACKAGE OF LEGISLATION THAT WILL SET IN PLACE FOR THE NEXT 5 YEARS OUR FEDERAL POLICIES FOR FARM INCOME PROTECTION, EXPORT PROMOTION, FARM AND RURAL DEVELOPMENT CREDIT, INTERNATIONAL FOOD ASSISTANCE AND DOMESTIC NUTRITION PROGRAMS.

FRANKLY, MR. PRESIDENT, I HAVE VERY MIXED EMOTIONS ABOUT THIS BILL. ON THE ONE HAND, THE BILL CONTINUES FINANCIAL ASSISTANCE TO FARMERS WHO ARE NOW EXPERIENCING ONE OF THE MOST DIFFICULT ECONOMIC PERIODS IN DECADES. COMMODITY PRICES AND FARM ASSET VALUES ARE NOW AT RECORD LOWS, REFLECTING DRASTICALLY DECREASED AGRICULTURAL EXPORTS, HIGH REAL INTEREST RATES AND WORLD CROP SURPLUSES. AS A RESULT, OUR PRICE SUPPORT PROGRAMS HAVE TAKEN ON A RENEWED IMPORTANCE IN STABILIZING FARM INCOME.

ON THE OTHER HAND, I HAVE WITNESSED WHAT POORLY DESIGNED FARM PROGRAMS CAN DO AND HAVE DONE TO THE LONG-RUN HEALTH OF AMERICAN AGRICULTURE, AND I AM CONCERNED THAT THIS FARM BILL DOES NOT GO FAR ENOUGH TOWARD CHANGING THE BASIC METHOD BY



WHICH WE SUPPORT COMMODITY PRICES AND PROTECT FARM INCOME. BY ENCOURAGING PRODUCTION THROUGH VOLUME-BASED PROGRAMS, WE HAVE BROUGHT ABOUT CHANGES IN PRODUCTION PATTERNS, AFFECTING WHAT COMMODITIES ARE PRODUCED AND WHERE. IN ADDITION, THROUGH OUR LOAN PROGRAMS, WE ENCOURAGE INCREASED WORLD PRODUCTION. ALL OF THIS WORKS TO THE DETRIMENT OF OUR FULL-TIME FARMERS AND THOSE PARTS OF OUR COUNTRY THAT ENJOY A NATURAL ADVANTAGE IN THE PRODUCTION OF CERTAIN CROPS.

I AM ALSO DISAPPOINTED WITH THE INABILITY OF CONGRESS TO SAY "NO" TO CERTAIN SPECIFIC INTERESTS THAT SURVIVE SOLELY ON FEDERAL SUBSIDIES. FOR EXAMPLE, I WAS SUCCESSFUL ON THE FLOOR OF THE SENATE IN OFFERING AN AMENDMENT TO THE SENATE AGRICULTURE COMMITTEE BILL TO PHASE OUT THE HONEY PRICE SUPPORT PROGRAM. THIS PROGRAM COST AMERICAN TAXPAYERS \$100 MILLION LAST YEAR TO SUPPORT THE INCOMES OF BUT A FEW THOUSAND BEEKEEPERS. AS A RESULT OF THE PROGRAM, WITH ITS PRICE SUPPORT LEVEL AT OVER 65 CENTS PER POUND COMPARED TO A WORLD MARKET PRICE OF BETWEEN 30 AND 40 CENTS, THE FEDERAL GOVERNMENT LAST YEAR WAS FORCED TO PURCHASE OVER 70 PERCENT OF ALL DOMESTICALLY PRODUCED HONEY.

WITH 60 VOTES IN THE SENATE FOR SUCH A HONEY PROGRAM PHASEOUT, AND WITH ALL THE DEMANDS ON THE FARM PROGRAM THAT EXIST, ONE WOULD THINK THAT, AT A MINIMUM, THE FARM BILL CONFERENCE COULD HAVE PRODUCED A COMPROMISE THAT INCLUDED FUNDAMENTAL CHANGES IN THIS FLAWED PROGRAM. BUT AS IS TOO OFTEN THE CASE, THE HOUSE-SENATE CONFERENCE COMMITTEE TOOK THE PATH OF LEAST RESISTANCE AND PRESERVED MUCH OF THE SUBSIDY FOR SOME 2,000 TO 3,000 BEEKEEPER BENEFICIARIES.

CONGRESS AS A WHOLE SIMPLY MUST SUMMON THE WILL, AS THE SENATE DID IN APPROVING MY AMENDMENT TO PHASE OUT THE HONEY PRICE SUPPORT PROGRAM, TO ELIMINATE WASTEFUL AND UNNECESSARY FEDERAL PROGRAMS. I DEEPLY REGRET THAT, IN THE END, CONGRESS FAILED THIS LITMUS TEST OF ITS RESOLVE TO MAKE A TRUE DENT IN THE COST OF THE FEDERAL FARM PROGRAM.

THERE ARE MANY OTHER PROBLEMS WITH THIS BILL. IT CONTINUES THE FAILED PROGRAMS OF THE PAST IN SUGAR, PEANUTS, WOOL, MOHAIR, AND OTHERS. IT ALSO CONTAINS ONE OF THE MOST COMPLICATED AND COSTLY DAIRY PROGRAMS IN HISTORY, WHICH INCLUDES A MILK TAX THAT I STRONGLY OPPOSE.

HAVING STATED MY RESERVATIONS, LET ME SAY THAT THIS FARM BILL DOES CONTAINS SEVERAL VERY POSITIVE PROVISIONS, INCLUDING AN IMPRESSIVE EFFORT TO IMPROVE COMPETITIVENESS AND PROMOTE EXPORTS, AS WELL AS A STRONG CONSERVATION TITLE. I AM VERY PLEASED TO SEE THAT THE FARM BILL CONFERENCE REPORT INCLUDES THE INTERMEDIATE EXPORT CREDIT PROGRAM THAT I FIRST PROPOSED IN THE AGRICULTURAL TRADE ENHANCEMENT ACT, S. 171, WHICH I INTRODUCED IN JANUARY.

GIVEN THE VERY GRADUAL MOVE TOWARD MARKET ORIENTATION THAT IT PROVIDES, THIS BILL COULD SET THE GROUNDWORK FOR LATER, MORE FUNDAMENTAL REFORM OF OUR FARM PROGRAMS AT A TIME WHEN THE STATE OF THE FARM ECONOMY IS MORE STABLE. CERTAINLY, THERE IS A NEED FOR SUCH A COMPREHENSIVE REFORM. THE KEY TO SUCH REFORM IS DIVORCING PRODUCTION DECISIONS FROM INCOME PROTECTION AND ALLOWING ECONOMIC STIMULI TO DIRECT FARM PRODUCTION, RATHER THAN COMMODITY PRICE SUPPORTS.

THIS FARM BILL FREEZES TARGET PRICES FOR WHEAT AND FEED GRAINS FOR 2 YEARS AND AUTHORIZES A VERY GRADUAL REDUCTION THEREAFTER. IN ADDITION, LOAN RATES FOR THESE

CROPS ARE LOWERED TOWARD A LEVEL BETWEEN 75 AND 85 PERCENT OF A 5-YEAR AVERAGE MARKET PRICE.

IN SO DOING, THIS BILL WALKS A TIGHTROPE BETWEEN THREE OBJECTIVES. FIRST, IT MAINTAINS FARM INCOME DURING A TRANSITION PERIOD TOWARD MARKET ORIENTATION AND ATTEMPTS TO PROTECT FARMERS FROM THE EXTREMES OF OUR CURRENT ECONOMIC CLIMATE. SECOND, IT MAKES OUR COMMODITIES MORE COMPETITIVE BY LOWERING LOAN RATES TO LEVELS THAT SHOULD PUT OUR PRODUCTS BACK INTO THE MARKET PLACE HERE AND ABROAD, RATHER THAN GOVERNMENT STORAGE. AND FINALLY, THIS BILL ATTEMPTS TO ACCOMPLISH THESE TWO ALMOST MUTUALLY EXCLUSIVE OBJECTIVES WITHIN BUDGET GUIDELINES WORKED OUT OVER THE LAST SEVERAL MONTHS IN CONSULTATION WITH THE ADMINISTRATION.

BUT, ONE COULD CERTAINLY QUESTION WHETHER WE HAVE SUCCEEDED IN PRODUCING A FISCALLY RESPONSIBLE FARM BILL. THE COST OF THE COMMODITY CREDIT CORPORATION PORTION OF THE BILL -- ITS PRICE SUPPORT PROVISIONS -- IS ESTIMATED AT AROUND \$52 BILLION DURING THE FIRST 3 YEARS OF THE BILL'S 5-YEAR LIFE. I WOULD SUGGEST THAT WHEN ONE COMPARES THE NUMBER OF FARMERS IN THIS NATION, REGARDLESS OF HOW A FARMER IS DEFINED, WITH THE UNBELIEVABLE COST OF THESE PROGRAMS, IT BECOMES CLEAR THAT THESE PROGRAMS SIMPLY CANNOT BE SUSTAINED IN THE LONG RUN.

ALL THREE OF THE BILL'S OBJECTIVES ARE IMPORTANT. MARKET ORIENTATION MUST BE ACHIEVED IF OUR FARMERS ARE TO AGAIN DERIVE THEIR INCOME FROM THE MARKET AND NOT THE U.S. TREASURY. I KNOW THAT THE FARMERS OF INDIANA WANT TO SEE CONDITIONS AGAIN THAT WILL ALLOW THEM TO EARN THEIR LIVING WITHOUT THE RESTRICTIONS OF FEDERAL GOVERNMENT INVOLVEMENT. THEY CAN ONLY DO SO IF WE IN CONGRESS WILL FINALLY TURN OUR ATTENTION TO THE REAL FACTORS PROHIBITING COMPETITIVENESS AND PROFITABILITY, INCLUDING THE STRENGTH OF OUR DOLLAR, HIGH REAL INTEREST RATES AND CONFLICTING FEDERAL POLICIES.

MR. PRESIDENT, RECOGNIZING THAT THESE THREE OBJECTIVES ARE SO DIFFICULT TO ACHIEVE TOGETHER, I WILL SUPPORT THIS FARM BILL BECAUSE, GIVEN THE SERIOUSNESS OF THE PROBLEMS CONFRONTING OUR FARM ECONOMY, THE FARMERS OF INDIANA AND THIS NATION CANNOT AFFORD THE LUXURY OF FURTHER DELAY OR GUESSWORK. THEY NEED A SOLID FOUNDATION UPON WHICH TO PLAN FOR THE FUTURE, AND THE FARM BILL WILL PROVIDE THAT. THEREFORE, I WOULD ENCOURAGE MY COLLEAGUES TO SUPPORT THIS BILL.

MR. EAGLETON. MR. PRESIDENT, THE COMPROMISE FARM BILL IS NOT THE BEST LEGISLATION IN THE WORLD, BUT IT IS BETTER THAN TWO OTHER THINGS I CAN THINK OF ONE, THE ADMINISTRATION'S PROPOSED FARM PROGRAM OR TWO, DOING NOTHING AT ALL.

I DON'T THINK THERE WAS ANY ADVANTAGE TO HOLDING OFF UNTIL NEXT YEAR TO SETTLE ON A PROGRAM. IF ANYTHING, THE BUDGET PRESSURES UNDER GRAMM-RUDMAN WILL BE EVEN MORE INTENSE THEN AND THE CHANCES OF GETTING A GOOD FARM PROGRAM EVEN LESS.

I THINK WE DID THE BEST WE COULD UNDER THE CIRCUMSTANCES AND I AM HOPEFUL WE CAN MAKE THIS PROGRAM WORK.

MR. FORD. MR. PRESIDENT, IN KENTUCKY, 110,000 PEOPLE WORK ON THE FARM, AND ANOTHER 750,000 NONFARM WORKERS OWE THEIR JOBS TO FARMING. AGRICULTURE IN KENTUCKY HAS A \$3 BILLION FARM GATE VALUE, BUT ITS ASSOCIATED FEED SEED EQUIPMENT, PACKAGING, TRANSPORTATION, PROCESSING WHOLESALING, AND RETAILING ACTIVITIES MAKE FOR AN \$11

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BILLION INDUSTRY. NO OTHER COMBINATION OF BUSINESS ACTIVITIES PROVIDES NEARLY AS MANY JOBS OR AS GREAT AN ECONOMIC STIMULUS.

THE 1985 FARM BILL WAS MEANT TO BE A REVOLUTION FOR AGRICULTURE. THOSE OF US IN AGRICULTURAL PRODUCING STATES RECOGNIZED THAT AGRICULTURE WAS A CROSSROAD, WITH A NEED FOR A CHANGE. HOWEVER, NO CHANGE COULD OCCUR WITHOUT IMPROVING THE INCOME FOR OUR NATION'S FARMERS.

IN ANTICIPATION OF THE 1985 FARM BILL DELIBERATIONS, I SUBMITTED TO THE CHAIRMAN OF THE SENATE COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY, A LENGTHY DOCUMENT EXPRESSING MY VIEWS ON WHAT KENTUCKY NEEDED FROM A FARM BILL.

OF OVERALL IMPORTANCE TO ME WAS THE NECESSITY THAT THE FARM BILL PROVIDE AN INCENTIVE FOR YOUNG PEOPLE TO FARM. THEY ARE CURRENTLY ABANDONING THE FAMILY FARM IN ALARMING NUMBERS. THE LAST CENSUS OF AGRICULTURE SHOWED THAT, NATIONWIDE, THERE ARE 4,200 FEWER FARMERS WHO WERE AGE 25 AND UNDER THAN A FEW YEARS EARLIER. FOR OUR NATION TO HAVE A STRONG AGRICULTURE SECTOR IN THE FUTURE, WE MUST ATTRACT AND MAINTAIN THE FARMERS OF TOMORROW.

THE FARM BILL HAD TO CONTAIN, IN MY OPINION, A BALANCED APPROACH TO LONG-TERM PROGRAMS WHICH ARE CONSISTENT AND PRACTICAL; FIRST, PRICE STABILITY AND FARM CREDIT REFORM; SECOND, EXPORT PROMOTION AND FAIR TERMS FOR IMPORTED GOODS; THIRD, STRONG SOIL AND WATER CONSERVATION FOR THE FARMS OF FUTURE GENERATIONS; FOURTH, CONTINUED FEDERAL COOPERATION WITH STATE PROGRAMS; AND FIFTH, EMPHASIS ON RESEARCH AND EXTENSION PROGRAMS.

FARMING HAS BEEN GOOD TO OUR NATION SINCE THE DAYS WHEN OUR FOUNDING FATHERS BARTERED WITH CASH CROPS. THE U.S. FARMER LEADS THE WORLD IN EFFICIENCY, NOW PRODUCING 15 TIMES AS MUCH AS OUR LAND YIELDED IN 1930. AS A RESULT, AMERICAN CONSUMERS SPEND LESS OF THEIR DISPOSABLE INCOME ON FOOD THAN PEOPLE IN ANY OTHER NATION. THIS IS DESPITE THE FACT THAT THE AVERAGE FARM RECEIPT IS ONLY 2 CENTS FOR EVERY DOLLAR SPENT ON FOOD.

MR. PRESIDENT, WHILE AGRICULTURE HAS BEEN EXCEPTIONALLY GOOD TO OUR NATION, WE HAVE LET OUR FARMERS DOWN. FARM DEBT IN THE U.S. TODAY STANDS AT AN ALL-TIME HIGH OF \$215 BILLION. IT MORE THAN DOUBLED BETWEEN 1977 AND 1983. OUR FARMERS DESERVE MORE.

THE 1985 FARM BILL, UNFORTUNATELY DOES NOT GO FAR ENOUGH TO IMPROVE THE INCOME OF OUR NATION'S FARMERS. HOWEVER, CONSIDERING BUDGET CONSTRAINTS AND THE RADICAL CHANGES PROPOSED BY THOSE WHO FAVORED LOWER PRICES AND HENCE REDUCED FARM INCOME AS NECESSARY, THE FINAL BILL IS AT LEAST ACCEPTABLE. IT COULD HAVE BEEN A MONSTROSITY.

THE FREEZES IN TARGET PRICES FOR 3 YEARS DOES PROVIDE CERTAINTY FOR OUR FARMERS AND THEIR LENDERS. THE 1985 FARM BILL MAKES A PROFOUND STATEMENT THAT CONGRESS RECOGNIZES THE INCOME PROBLEM OF OUR NATION'S FARMERS.

I AM PLEASED THAT THE BILL PUTS BACK A FLOOR THAT IS REASONABLE FOR OUR NATION'S SOYBEAN FARMERS. CHANGES COULD HAVE BEEN MADE TO ENCOURAGE EXPORTS WHILE IMPROVING FARM INCOME OVER THE LONG TERM. BUDGETARY AND TIME CONSTRAINTS KEPT THIS FROM OCCURRING, BUT IT WAS IMPERATIVE THAT THE CERTAINTY ASSOCIATED WITH A MINIMUM FLOOR PRICE BE REESTABLISHED.

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THE 1985 FARM BILL MAKES A STRONG STATEMENT TO FOREIGN NATIONS THAT PRACTICE UNFAIR TRADE. THE U.S. CONGRESS BELIEVES IN FREE TRADE, BUT WILL BE PROVIDING THE NECESSARY TOOLS TO ESTABLISH TRADE THAT IS FAIR. U.S. COMMODITIES, AS A RESULT OF THIS BILL, WILL MOVE INTO THE EXPORT ARENA AT MARKET CLEARING PRICES. HOWEVER, FARM INCOME WILL BE PRESERVED THROUGH FAIR TARGET PRICES. I SUPPORT THIS MOVE TO A FREE MARKET, AND WHILE THIS IS A 5-YEAR AUTHORIZING PIECE OF LEGISLATION, LET ME SAY THAT IF IN 5 YEARS THIS MOVE TO A FREE MARKET IS NOT SUCCESSFUL, I STAND READY TO FIGHT FOR CHANGES IN FARM PROGRAMS TO ASSURE FARMERS A FAIR RETURN ON THEIR COMMODITIES. THE NEXT 5 YEARS IS A TEST TO SEE IF THESE THEORIES HOLD TRUE AND I AM PLEASED THAT FOR THE DURATION, INCOME PROTECTION IS PRESERVED.

I AM EXTREMELY PLEASED WITH THE FARM CREDIT TITLES OF THIS BILL. THE SINGLE MOST IMPORTANT PROVISION CONTAINED IN THIS SECTION IS A \$490 MILLION PROGRAM WHEREBY THE AGRICULTURE DEPARTMENT AND PRIVATE LENDERS SHARE EQUALLY IN THE COST OF REDUCING INTEREST RATES FOR HARD-PRESSED FARMERS. TWENTY PERCENT OF TODAY'S FARMING COSTS ARE TIED UP IN INTEREST ON LOANS FOR 1 YEAR OF OPERATION. THIS INTEREST WRITEDOWN WILL GO FAR IN BENEFITING THE INDIVIDUAL FARMERS THROUGH REDUCED INTEREST COSTS.

BY FAR THE BEST PROVISION IN THE 1985 FARM BILL IS THE SOIL CONSERVATION PROGRAM THAT -- FOR THE FIRST TIME EVER -- TIES FARM PROGRAM BENEFITS TO THE WAY A FARMER TREATS HIS CROPLAND.

SINCE KENTUCKY HAS ONE OF THE TOP 10 HIGHEST EROSION RATES IN THE NATION, WE CAN BE ESPECIALLY PLEASED ABOUT THIS HISTORIC LEGISLATION WHICH WILL HELP PRESERVE OUR LAND FOR TOMORROW'S CROPS.

THE NEW BILL WOULD DENY CROP PRICE-SUPPORT LOANS, SUBSIDY PAYMENTS, CROP INSURANCE AND OTHER FEDERAL BENEFITS TO ANY PRODUCER WHO CONTINUES TO TILL LAND CLASSIFIED AS A HIGH EROSION RISK.

SOIL CONSERVATION PROGRAMS HAD ACTUALLY BEEN TARGETED FOR DRASTIC CUTS IN THE ADMINISTRATION'S 1986 BUDGET PROPOSAL. HOWEVER, IT HAS FINALLY BEEN REALIZED IN WASHINGTON THAT SOIL CONSERVATION IS ACTUALLY A VERY SMART PROGRAM FROM A BUDGET PERSPECTIVE.

TECHNOLOGICAL ADVANCES ARE NEEDED IN ORDER TO RESTORE PROFITABILITY TO THE FARM SECTOR. THE NATURE OF A COMPETITIVE AGRICULTURAL ENVIRONMENT MANDATES THAT CONTINUED ADVANCEMENT IN THE SCIENCES CONTINUE. THE 1985 FARM BILL WILL SEE TO IT THAT ADEQUATE LEVELS OF RESEARCH AND EXTENSION WORK CONTINUES.

I AM DISAPPOINTED THAT THE 1985 FARM BILL DOES NOT CONTAIN MORE SPECIFIC REFERENCES ON IMPROVEMENTS IN FEDERAL AND STATE PROGRAM COOPERATION. EVERY STATE IS DIFFERENT. THESE DIFFERENCES ARE STRENGTHS OF AMERICAN AGRICULTURE. WE MUST DIRECT OUR ATTENTIONS IN THE FUTURE TO SEE TO IT THAT FEDERAL AND STATE AGRICULTURE PROGRAMS DO MORE TO COMPLIMENT ONE ANOTHER.

THE 1985 FARM BILL IS NOT PERFECT BY ANY STRETCH OF THE IMAGINATION. THE PROBLEMS IN AMERICAN AGRICULTURE ARE REAL BUT THEY ARE ALSO DIVERSE. IT WOULD BE WRONG TO ASSUME THAT ONE PIECE OF LEGISLATION COULD BE VIEWED AS A CURE-ALL.

THIS FARM BILL, WHEN VIEWED AS A WHOLE, DOES PROVIDE A WORKABLE FRAMEWORK FOR AMERICAN AGRICULTURE. I INTEND TO VOTE FOR THIS BILL, GIVEN THE REALITIES FROM WHICH IT

WAS DEVELOPED. I DO SO KNOWING THAT IMPROVEMENTS FOR AMERICAN AGRICULTURE MUST CONTINUE TO BE SOUGHT.

I DO NOT VOTE FOR THIS BILL ASSUMING THAT WE IN CONGRESS WILL PLACE AGRICULTURE IN A CLOSET FOR THE NEXT 5 YEARS. I VOTE FOR THIS BILL BECAUSE IT WAS THE BEST THAT COULD BE ACHIEVED AND BECAUSE I BELIEVE CONGRESS WILL CONTINUE TO BE STRIVING FOR THOSE IMPROVEMENTS. FARMING IS AN ONGOING PROCESS IN THE FIELDS, AND AGRICULTURAL LEGISLATION IS ALSO AN ONGOING PROCESS IN CONGRESS.

MR. LEAHY. MR. PRESIDENT, THE NEW FARM BILL THAT WILL BE ESTABLISHED UNDER THE CONFERENCE REPORT ON H.R. 2100 CAN DO MUCH TO IMPROVE THE FINANCIAL CONDITIONS FACING FARMERS AND OTHERS WHO LIVE IN RURAL COMMUNITIES. IF PROPERLY ADMINISTERED, THE NEW FARM BILL CAN BOOST FARM INCOME, WHILE REDUCING THE FEDERAL BUDGET FOR AGRICULTURAL PROGRAMS. UNDER THE PROVISIONS OF THIS CONFERENCE REPORT, FARM PROGRAM COSTS WILL REPRESENT LESS OF THE FEDERAL BUDGET, WHILE STILL PROVIDING FARMERS PROGRAM PROVISIONS THEY HAVE SOUGHT DURING THE LONG DEBATE THAT HAS LED TO THIS CONFERENCE REPORT. IN PARTICULAR, I AM PLEASED THAT THE DAIRY PROGRAM ESTABLISHED UNDER THE CONFERENCE REPORT WILL PROVIDE DAIRY FARMERS WITH A SUPPLY MANAGEMENT PROGRAM THAT THE INDUSTRY NEEDS.

THE PROGRAMS AND AUTHORITIES PROVIDED UNDER THE BILL WILL NOT PROVIDE ALL OF WHAT I BELIEVE COULD BE DONE TO INSURE THE IMPROVEMENT AND FINANCIAL SOUNDNESS OF OUR AGRICULTURAL ECONOMY. BUT THE BILL IS THE BEST AVAILABLE APPROACH TO SOLVING SOME OF THE DIFFICULT ECONOMIC PROBLEMS CONFRONTING FARMERS AND THE NATION. FINANCIALLY HARD-PRESSED FARMERS WOULD BENEFIT FROM STRONGER SUPPORT PRICES, BUT, AT THIS LATE DATE, IT IS MORE IMPORTANT TO FARMERS THAT THE PROVISIONS OF THE FARM BILL ARE ENACTED, THEREBY PROVIDING SOME STABILITY FOR FARM INCOME AND ALLOWING FARMERS TO PLAN FOR NEXT YEAR. FARMERS NEED TO OBTAIN PRODUCTION FINANCING FOR NEXT YEAR AND DAIRY FARMERS NEED TO BE ABLE TO BEGIN THE INDUSTRY SELF-HELP PROGRAM ESTABLISHED IN THE CONFERENCE REPORT.

I BELIEVE WE MUST MAKE EVERY EFFORT TO INSURE THAT FARMING REMAINS A VIGOROUS INDUSTRY IN OUR NATION. FARMING AND FOOD PRODUCTION ARE NATIONAL SECURITY MATTERS. THE UNITED STATES IS THE MOST POWERFUL NATION ON EARTH -- INDEED, THE MOST POWERFUL NATION IN THE HISTORY OF THE WORLD. BUT MANY NATIONS POSSESS WEAPONS THAT CAN INFLICT TERRIBLE DAMAGE ON THE UNITED STATES. THE POWER TO DESTROY IS COMMONPLACE IN THE WORLD TODAY.

OTHER NATIONS DO NOT POSSESS OUR AGRICULTURAL ABUNDANCE. THE UNITED STATES IS THE ONLY MAJOR MILITARY POWER IN THE WORLD THAT CAN FEED ITSELF. WE ARE THE ONLY MAJOR MILITARY POWER IN THE WORLD THAT DOES NOT HAVE TO IMPORT FOOD, THAT CAN NEVER BE STARVED BY A RIVAL COUNTRY, AND THAT CANNOT HAVE ITS FOREIGN POLICY, OR ITS DOMESTIC POLICY, OR ITS ECONOMIC POLICY SHAPED BY OUTSIDE FORCES. THAT IS OUR UNIQUE STRENGTH. IT IS A STRENGTH WE MUST MAINTAIN.

#### DAIRY PROGRAM PROVISIONS OF THE BILL

THE BILL PROVIDES BOTH SHORT TERM EMERGENCY MEASURES TO ADJUST SUPPLY AND LONG-TERM PROVISIONS THAT MAINTAIN THE VITALITY OF THE INDUSTRY.

BRIEFLY, THE PRICE SUPPORT PROVISIONS OF THE NEW DAIRY PROGRAM:

(1) REQUIRE, THROUGH JANUARY 1, 1987, THAT THE PRICE OF MILK BE SUPPORTED THROUGH THE PURCHASE OF MILK AND MILK PRODUCTS AT A LEVEL EQUIVALENT TO \$11.60 PER HUNDREDWEIGHT FOR MILK CONTAINING 3.67 MILKFAT.

(A) REQUIRE, ON JANUARY 1, 1987, A REDUCTION IN THE SUPPORT PRICE OF 25 CENTS PER HUNDREDWEIGHT, TO \$11.35.

(B) AUTHORIZE THE SECRETARY, ON JANUARY 1, 1988, JANUARY 1, 1989, AND JANUARY 1, 1990, TO ADJUST THE PRICE SUPPORT OF MILK. IF THE SECRETARY ESTIMATES THAT FOR THE SUCCEEDING 12-MONTH PERIOD NET PRICE SUPPORT PURCHASES OF MILK OR MILK PRODUCTS WOULD --

(I) EXCEED 5 BILLION POUNDS OR MORE MILK EQUIVALENT, THE SECRETARY WOULD BE AUTHORIZED TO REDUCE THE PRICE SUPPORT LEVEL BY \$.50 PER HUNDREDWEIGHT.

(II) BE LESS THAN 2.5 BILLION POUNDS, THE SECRETARY WOULD BE REQUIRED TO INCREASE THE PRICE SUPPORT LEVEL BY 50 CENTS PER HUNDREDWEIGHT.

(2) REQUIRE COLLECTION OF ASSESSMENTS TO FUND THE "WHOLE HERD BUY OUT" PROGRAM. FARMERS WOULD BE ASSESSED 40 CENTS PER HUNDREDWEIGHT ON ALL MILK MARKETED BETWEEN APRIL 1, 1986, AND DECEMBER 31, 1986, AND 25 CENTS PER HUNDREDWEIGHT ON ALL MILK MARKETED BETWEEN JANUARY 1, 1987, AND SEPTEMBER 30, 1987.

(3) ESTABLISH A WHOLE-HERD BUYOUT PROGRAM --

(A) BEGINNING APRIL 1, 1986, THE SECRETARY CAN OFFER TO ENTER INTO CONTRACTS WITH FARMERS SUBMITTING BIDS TO MAKE PAYMENTS TO THOSE FARMERS WHO AGREE TO SELL THEIR ENTIRE HERD FOR SLAUGHTER OR EXPORT AND IDLE THEIR PRODUCTIVE PLANT FOR 3 TO 5 YEARS.

(B) PRODUCERS WISHING TO TERMINATE PRODUCTION UNDER THE PROGRAM MUST SUPPLY THE SECRETARY WITH EVIDENCE OF THEIR MARKETING HISTORY, AND THE SIZE AND COMPOSITION OF THEIR DAIRY HERD.

(C) ONLY PRODUCERS WHO ENTERED THE INDUSTRY BEFORE JANUARY 1, 1985, ARE ELIGIBLE FOR THIS PROGRAM, EXCEPT IN CASES WHERE THE PRODUCER'S ENTIRE HERD AND PRODUCTION PLANT WERE TRANSFERRED BY THE DEATH OF, OR AS A GIFT FROM, A FAMILY MEMBER.

(D) CIVIL PENALTIES ARE PROVIDED FOR IN CASES WHERE PRODUCERS MAKE FALSE STATEMENTS IN SUBMITTING BIDS OR VERIFYING COMPLIANCE WITH CONTRACTS, OR WHERE PURCHASERS OF CATTLE SOLD UNDER THE PROGRAM DO NOT SLAUGHTER OR EXPORT THEM WITHIN A REASONABLE PERIOD. MARKETING PENALTIES APPLY TO PRODUCERS WHO VIOLATE THE CONTRACT.

(E) ORDERLY MARKETING OF DAIRY CATTLE -- THE SECRETARY MUST ESTIMATE AS SOON AS POSSIBLE THE NUMBER OF CATTLE THAT WILL BE MARKETED FOR SLAUGHTER UNDER THE PROGRAM AND IMPLEMENT MARKETING PROCEDURES TO ENSURE THAT GREATER NUMBERS OF CATTLE ARE SLAUGHTERED IN THE PERIODS APRIL TO AUGUST 1986, AND MARCH TO AUGUST 1987 THAN FOR OTHER MONTHS OF THE PROGRAM. THE OBJECTIVE IS TO MAINTAIN HISTORICAL SEASONAL MARKETING PATTERNS FOR RED MEAT PRODUCERS.

(F) THE SECRETARY MUST LIMIT THE NUMBER OF DAIRY CATTLE MARKETED FOR SLAUGHTER UNDER THE PROGRAM IN EXCESS OF THE HISTORICAL DAIRY HERD CULLING RATE TO 7 PERCENT

OF THE NATIONAL DAIRY HERD PER CALENDAR YEAR.

(G) THE SECRETARY IS GIVEN STANDBY DIVERSION/WHOLE HERD BUYOUT AUTHORITY FOR CALENDAR YEARS 1988-90.

(4) PROVIDE FOR RED MEAT PURCHASES --

(A) THE SECRETARY IS REQUIRED TO PURCHASE 400 MILLION POUNDS OF RED MEAT DURING THE 18 MONTH PERIOD THE WHOLE HERD BUY OUT IS IN EFFECT. 200 MILLION POUNDS MUST BE PURCHASED WITH CCC FUNDS; 200 MILLION POUNDS MUST BE PURCHASED WITH FUNDS AVAILABLE THROUGH CCC AND COMMODITY DISTRIBUTION AND OTHER NUTRITION PROGRAMS OF USDA.

(B) RED MEAT PURCHASED UNDER THIS PROGRAM MUST BE MADE AVAILABLE TO THE DEPARTMENT OF DEFENSE USE, OR FOR EXPORT.

5. REVISE MAKETING ORDER (CLASS I DIFFERENTIAL) --

(A) CLASS I DIFFERENTIALS ARE INCREASED IN MOST REGIONS COVERED BY FEDERAL MILK MARKETING ORDERS. THESE DIFFERENTIALS, WHEN ADDED TO THE M-W PRICE, FORM THE GUARANTEED MINIMUM PRICE FOR MILK SOLD FOR FLUID CONSUMPTION. NOTE: A LIST OF THE INCREASES, AND A MAP OF THE FEDERAL ORDER REGIONS, ARE ATTACHED TO THIS SUMMARY. THE MAP SHOWS THE CURRENT DIFFERENTIALS.

(B) SERVICE PAYMENTS TO DAIRY COOPERATIVES AND TO OTHER HANDLERS WHO PERFORM "SERVICES OF MARKETWIDE BENEFITS" ARE AUTHORIZED. THESE PAYMENTS WOULD BE MADE OUT OF THE POOLED RECEIPTS FROM THE SALE OF MILK IN EACH FEDERAL ORDER REGION.

(6) EXTEND OTHER PROVISIONS OF LAW --

(A) NOT LESS THAN 1 MILLION POUNDS OF SURPLUS NONFAT DRY MILK MUST BE MADE AVAILABLE BY CCC, ON A BID BASIS, TO BE USED IN THE DOMESTIC PRODUCTION OF CASEIN.

(B) THE SECRETARY MUST CONDUCT A STUDY TO DETERMINE WHETHER CASEIN IMPORTS TEND TO INTERFERE WITH THE DAIRY PRICE SUPPORT PROGRAM. THE STUDY MUST BE COMPLETED WITHIN 60 DAYS OF ENACTMENT.

(C) PROVISIONS OF THE FEDERAL MILK MARKETING LAW RELATING TO AUTHORITY FOR SEASONAL BASE-EXCESS PLANS, SEASONAL TAKEOUT-PAYBACK PLANS -- COMMONLY KNOWN AS LOUISVILLE PLANS -- MANDATORY HEARINGS ON AMENDMENTS TO MILK MARKETING ORDERS, AND THE USE OF MILK PRODUCTION CAPACITY AS PART OF THE PRICING STANDARD USED BY THE SECRETARY IN SETTING MILK PRICES UNDER A MARKETING ORDER (THROUGH DECEMBER 31, 1989).

(D) THE REQUIREMENT THAT THE CCC MAKE DAIRY PRODUCTS AVAILABLE, WITHOUT CHARGE, TO VETERANS' HOSPITALS AND THE MILITARY (THROUGH SEPTEMBER 30, 1989).

(E) AUTHORITY FOR INDEMNITY PAYMENTS TO DAIRY FARMERS WHO SUSTAIN LOSSES AS A RESULT OF PESTICIDES, NUCLEAR RADIATION OR FALLOUT, OR FROM OTHER CHEMICALS OR TOXIC SUBSTANCES (THROUGH SEPTEMBER 30, 1989).

(F) THE BILL MAKES CLEAR THAT THE LEGAL STATUS OF PRODUCER-HANDLERS WOULD NOT BE CHANGED UNDER THE PROVISIONS OF THE BILL.

## CONSERVATION

THE NEW FARM BILL WILL DO MUCH TO CONSERVE OUR SCARCE LAND AND WATER RESOURCES. WE CANNOT AFFORD TO DEplete NATURAL RESOURCES THAT FUTURE GENERATIONS WILL RELY ON FOR AGRICULTURAL PRODUCTION. TO PROTECT THIS HERITAGE, SOIL AND WATER CONSERVATION PROGRAMS MUST BE APPROPRIATELY STRENGTHENED AND ADEQUATELY FUNDED. THE NEW FARM BILL ACCOMPLISHES MANY OF CONSERVATION OBJECTIVES.

MR. PRESIDENT, THE CONFERENCE REPORT ON H.R. 2100 CONTAINS VERY IMPORTANT PROVISIONS THAT STRENGTHEN OUR SOIL AND WATER CONSERVATION EFFORTS. FIRST, THE BILL WOULD PROTECT HIGHLY ERODIBLE LAND. THE CONFERENCE REPORT ON H.R. 2100 CONTAINS THE SO-CALLED SODBUSTER BILL THAT MAKES INELIGIBLE FOR FEDERAL FARM PROGRAM BENEFITS ANY PERSON WHO PRODUCES AN AGRICULTURAL COMMODITY ON HIGHLY ERODIBLE LAND.

SECOND, THE NEW BILL WILL PROTECT FRAGILE WETLANDS. UNDER THE CONFERENCE REPORT ON H.R. 2100, A SWAMPBUSTER BILL WOULD BE ENACTED THAT APPLIES MANY OF THE SAME SANCTIONS AS ARE LEVIED AGAINST PERSONS WHO FARM HIGHLY ERODIBLE LAND AGAINST PERSONS WHO FARM UNSUITABLE WETLANDS.

THIRD, THE NEW FARM BILL ESTABLISHES A CONSERVATION ACREAGE RESERVE. THE CONSERVATION RESERVE WILL BE USED TO REDUCE SOIL EROSION BY DESIGNATING LAND CURRENTLY IN PRODUCTION THAT IS PRONE TO EROSION FOR A RESERVE WHEREIN THE LAND IS LESS INTENSIVELY USED. LESS INTENSIVE USES INCLUDE PASTURE, TREE GROWTH, OR PERMANENT GRASS. THE RESERVE CAN BE AS LARGE AS 30 MILLION ACRES, WITH 10 MILLION ACRES REQUIRED TO BE PLACED IN THIS RESERVE -- THROUGH CONTRACTING WITH OWNERS AND OPERATORS OF ELIGIBLE EROSION PRONE LAND -- DURING CROP YEAR 1986. AN ADDITIONAL 10 MILLION ACRES WILL BE ADDED TO THIS RESERVE DURING CROP YEAR 1987 AND ANOTHER 5 MILLION ACRES MUST BE ADDED BEFORE THE END OF THE 1989 CROP YEAR.

## FOOD AND NUTRITION PROGRAMS

THE FOOD STAMP PROGRAM HELPS LOW-INCOME HOUSEHOLDS TO STRETCH LIMITED DOLLARS TO ENSURE A NUTRITIOUS AND ADEQUATE DIET, AS IT DID IN 1961 WHEN PRESIDENT JOHN F. KENNEDY ESTABLISHED PILOT PROJECTS THAT LED TO THE CURRENT PROGRAM.

UNFORTUNATELY, THE INCIDENCE OF THESE HUMAN TRAGEDIES IS ON THE RISE. THE NUMBER OF FAMILIES AND INDIVIDUALS LIVING AT THE POVERTY LEVEL IS RAPIDLY INCREASING. ONE OF EVERY SIX CHILDREN UNDER THE AGE OF 6 NOW LIVES IN A HOUSEHOLD WHOSE INCOME IS AT OR BELOW THE POVERTY LEVEL. ALSO, THERE IS EVIDENCE THAT MALNUTRITION AMONG THE ELDERLY IS A SERIOUS PROBLEM IN THIS COUNTRY.

THIS COUNTRY IS BLESSED WITH AN ABUNDANCE OF FOOD. THE FOOD STAMP PROGRAM IS A FAIR AND REASONABLE WAY TO PROVIDE NEEDY AMERICANS AND THEIR FAMILIES A PART OF THIS ABUNDANCE.

THROUGHOUT THE DEBATE ON THE FOOD STAMP REAUTHORIZATION, I WORKED TO ENCOURAGE SUPPORT FOR PROVISIONS THAT HELP STATES TO ADMINISTER THE PROGRAM IN A HUMANE AND EFFICIENT MANNER, WHILE REQUIRING THEM TO BE MINDFUL OF ACCOUNTABILITY AND GOOD STEWARDSHIP OF FEDERAL RESOURCES.

MY GOAL FOR THE FOOD STAMP PROGRAM HAS ALWAYS BEEN TO ENSURE THAT FOOD STAMP DOLLARS ARE SPENT PROPERLY ON FOOD AID FOR THE NEEDY AND ARE NOT WASTED. WE MUST



ALWAYS BE VIGILANT IN COMBINATING ANY SIGN OF WASTE, FRAUD OR ABUSE IN THIS PROGRAM -- BOTH TO PROTECT TAXPAYERS' DOLLARS AND TO SAFEGUARD THE BASIC INTEGRITY AND REPUTATION OF THE PROGRAM. IF WE ARE TO BE CREDIBLE IN OUR EFFORTS TO MAINTAIN THE FOOD STAMP PROGRAM, WHICH IS THE MOST IMPORTANT NUTRITION PROGRAM AVAILABLE TO LOW-INCOME AMERICANS, WE MUST BE SURE THAT THE PROGRAM IS OPERATED IN AN EFFICIENT MANNER.

I AM CONCERNED THAT THE ADMINISTRATION HAS PROPOSED CONVERTING THE FOOD STAMP PROGRAM INTO A BLOCK GRANT AT STATE OPTION -- A PROVISION THAT WOULD END THE FOOD STAMP PROGRAM AS WE KNOW IT TODAY. I OPPOSE THE BLOCK GRANT PROPOSAL, AS WELL AS SHORT-SIGHTED WORK REQUIREMENTS WHICH TAKE AWAY THE STATES' FLEXIBILITY IN DEVELOPING AND ADMINISTERING WORK AND TRAINING PROGRAMS. I OPPOSE INCREASED BUREAUCRATIC COMPLEXITY WHICH WOULD HINDER EFFICIENT MANAGEMENT, AND WOULD RAISE THE POTENTIAL FOR INCREASED ERROR RATES AND SANCTIONS.

#### RESEARCH, EXTENSION, AND TEACHING

A MAJOR PART OF THE BILL FOCUSES ON SUPPORTING AND IMPROVING FOOD AND AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING.

FEDERAL SUPPORT OF THE DEVELOPMENT OF AGRICULTURAL SCIENCE AND TECHNOLOGY IS A PUBLIC INVESTMENT THAT HAS PAID HUGE DIVIDENDS FOR THIS NATION AND THE WORLD -- THE DEVELOPMENT AND DISSEMINATION OF NEW AGRICULTURAL TECHNOLOGY -- THROUGH COOPERATIVE EXTENSION AND TEACHING PROGRAMS -- ARE FUNDAMENTAL MISSIONS OF THE DEPARTMENT OF AGRICULTURE.

CONGRESS HAS THE RESPONSIBILITY OF PROVIDING THE NECESSARY TOOLS BY WHICH THE DEPARTMENT AND THE SCIENTIFIC COMMUNITY CAN MEET THE AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING NEEDS OF OUR NATION.

CONGRESS FIRST ADDRESSED THE NEEDS OF THE FOOD AND AGRICULTURAL SCIENCES IN A UNIFIED MANNER IN TITLE 14 OF THE 1977 FARM BILL.

THE 1985 BILL WILL NOT MAKE RADICAL CHANGES IN THE FEDERAL POLICIES AND PROGRAMS ESTABLISHED UNDER THE 1977 BILL. THE CONFERENCE REPORT ON H.R. 2100 WILL CONTINUE -- THROUGH FISCAL YEAR 1989 -- FUNDING AUTHORIZATIONS FOR AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING PROGRAMS PROVIDED UNDER TITLE 14, AND WILL UPDATE AND FINE TUNE THE OPERATION OF A NUMBER OF THESE PROGRAMS.

THE TESTIMONY OF WITNESSES FROM THE AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING COMMUNITY AT THE FARM BILL HEARINGS WAS CLEAR THAT COORDINATION OF AGRICULTURAL RESEARCH AND EDUCATION ACTIVITIES COULD BE IMPROVED.

THE GREAT STRENGTH OF OUR DECENTRALIZED SYSTEM OF AGRICULTURAL RESEARCH AND EDUCATION HAS BEEN THAT DIVERSE NEEDS CAN BE ADDRESSED. YET, THAT DECENTRALIZATION CAN BE A WEAKNESS IF COORDINATION OF EFFORTS IS LACKING. I LOOK FORWARD TO MORE VIGOROUS EFFORTS TO COORDINATE RESEARCH AND EXTENSION PROGRAMS.

ALSO, A BETTER SYSTEM FOR COMMUNICATION BETWEEN THE FEDERAL AND STATE RESEARCH SYSTEMS, AND BETWEEN THE RESEARCH COMMUNITY AND THE USERS OF THAT RESEARCH, IS NEEDED. I BELIEVE THE USERS ADVISORY BOARD CAN PLAY A STRONGER ROLE IN THIS AREA.

TO BETTER FOCUS THE EXPENDITURE OF FUNDS AND INSURE GREATER COMMUNICATION AND COORDINATION WITHIN THE FOOD AND AGRICULTURAL SCIENCES, THE BILL EXTENDS THE TERMS OF THE JOINT COUNCIL ON FOOD AND AGRICULTURAL SCIENCES AND THE USERS ADVISORY BOARD. IN ADDITION, THE RESPONSIBILITIES OF THESE KEY PANELS ARE MORE CAREFULLY DEFINED, TO ENSURE THE CONCENTRATION OF RESEARCH AND EXTENSION EFFORTS IN THOSE AREAS OF GREATEST NATIONAL NEEDS, AND TO ENSURE GREATER COORDINATION BETWEEN THESE TWO BODIES.

THE BILL WILL STRENGTHEN THE ROLE OF THE STATES IN THE RESEARCH, EXTENSION, AND TEACHING PROGRAMS. IT ALSO WILL GIVE THE SECRETARY OF AGRICULTURE ADDITIONAL AUTHORITIES TO IMPROVE HIGHER EDUCATION IN THE FOOD AND AGRICULTURAL SCIENCES.

I AM PLEASED THAT THE BILL INCLUDES THE PROVISIONS OF MY BILL TO STRENGTHEN THE RURAL DEVELOPMENT AND SMALL FARM RESEARCH AND EXTENSION PROGRAMS. I AM PARTICULARLY PLEASED THAT THE CONFERENCE REPORT ON H.R. 2100 INCLUDES WHAT HAS COME TO BE KNOWN AS THE "AGRICULTURAL PRODUCTIVITY ACT" AS A SUBTITLE.

THE PURPOSE OF THE AGRICULTURAL PRODUCTIVITY ACT IS TO FACILITATE AND PROMOTE RESEARCH ON FARMING SYSTEMS THAT ARE ENVIRONMENTALLY SOUND. UNDER THE BILL, THE SECRETARY OF AGRICULTURE WILL CONDUCT RESEARCH, AND DISSEMINATE THE RESULTS OF THAT RESEARCH, ON FARMING SYSTEMS THAT HOLD POTENTIAL FOR REDUCING FARM PRODUCTION COSTS AND MINIMIZING THE POTENTIAL FOR ENVIRONMENTAL DAMAGE. TODAY, AS FARM PRODUCTION COSTS CONTINUE TO INCREASE, THIS TYPE OF RESEARCH IS NEEDED MORE THAN EVER. TO ACCOMPLISH COST REDUCTION WHILE PROTECTING THE ENVIRONMENT BY PROMOTING CONSERVATION AND SENSIBLE USE OF TRADITIONAL FARMING PRACTICES IS SOUND POLICY.

THE AGRICULTURAL PRODUCTIVITY ACT ESTABLISHES A NEW PROGRAM OF AGRICULTURAL PRODUCTIVITY RESEARCH. THIS PROGRAM WOULD:

PROVIDE FOR THE DEFINITION OF TERMS USED IN THE PROGRAM;

DECLARE THE FINDINGS OF CONGRESS THAT THE LONG-TERM AGRICULTURAL VIABILITY AND PROFITABILITY OF THE FARMS AND RANCHES IN THE UNITED STATES ARE DEPENDENT ON HIGHLY PRODUCTIVE AND EFFICIENT AGRICULTURAL SYSTEMS; AGRICULTURAL RESEARCH AND TECHNOLOGY TRANSFER ACTIVITIES OF THE SECRETARY OF AGRICULTURE, STATE COOPERATIVE EXTENSION SERVICES, LAND-GRANT AND OTHER COLLEGES AND UNIVERSITIES, AND STATE AGRICULTURAL EXPERIMENT STATIONS HAVE CONTRIBUTED TO INNOVATION IN AGRICULTURE AND HAVE A CONTINUING ROLE TO PLAY IN IMPROVING AGRICULTURAL PRODUCTIVITY; AGRICULTURAL PRODUCTIVITY IS REDUCED BY ANNUAL IRRETRIEVABLE LOSS OF BILLIONS OF TONS OF TOP SOIL THROUGH WIND AND WATER EROSION; MANY FARMERS AND RANCHERS ARE HIGHLY DEPENDENT ON MACHINES AND ENERGY RESOURCES FOR AGRICULTURAL PRODUCTION; PUBLIC FUNDING OF A PROPERLY PLANNED AND BALANCED AGRICULTURAL RESEARCH PROGRAM IS ESSENTIAL TO IMPROVING EFFICIENCY IN AGRICULTURAL PRODUCTION AND CONSERVATION PRACTICES; AND EXPANDED AGRICULTURAL RESEARCH AND EXTENSION EFFORTS ARE NEEDED TO IMPROVE AGRICULTURAL PRODUCTIVITY AND IMPLEMENT SOIL, WATER, AND ENERGY CONSERVATION PRACTICES;

ESTABLISH THE PURPOSES OF THE SUBTITLE AS BEING THOSE OF FACILITATING AND PROMOTING SCIENTIFIC INVESTIGATION IN ORDER TO ENHANCE AGRICULTURAL PRODUCTIVITY, MAINTAIN THE PRODUCTIVITY OF LAND, REDUCE SOIL EROSION AND LOSS OF WATER AND PLANT

NUTRIENTS, AND CONSERVE ENERGY AND NATURAL RESOURCES; AND FACILITATING THE CONDUCT OF RESEARCH PROJECTS IN ORDER TO STUDY AGRICULTURAL PRODUCTION SYSTEMS LOCATED IN AREAS POSSESSING VARIOUS SOIL, CLIMATIC AND PHYSICAL CHARACTERISTICS, AND MANAGED USING FARM PRODUCTION PRACTICES THAT RELY ON ITEMS PURCHASED FOR THE PRODUCTION OF AN AGRICULTURAL COMMODITY AND A VARIETY OF CONSERVATION PRACTICES, AND ARE SUBJECTED TO CHANGE AS THE RESULT OF SUCH PRACTICES;

REQUIRE THE SECRETARY TO INVENTORY AND CLASSIFY BY SUBJECT ALL STUDIES, REPORTS AND OTHER MATERIALS DEVELOPED BY ANY PERSON OR GOVERNMENTAL AGENCY WITH THE PARTICIPATION OR FINANCIAL ASSISTANCE OF THE SECRETARY, THAT COULD BE USED TO PROMOTE THE PURPOSES OF THE SUBTITLE. IN ADDITION, THE SECRETARY IS REQUIRED TO IDENTIFY, ASSESS, AND CLASSIFY EXISTING INFORMATION AND RESEARCH REPORTS THAT WILL FURTHER THE PURPOSES OF THE PROGRAM; PROVIDE USEFUL INFORMATION AND TO MAKE THE REPORTS AVAILABLE TO FARMERS AND RANCHERS, AND IDENTIFY GAPS IN SUCH INFORMATION AND CARRY OUT A RESEARCH PROGRAM TO FILL SUCH GAPS;

REQUIRE THE SECRETARY, IN COOPERATION WITH FEDERAL AND STATE RESEARCH AGENCIES AND AGRICULTURAL PRODUCERS, TO CONDUCT SUCH RESEARCH PROJECTS AS ARE NECESSARY TO PROMOTE THE PURPOSES OF THE SUBTITLE. IN CARRYING OUT THESE RESEARCH PROJECTS THE SECRETARY IS REQUIRED TO CONDUCT PROJECTS AND STUDIES IN AREAS THAT ARE BROADLY REPRESENTATIVE OF UNITED STATES AGRICULTURAL PRODUCTION. IN ADDITION, THE SECRETARY IS AUTHORIZED TO CONDUCT SUCH RESEARCH PROJECTS INVOLVING CROPS, SOILS, PRODUCTION METHODS, AND WEED, INSECT AND DISEASE PESTS ON INDIVIDUAL FIELDS OR OTHER AREAS OF LAND. IN THE CASE OF RESEARCH PROJECTS INVOLVING THE PLANTING OF A SEQUENCE OF CROPS, THE SECRETARY IS REQUIRED TO CONDUCT THE PROJECTS FOR A TERM OF AT LEAST 5 YEARS AND, TO THE EXTENT PRACTICABLE, 12 TO 15 YEARS. THE SECRETARY IS ALSO REQUIRED TO ENSURE THAT PRODUCERS ARE AWARE OF THE RESEARCH PROJECTS AND TO ENSURE THAT SUCH PROJECTS ARE OPEN FOR PUBLIC OBSERVATION. THE SECRETARY IS AUTHORIZED TO INDEMNIFY AN OPERATOR OF A PROJECT FOR DAMAGES INCURRED OR UNDUE LOSSES SUSTAINED AS A RESULT OF A RIGID REQUIREMENT OF RESEARCH OR DEMONSTRATION UNDER THE PROJECT THAT IS NOT EXPERIENCED IN NORMAL FARMING OPERATIONS. ANY INDEMNITY PAYMENT WOULD BE SUBJECT TO ANY AGREEMENT BETWEEN A PROJECT GRANTEE AND OPERATOR ENTERED INTO PRIOR TO THE INITIATION OF SUCH PROJECT;

REQUIRE THE SECRETARY TO ESTABLISH A PANEL OF EXPERTS CONSISTING OF REPRESENTATIVES OF THE AGRICULTURAL RESEARCH SERVICE, COOPERATIVE STATE RESEARCH SERVICE, SOIL CONSERVATION SERVICE, EXTENSION SERVICE, STATE COOPERATIVE EXTENSION SERVICES, STATE AGRICULTURAL EXPERIMENT STATIONS, AND OTHER SPECIALISTS IN AGRICULTURAL RESEARCH AND TECHNOLOGY TRANSFER; AND TO TAKE INTO CONSIDERATION THE VIEWS OF THE PANEL BEFORE A PROJECT UNDER THIS SUBTITLE IS DESIGNED;

REQUIRE THE SECRETARY TO REPORT TO THE HOUSE AND SENATE AGRICULTURE COMMITTEES WITHIN 180 DAYS AFTER THE EFFECTIVE DATE OF THIS SUBTITLE ON THE DESIGN OF THE RESEARCH PROJECTS ESTABLISHED UNDER THIS SUBTITLE, WITHIN 15 MONTHS AFTER THE EFFECTIVE DATE OF THE SUBTITLE ON THE RESULTS OF THE INFORMATION STUDY, AND NOT LATER THAN APRIL 1, 1987, AND ANNUALLY THEREAFTER ON THE PROGRESS OF PROJECTS CONDUCTED UNDER THIS SUBTITLE;

AUTHORIZE THE SECRETARY TO CARRY OUT THE REQUIRED INFORMATION STUDY THROUGH AGREEMENTS WITH LAND-GRANT COLLEGES OR UNIVERSITIES, OTHER UNIVERSITIES, NONPROFIT ORGANIZATIONS, OR FEDERAL OR STATE GOVERNMENTAL ENTITIES, THAT HAVE DEMONSTRATED

APPROPRIATE EXPERTISE IN AGRICULTURE RESEARCH AND TECHNOLOGY TRANSFER;

REQUIRE THE SECRETARY TO MAKE THE INFORMATION AND RESEARCH REPORTS IDENTIFIED UNDER THE INFORMATION STUDY AND THE INFORMATION AND CONCLUSIONS RESULTING FROM ANY RESEARCH PROJECT CONDUCTED UNDER THE SUBTITLE AVAILABLE TO THE PUBLIC THROUGH THE EXTENSION SERVICE, STATE COOPERATIVE EXTENSION SERVICES AND OTHERWISE AS NECESSARY;

AUTHORIZE THE APPROPRIATION OF SUCH SUMS AS MAY BE NECESSARY TO CARRY OUT THE SUBTITLE AND PROVIDE THAT SUCH SUMS ARE TO REMAIN AVAILABLE UNTIL EXPENDED.

#### CONCLUSION

WHILE THE DEFICIT AND ITS SECONDARY EFFECTS ARE PROBLEMS WHICH MUST BE ADDRESSED, WE MUST NOT LET SUCH CONCERNS BECOME OUR CENTRAL AND ONLY FOCUS. THE AGRICULTURAL PROBLEMS NOW CONFRONTING THIS CONGRESS REQUIRE MORE THAN A MYOPIC RESPONSE FROM CONGRESS -- IT REQUIRES A CERTAIN PRAGMATISM AND DELICATENESS OF RESPONSE. WE MUST MEET THE NUTRITIONAL NEEDS OF OUR GROWING POPULATION IF WE ARE TO PROVIDE FOR A STRONG DEFENSE. WE MUST MAINTAIN A STRONG FARMING INDUSTRY IF OUR ECONOMY IS TO MAINTAIN ITS PAST HEALTH. THE NEW FARM BILL WILL HELP IN THIS EFFORT.

I URGE MY COLLEAGUES TO VOTE TO APPROVE THE CONFERENCE REPORT.

MR. SYMMS. MR. PRESIDENT, I WISH TO SPEAK IN SUPPORT OF THE FARM BILL REPORTED OUT OF THE RECENT HOUSE-SENATE AGRICULTURE CONFERENCE. I COMMEND THE CONFEREES. ALTHOUGH I AM IN SUBSTANTIAL DISAGREEMENT WITH A NUMBER OF THE ACTIONS TAKEN, I FEEL THE CONFEREES PRODUCED BETTER LEGISLATION THAN WHAT WE STARTED WITH. CERTAINLY THIS BILL IS FAR FROM PERFECT, BUT I'M CONVINCED THAT THIS IS GOOD AS WE CAN DO UNDER THE CIRCUMSTANCES. MR. PRESIDENT, I'M NORMALLY NOT INCLINED TO QUOTE THE EDITORIALS IN THE WASHINGTON POST. HOWEVER, I'D LIKE TO CALL YOUR ATTENTION TO THE LAST SENTENCE OF A RECENT EDITORIAL. SPEAKING OF THE FARM BILL THE POST SAID, "IN A DIFFICULT AREA AND IN THE WORST OF YEARS CONGRESS HAS FINALLY ACQUITTED ITSELF RATHER WELL." WHILE IN MY OPINION THAT IS AN OVERSTATEMENT IT IS NOT COMPLETELY INCORRECT.

THIS BILL IS HEADED IN THE RIGHT DIRECTION. IT PROVIDES FOR LOWERING LOAN RATES ON BASIC COMMODITIES AND BASING THESE RATES ON MARKET PRICES. THAT IS BAD NEWS FOR SOME OF OUR FOREIGN COMPETITORS. FOR TOO LONG THEY HAVE USED OUR LOAN RATES -- SET AT ABOVE MARKET PRICES -- AS SHELTER UNDER WHICH THEY HAVE STEADILY INCREASED THEIR SHARE OF THE WORLD MARKET.

I AM VERY PLEASED THAT THIS BILL HAS AN AGGRESSIVE EXPORT TITLE. MR. PRESIDENT, OUR AGRICULTURAL ECONOMY CAN'T OPERATE AT PRESENT LEVELS WITHOUT SUBSTANTIAL EXPORT MARKETS. AS AN EXAMPLE, ABOUT 75 PERCENT OF IDAHO'S WHEAT CROP MUST BE EXPORTED. OUR FARMERS CAN COMPETE, HEAD TO HEAD, WITH ANYONE IN THE WORLD -- IF THEY ARE PLAYING ON A LEVEL PLAYING FIELD. HOWEVER, WE'RE NOT PLAYING ON A LEVEL FIELD, ON EVERY HAND OUR FOREIGN COMPETITORS ARE HEAVILY SUBSIDIZED. WE'RE IN A VITAL BATTLE FOR MARKETS AND WE'VE GOT TO SUPPORT OUR PRODUCERS.

THE CONSERVATION PROVISIONS ARE SOUND AND, IN THE LONG RUN, WILL BE VERY BENEFICIAL. I CERTAINLY SUPPORT THEM.

THE BILL HAS WEAKNESSES AND, OF COURSE, SOME VERY CONTROVERSIAL PROVISIONS.

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I'M VERY DISAPPOINTED THAT THE FOREIGN AGRICULTURAL INVESTMENT REFORM AMENDMENT THAT I INTRODUCED -- AND WHICH PASSED THE SENATE OVERWHELMINGLY -- WAS DELETED IN CONFERENCE. IT MAKES NO SENSE FOR US TO LOAN MONEY, AT VERY LOW INTEREST RATES, TO FOREIGN GOVERNMENTS TO FINANCE AGRICULTURAL PRODUCTION IN DIRECT COMPETITION WITH OUR OWN PRODUCERS. IT'S ESPECIALLY SENSELESS WHEN WE HAVE SURPLUSES AND ARE BUYING AND STORING OUR OWN SURPLUS CROPS. MR. PRESIDENT, FAIR IS A GOOD IDEA WHOSE TIME IS COMING. THIS ISSUE WILL BE BACK FOR CONSIDERATION.

IT'S ALSO VERY DISAPPOINTING TO ME AND MY STAFF THAT THE ANIMAL DAMAGE CONTROL AMENDMENT WAS DELETED FROM THE CONFERENCE REPORT. WE FELT SURE THAT THIS AMENDMENT WOULD PASS WITHOUT SERIOUS OPPOSITION. HOWEVER, WE HAVE MADE SUBSTANTIAL PROGRESS. AMENDMENT 31 IN THE CONTINUING RESOLUTION, WHICH MUST BE APPROVED BEFORE MIDNIGHT THURSDAY TO KEEP THE GOVERNMENT FUNCTIONING, CONTAINS AN AMENDMENT THAT FUNDS THE ADC PROGRAM IN THE DEPARTMENT OF AGRICULTURE FOR 1986. I HAVE NO REASON TO BELIEVE THAT THIS WON'T HAPPEN.

I RECOGNIZE THAT THE SUPPORT PRICE LEVELS ARE OPEN TO DEBATE. I KNOW OUR WHEAT GROWERS ARE NOT TOTALLY PLEASED. HOWEVER, I'M SURE THE CONFEREES ACTED ON THEIR BEST JUDGMENT.

THE DAIRY PROVISIONS ARE CERTAINLY CONTROVERSIAL IN IDAHO AND I SUSPECT IN OTHER STATES. I KNOW THE CATTLEMEN IN MY STATE ARE VERY CONCERNED ABOUT THE WHOLE HERD BUYOUT. I HOPE ADEQUATE PROVISIONS WILL BE MADE TO AVOID FLOODING THE CATTLE MARKETS TO EVERYONE'S DETRIMENT. A WAY HAS TO BE FOUND TO BRING THE DAIRY PROGRAM INTO BALANCE WITHOUT INJURING THE CATTLEMEN. HOWEVER, MY CONTRACTS WITH THE DEPARTMENT OF AGRICULTURE AREN'T TOO REASSURING.

THIS BILL CONTAINS A PROVISION TO MAKE FEDERAL AGENCIES BETTER NEIGHBORS BY MAKING MORE EFFICIENT CONTROL OF GRASSHOPPER INFESTATIONS ON PUBLIC LAND POSSIBLE.

THE SUGAR AND WOOL PROGRAMS ARE EXTENDED IN ABOUT THEIR PRESENT FORMS. AS THESE PROGRAMS ARE DESIGNED TO OPERATE WITH MINIMAL GOVERNMENT EXPENSE, I'M PLEASED TO SUPPORT THEM.

I'M IN GENERAL AGREEMENT WITH THE PORK AND BEEF PROMOTION PROVISIONS. I APPLAUD OUR LIVESTOCK PRODUCERS FOR TAKING THE INITIATIVE IN TRYING TO INCREASE THEIR MARKETS.

I BELIEVE THE CLEAR TITLE PROVISIONS REPRESENT A REASONABLE COMPROMISE. I'M NOT AS PLEASED WITH THE CARGO PREFERENCE RESOLUTION BUT RECOGNIZE IT AS A DIFFICULT ISSUE.

MR. PRESIDENT, I'M NOT GOING TO TRY TO DISCUSS ALL THE DETAILS OF THE BILL. OVERALL, I FEEL IT MERITS SUPPORT AND URGE THAT IT BE ENACTED. OUR FARMERS DESERVE TO KNOW THE RULES OF THE GAME.

MR. PRESIDENT, THIS IS A SUBJECT THAT IS NEAR AND DEAR TO MY HEART, FARM PROGRAMS AND FARMING, IN GENERAL. COMING FROM AN AGRICULTURAL STATE AND HAVING A FARMING BACKGROUND MYSELF, I REALLY WISH TO SAY THAT I THINK THAT THE LEADERSHIP OF THE AGRICULTURAL COMMITTEE AND SENATOR DOLE, THE MAJORITY LEADER, ALL DESERVE A STRONG PAT ON THE BACK AND COMMENDATION FROM NOT ONLY THE PEOPLE WHO COME FROM FARM STATES BUT FROM THE TAXPAYERS OF THIS COUNTRY.

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IT APPEARS TO ME THAT THE FARM BILL IS CHANGING THE COURSE AND THE DIRECTION OF OUR CURRENT FARM POLICY. UNDER OUR CURRENT FARM POLICY OUR FARMERS ARE GROWING GRAIN TO SELL TO THE GOVERNMENT AND THEN THE GOVERNMENT IS PAYING TO STORE IT, AND WE ARE LOSING THE MARKETS TO ARGENTINA, BRAZIL, AUSTRALIA, CANADA, AND WESTERN EUROPE. SO, THE FARMERS IN THOSE COUNTRIES HAVE BEEN CHEERING FOR OUR FARM PROGRAMS WHILE OUR FARMERS ARE FACING FINANCIAL DISRUPTIONS, BANKRUPTCIES, AND OTHER PROBLEMS.

I REALLY THINK THAT ALL OF MY COLLEAGUES, IF THEY HAVE NOT HAD THE OPPORTUNITY TO CAREFULLY PERUSE THROUGH WHAT THE CONFEREES CAME BACK WITH, SHOULD PERUSE IT, AND I WISH TO GIVE MY SUPPORT FOR THIS BILL.

I ONLY SAY, IN SUMMARY, I DO NOT LIKE GOVERNMENT PROGRAMS, BUT I WOULD SAY THAT YOU HAVE THREE CHOICES. THE FIRST CHOICE IS VOTE FOR THIS BILL, THIS CONFERENCE REPORT, WHICH IS A STEP IN THE RIGHT DIRECTION FOR FARM POLICY. AS SLOW AS IT MAY BE, IT AT LEAST STARTS ON THE COURSE OF GETTING US BACK INTO INTERNATIONAL COMPETITION. THE OTHER ALTERNATIVE WOULD BE TO EXTEND THE CURRENT FARM PROGRAM FOR ANOTHER YEAR, AND THAT IS AN UNMITIGATED DISASTER. WE KNOW THAT. SO WE DO NOT NEED TO DO THAT.

THE LAST COURSE WOULD BE TO GO BACK TO THE 1949 FARM ACT, WHICH WOULD BE AN EVEN WORSE DISASTER WITH 90 PERCENT OF PARITY LOCKED INTO THE LAW AND VERY RIGID ACREAGE CONTROLS. IT WOULD BE VERY UNFLEXIBLE, UNWORKABLE AND MOST COSTLY TO THE TAXPAYERS OF THE COUNTRY.

SO I THINK THE WISEST COURSE OF ACTION TO TAKE HERE TODAY IS TO PASS THIS CONFERENCE REPORT AND ENCOURAGE THE PRESIDENT TO GO AHEAD AND SIGN THE FARM BILL.

I MIGHT JUST SAY THAT THERE IS ONE PART OF THE FARM BILL THAT I HAVE A GREAT DEAL OF RESERVATION AND CONCERN ABOUT. ACTUALLY, THERE ARE MANY PARTS OF THE FARM BILL THAT ONE MIGHT HAVE CONCERNS AND RESERVATIONS ABOUT. SPECIFICALLY, I AM CONCERNED ABOUT THE AMERICAN CATTLEMEN. THE COWBOYS ARE ONE GROUP OF FARMERS WHO DO NOT COME INTO WASHINGTON AND HAVE THEIR HAND IN THE FEDERAL TROUGH. YET, IN ORDER TO SOLVE THE DAIRY PROBLEM, AND IT IS A PROBLEM, I AM FIRST TO ADMIT THAT, THERE HAS BEEN A VERY NEGATIVE IMPACT ON THE PRICE OF BEEF IN THIS COUNTRY AND I REGRET THAT A GREAT DEAL.

I DO NOT HAVE A SOLUTION. I KNOW THE CONFEREES WORKED VERY HARD TO COME UP WITH THIS WHOLE-HERD BUYOUT PROPOSAL. AS A MATTER OF FACT, THE DAIRY PEOPLE IN MY STATE FAVORED THIS. SO IT IS A MIXED BAG. BUT AS FAR AS THE COWBOYS, THE CATTLE PRODUCERS, WE PROP UP THE GRAIN PRICES, AND THEY HAVE TO PAY HIGHER GRAIN PRICES. WE HAVE WHOLE-HERD BUYOUTS AND THEN THOSE DAIRY COWS GO TO THE SLAUGHTERHOUSE AND DEPRESS THE PRICE.

I DO NOT KNOW THE ANSWER, BUT I DO HAVE A GREAT DEAL OF CONCERN FOR THE AMERICAN CATTLEMEN AND I THINK THEY DESERVE OUR HEARTIEST CONGRATULATIONS. I GUESS ONE THING WE COULD ALL DO IS ENCOURAGE EVERYONE TO GO BUY SOME BEEFSTEAK, THAT MIGHT HELP THEM AS MUCH AS ANYTHING. WE COULD ALSO DRINK A COUPLE EXTRA GLASSES OF MILK AND DO OUR PART TO HELP GET RID OF THE DAIRY SURPLUS.

MR. MELCHER. MR. PRESIDENT, WILL THE SENATOR YIELD?

MR. SYMMS. I AM HAPPY TO YIELD.

131 Cong Rec S 17923 Wednesday, December 18, 1985;(Legislative day of Monday, December 9, 1985)

MR. MELCHER. MR. PRESIDENT, I SAY TO MY FRIEND FROM IDAHO I HAVE SHARED THE SAME CONCERN ABOUT THE WHOLE-HERD BUYOUT PLAN THAT IS IN THE FARM BILL. IT WAS IN THE HOUSE-PASSED BILL, AND THE CONFEREES HAVE ACCEPTED IT WHERE THE SECRETARY OF AGRICULTURE IS AUTHORIZED TO BUY AN ENTIRE DAIRY HERD, TO TAKE IT OUT OF PRODUCTION. THE DAIRY CATTLE WOULD EITHER BE SOLD ABROAD OR WOULD BE SLAUGHTERED.

MY CONCERN IS LIKE THAT OF MY FRIEND FROM IDAHO, THAT THAT ADDED SLAUGHTER OF DAIRY COWS WOULD FURTHER DEPRESS THE COW MARKET FOR THE BEEF INDUSTRY.

NEVERTHELESS, AS IT WAS FINALLY ACCEPTED, THE CONFEREES AGREED TO BUY UP TO 200 MILLION POUNDS OF RED MEAT PER YEAR AND AT LEAST 100 MILLION POUNDS OF THAT RED MEAT THAT IS PURCHASED BY THE GOVERNMENT WILL HAVE TO BE FOR EXPORT.

SO TO THAT EXTENT THE CONFERENCE DID ADDRESS THE CONCERNS THAT THE SENATOR FROM IDAHO AND I SHARE.

MR. SYMMS. I THANK THE DISTINGUISHED SENATOR FOR THAT OBSERVATION. I THINK THAT IS A POINT THAT NEEDS TO BE MADE AND WIDELY ACKNOWLEDGED, THAT 100 MILLION POUNDS OF THIS WILL BE EXPORTED AND 100 MILLION POUNDS WILL GO IN THE SCHOOL LUNCH PROGRAMS AND OTHER PROGRAMS. IS THAT CORRECT?

MR. MELCHER. THAT IS RIGHT.

I MUST POINT OUT IT IS 200 MILLION POUNDS PER YEAR FOR 2 YEARS, AND THOSE 2 YEARS WILL ACTUALLY BE ONLY ABOUT 18 TO 20 MONTHS DURATION, SO IT WILL BE DURING 2 YEARS.

BUT THE POINT ABOUT RED MEAT SHOULD NOT GO IGNORED. IT IS NOT JUST BEEF; IT COULD BE PORK ALSO.

THE SENATOR IS CORRECT. OF THOSE 200 MILLION POUNDS, 100 MILLION POUNDS WOULD BE FOR THE DOMESTIC NUTRITION PROGRAMS SUCH AS SCHOOL LUNCH, AND 100 MILLION POUNDS WILL HAVE TO BE EXPORTED.

MR. SYMMS. I THANK THE SENATOR VERY MUCH.

I SAY TO THE SENATOR AND ALL SENATORS WHO WERE ON THE CONFERENCE THAT I JUST WANT TO SAY AGAIN, AS ONE MEMBER OF THE SENATE, I APPRECIATE THE JOB THE CONFEREES DID. I HAD THE PRIVILEGE OF BEING ON THE HOUSE AGRICULTURE COMMITTEE FOR 8 YEARS IN THE OTHER BODY, AND I WAS WATCHING VERY CAREFULLY WHAT THEY WERE DOING HERE TO KEEP TRACT OF IT.

I THINK THAT OUR SENATE CONFEREES ON BOTH SIDES OF THE AISLE DID AN EXCELLENT JOB OF TRYING TO PUT THE BEST FOOT FORWARD FOR A SOUND FARM POLICY FOR THE FUTURE.

AS I SAY, THE SENATOR MENTIONED ABOUT THE DAIRY-HERD BUYOUT, THE DAIRY PRODUCERS ARE GOING TO PAY FOR THIS COST. IT IS NOT GOING TO BE AN ADDITIONAL COST TO THE TAXPAYER, AS I UNDERSTAND THE PROGRAM. SO AT LEAST IT IS A SELF-SUPPORT PROGRAM THAT ADDRESSES ANOTHER PROBLEM THAT WE ALL HAVE, AND THAT IS A SURPLUS OF DAIRY PRODUCTS BEING PRODUCED IN THE COUNTRY.

SO, BY AND LARGE, I JUST THINK SENATOR HELMS AND SENATOR ZORINSKY AND THEIR CONFEREES DESERVE A PAT ON THE BACK, AND I WISH THEM A MERRY CHRISTMAS IN THE

PROCESS.

MR. STAFFORD. MR. PRESIDENT, THIS CONFERENCE REPORT ON THE FARM BILL CONTAINS LANGUAGE PURPORTING TO ENACT THE POLICY VOTED BY BOTH THIS BODY AND THE HOUSE REGARDING THE DEDUCTIBILITY OF THE SHELTER COSTS COVERED BY LOW INCOME HOME ENERGY ASSISTANCE PAYMENTS. DURING CONSIDERATION OF BOTH THE RECONCILIATION ACT AND THE FARM BILL, THE SENATE ADOPTED, BY 60 AND 63 VOTES, MY AMENDMENT STRIKING COMMITTEE LANGUAGE WHICH WOULD HAVE HAD THE EFFECT OF COUNTING LIHEAP BENEFITS AS INCOME WHEN FOOD STAMP BENEFITS, AND IN SOME CASES, ELIGIBILITY ARE DETERMINED.

AS A RESULT, THE POLICY ENUNCIATED IN THE 1980, 1981, AND 1984 LIHEAP ACTS, WHICH ALL PROHIBITED COUNTING ENERGY ASSISTANCE AS INCOME FOR ANY PURPOSE WAS CLEARLY REAFFIRMED; THE ORIGINAL COMMITTEE PROVISIONS MIGHT HAVE NEGATED THE DECISION OF THE U.S. EIGHTH CIRCUIT COURT IN THIS MATTER, BUT AS A RESULT OF THE AMENDMENT, NO ACTION HAS BEEN TAKEN WITH RESPECT TO THAT DECISION AND, IN ESSENCE, CURRENT LAW REMAINS UNCHANGED. SIMILAR LANGUAGE WAS ADOPTED BY THE HOUSE.

WHILE THE CONFERENCE REPORT APPEARS IN MANY RESPECTS TO IMPLEMENT OUR INTENT, I HAVE A CONTINUING CONCERN AS TO WHETHER THE COMPLEX FORMULATIONS ADOPTED WITH RESPECT TO MULTIPLE STANDARDS FOR UTILITY ALLOWANCE AND WITH RESPECT TO OUT OF POCKET COSTS ADEQUATELY AND CLEARLY PROTECT THE RECIPIENT OF FOOD STAMPS AND ENERGY ASSISTANCE AS CONGRESS INTENDS. THE REQUIREMENT OF HAVING OUT OF POCKET COSTS TO QUALIFY FOR A STANDARD ALLOWANCE SEEMS INCONSISTENT WITH THE OTHER PROVISIONS OF THE ACT AND IS CERTAINLY INCONSISTENT WITH THE VOTES ON THE FLOOR OF THE SENATE. FURTHER, THE FLEXIBILITY ALLOWED THE STATES WITH RESPECT TO INTERPRETATION OF THE STANDARD ALLOWANCE PROVISIONS MAY BE SO BROAD AS TO PERMIT DISCRIMINATION AGAINST LIHEAP RECIPIENTS WHICH IS CONTRARY TO THE INTENT OF CONGRESS.

ON A POSITIVE NOTE, THE CONFERENCE COMMITTEE CHOSE TO REMAIN SILENT ON THE DEDUCTIBILITY OF COSTS PAID BY THE ENERGY ASSISTANCE PROGRAM AND THUS LEFT STAND THE RECENT COURT DECISIONS ON THIS ISSUE.

WHEN THE REAUTHORIZATION FOR THE LIHEAP BLOCK GRANT IS CONSIDERED BY THE LABOR AND HUMAN RESOURCES COMMITTEE NEXT YEAR, I WILL EXAMINE THIS MATTER AS PART OF THE COMMITTEE'S LEGISLATIVE REVIEW OF THE PROGRAM TO MAKE SURE THAT BOTH ACTS CONSISTENTLY ENSURE THAT ENERGY ASSISTANCE IS DISREGARDED AS INCOME.

MR. BENTSEN. MR. PRESIDENT, I SUPPORT THE FARM BILL NOW BEFORE THE SENATE, NOT BECAUSE IT IS GOING TO SOLVE OUR FARM PROBLEMS, BUT BECAUSE IT IS THE BEST THAT WE CAN DO WITHIN THE LIMITS THAT HAVE BEEN IMPOSED ON US. ALL IN ALL, IT IS A MAJOR STEP FORWARD IN OUR AGRICULTURAL POLICY. IT PROVIDES A NUMBER OF IMPORTANT NEW TOOLS, SUCH AS MARKETING LOANS, THAT WILL ALLOW US TO MOVE AGGRESSIVELY BACK INTO AGRICULTURAL EXPORT MARKETS.

I APPRECIATE THE WORK AND THE COOPERATION OF THE MEMBERS AND STAFF OF THE SENATE AGRICULTURE COMMITTEE IN ADDRESSING MANY OF MY CONCERNS ON THIS BILL. THE CHAIRMAN OF THE COMMITTEE, SENATOR HELMS, AND THE RANKING MEMBER, SENATOR ZORINSKY, AND THEIR STAFFS WERE MOST HELPFUL AND CONSIDERATE, AS WERE THE OTHER MEMBERS OF THE COMMITTEE.

I ESPECIALLY APPRECIATE THE WORK OF THE DISTINGUISHED SENATOR FROM MISSISSIPPI [MR.



COCHRAN]. I WAS PLEASED TO COLLABERATE WITH HIM ON A NUMBER OF AMENDMENTS TO THIS BILL, AND HE HAS DONE OUTSTANDING WORK FOR THE FARMERS OF MISSISSIPPI AND OF THE NATION.

IT IS FINALLY TIME TO PASS THE 1985 FARM BILL. WE MUST HAVE A FARM BILL NOW. WHEAT FARMERS THROUGHOUT TEXAS AND IN MANY OTHER STATES HAVE HAD TO PLANT WITHOUT A FARM PROGRAM. THEY DO NOT KNOW HOW MUCH TO PLANT, THEY HAD TO GUESS. COTTON FARMERS IN SOUTH TEXAS HAVE HAD TO PUT DOWN HERBICIDES ALREADY. THAT ACTION LOCKS THEM IN ON THEIR PLANTING DECISIONS. THEY WILL START PLANTING MILO IN LATE JANUARY OR EARLY FEBRUARY. THEY WILL START PLANTING COTTON ABOUT MID-FEBRUARY. WHEAT FARMERS CAN GRAZE OUT THEIR EXCESS ACRES, AND THIS BILL WILL ALLOW THEM TO DO THAT AS WELL AS PROVIDING DIVERSION PAYMENTS FOR WHEAT FARMERS WHO HAVE ALREADY PLANTED. THOSE ARE PROVISIONS I HAVE STRONGLY SUPPORTED. BUT COTTON AND MILO FARMERS CANNOT GRAZE OUT THEIR EXCESS. THEY MUST PLANT EXACTLY WHAT THEY WANT TO HARVEST.

I HAVE TALKED TO SECRETARY OF AGRICULTURE BLOCK. HE HAS GIVEN ME HIS PERSONAL ASSURANCES THAT THE 1986 FARM PROGRAMS WILL BE ANNOUNCED IMMEDIATELY AFTER THIS BILL IS ENACTED INTO LAW. I APPRECIATE THOSE ASSURANCES, AND MANY FARMERS ARE DEPENDING ON THOSE ASSURANCES. I HAVE DONE EVERYTHING I COULD TO SEE THAT ALL FARMERS GET A FARM PROGRAM AS SOON AS POSSIBLE, AND THAT THE SECRETARY OF AGRICULTURE WOULD HAVE THE AUTHORITY NECESSARY TO ANNOUNCE THOSE PROGRAMS BEFORE CONGRESS RECESSES FOR CHRISTMAS. THAT HAS NOW BEEN DONE.

IN ADDITION, PROVISIONS HAVE BEEN MADE IN THE BILL TO SEE THAT THIS YEAR'S PROBLEMS NEVER NEED ARISE AGAIN. THESE PROVISIONS ARE MADE THROUGH THE INCLUSION OF LANGUAGE FROM ONE OF MY SENATE FLOOR AMENDMENTS. MY ADVANCE ANNOUNCEMENT AMENDMENT GIVES THE SECRETARY OF AGRICULTURE THE AUTHORITY, WHENEVER A FARM PROGRAM IS NOT ANNOUNCED BY THE DEADLINE SET BY LAW, TO ALLOW FARMERS HURT BY THAT DELAY TO CHOOSE BETWEEN LAST YEAR'S PROGRAM AND THIS YEAR'S PROGRAM FOR THAT COMMODITY. THAT AUTHORITY EXTENDS FOR 1 YEAR MORE THAN THE FARM BILL COMMODITY TITLES, SO THAT IT WILL PROVIDE PROTECTION DURING THE NEXT FARM BILL.

THE SECRETARY CAN OFFER AFFECTED FARMERS THE CHOICE OF LAST YEAR'S ACREAGE BASES AND ACREAGE REDUCTIONS, WHEAT GRAZING AUTHORITY, AND OTHER PROGRAM DETAILS NECESSARY TO MAKE PLANTING DECISIONS. OR HE CAN OFFER THEM THE FULL PROGRAM, INCLUDING PRICE SUPPORTS. THIS SHOULD NEVER BE NECESSARY DURING THE FARM BILL, BECAUSE PROGRAM ANNOUNCEMENT DEADLINES ARE SET BY LAW. IF IT IS USED THEN, THE ANNOUNCEMENT OF BASES AND ACREAGE REDUCTIONS MAY WELL BE SUFFICIENT UNDER SOME CIRCUMSTANCES, SUCH AS WHEN THE PRICE SUPPORTS ARE ALREADY SET BY LAW.

THIS SECTION WILL BECOME EXTREMELY IMPORTANT, HOWEVER, IN A FARM BILL YEAR, IN A YEAR IN WHICH THE SECRETARY DOES NOT HAVE THE AUTHORITY TO ANNOUNCE THE NEW PROGRAM. I FEEL, AND IT IS ALSO SO STATED IN THE STATEMENT OF MANAGERS, THAT THIS SECTION IS ESPECIALLY INTENDED FOR THE NEXT FARM BILL YEAR. IN THAT YEAR THE SECRETARY OF AGRICULTURE SHOULD PROVIDE THE FULL PROGRAM OPTION TO FARMERS. WITHOUT HAVING PRICE SUPPORT LEVELS, FARMERS CANNOT GET FINANCING FOR THEIR CROPS.

THIS SECTION HAS BEEN MADE DISCRETIONARY, RATHER THAN MANDATORY, BY THE CONFEREES. BUT THAT SHOULD NOT, IN MY ESTIMATION, REDUCE ITS EFFECTIVENESS. ANY REASONABLE SECRETARY OF AGRICULTURE WOULD NOT DENY FARMERS THE INFORMATION THEY

NEED TO MAKE PLANTING DECISION IN A TIMELY FASHION. THE END RESULT WILL BE THAT 1990 WILL BE THE FIRST FARM BILL IN MEMORY IN WHICH WHEAT FARMERS WILL HAVE A FARM PROGRAM BEFORE THEY PLANT. IT WILL BE THE FIRST TIME THAT EARLY-PLANTING SOUTHERN STATES CANNOT BE HELD HOSTAGE BECAUSE OF THEIR UNIQUE NEED FOR EARLY PASSAGE OF A FARM BILL. WE WILL ALL BE ON EQUAL FOOTING.

A NUMBER OF OTHER AMENDMENTS IN WHICH I WAS ACTIVELY INVOLVED ARE ALSO INCLUDED IN THIS BILL. WITH THE ASSISTANCE AND COOPERATION OF THE MEMBERS OF THE SENATE AGRICULTURE COMMITTEE AND THEIR STAFFS, A NUMBER OF THOSE CHANGES WHICH I HAD THOUGHT WERE NEEDED HAVE BEEN INCORPORATED INTO THE BILL NOW BEFORE US. I WOULD LIKE TO MENTION JUST A FEW OF THOSE CHANGES.

THIS BILL WILL GET THE 1986 FARM PROGRAM ANNOUNCED. IT WILL PREVENT THIS YEAR'S PROBLEMS WITH ANNOUNCEMENT DATES FROM HAPPENING AGAIN.

IT FREEZES YIELDS FOR 5 YEARS, BUT THE FREEZE CALCULATION IS DONE USING PROGRAM YIELDS INSTEAD OF ACTUAL YIELDS. THIS PREVENTED CUTS OF UP TO 43 PERCENT IN DEFICIENCY PAYMENTS TO MANY TEXAS FARMERS, PARTICULARLY WEST TEXAS COTTON PRODUCERS.

IT INCLUDES THE CLEAR TITLE LEGISLATION WHICH I COSPONSORED WITH THE DISTINGUISHED SENATOR FROM MISSISSIPPI [MR. COCHRAN]. IT WILL IMPLEMENT IN EARLY 1985 A MARKETING LOAN PROGRAM FOR RICE TO IN ORDER TO RE-ACTIVATE WHAT IS NOW A DEAD MARKET. IT WILL EXTEND THE PEANUT AND WOOL PROGRAMS WITHOUT CRIPPLING CHANGES.

IT WILL CONTINUE THE SECRETARY'S AUTHORITY TO PROVIDE DISASTER PAYMENT PROTECTION TO FARMERS. IT WILL REQUIRE, FOR THE FIRST TIME, PREVENTED-PLANTING DISASTER PAYMENTS IF FEDERAL CROP INSURANCE COVERAGE IS NOT AVAILABLE. IT WILL RETAIN THE CURRENT CEILINGS ON FARMERS HOME ADMINISTRATION LOANS, RATHER THAN LOWERING THEM SHARPLY.

THE COTTONSEED INDUSTRY IS PROTECTED AGAINST PRICES SHOCKS RIPPLING IN FROM SOYBEANS THIS YEAR, FIRST BECAUSE OF MY AMENDMENT WHICH THE SENATE ADOPTED AND SECOND BECAUSE THE CONFEREES DELETED THOSE CHANGES IN THE SOYBEAN PROGRAM.

THE BILL WILL BREAK THE CURRENT LOGJAM OVER CARGO PREFERENCE AND ALLOW USDA EXPORT CREDIT PROGRAMS TO WORK EFFECTIVELY ONCE AGAIN. IT WILL HELP TEXAS DAIRY FARMERS BOTH THROUGH A LONG-OVERDUE ADJUSTMENT IN THE PRICE DIFFERENTIALS AND THROUGH A WHOLE-HERD BUYOUT PROVISION. IT WILL PROVIDE FOR A MORE EFFECTIVE AGRICULTURAL EXPORT POLICY BY GETTING THE SPECIAL TRADE REPRESENTATIVE, OUR TOP TRADE OFFICIAL, INVOLVED DIRECTLY IN RECOMMENDING ACTIONS TO COUNTER AGRICULTURE TRADE PROBLEMS.

THERE ARE MANY OTHER PROVISIONS IN THIS BILL IN WHICH I HAD AN ACTIVE INTEREST ON BEHALF OF TEXAS FARMERS, BUT I WILL NOT TAKE THE TIME OF THE SENATE ON THEM. OTHERS HAVE ALREADY SPOKEN MORE EXTENSIVELY THAN I. I WOULD SIMPLY SAY THAT THE TOOLS ARE NOW THERE TO DO THE JOB. THE CHALLENGE NOW IS TO USE THEM WELL.

WE HAVE GIVEN GOOD TOOLS TO THE ADMINISTRATION. TO GET GOOD RESULTS, ESPECIALLY IN AGRICULTURAL EXPORTS, THEY WILL HAVE TO BE USED WELL. AS THE RANKING MEMBER OF THE INTERNATIONAL TRADE SUBCOMMITTEE I HAVE BEEN ACTIVELY INVOLVED IN TRADE ISSUES, INCLUDING AGRICULTURAL TRADE. IN THAT CAPACITY AND IN MY CAPACITY AS THE SENIOR SENATOR FROM TEXAS, ONE OF OUR LARGEST AGRICULTURAL STATES, I WILL BE WORKING HARD

ON THIS. I INTEND TO HELP IN EVERY WAY POSSIBLE TO SEE THAT THE TRADE TOOLS IN THIS BILL, AND THE OTHER TRADE TOOLS AVAILABLE TO THE ADMINISTRATION, ARE USED WISELY AND WELL AND AS OFTEN AS NEEDED.

THEIR TRACK RECORD SO FAR IS VERY POOR, BUT THERE HAVE BEEN A FEW STEPS FORWARD RECENTLY. IF OUR FARMERS ARE TO GET THE HELP THEY NEED, THOSE HESITANT STEPS WILL HAVE TO TURN INTO A DEAD RUN VERY SOON.

MR. PRESIDENT, I URGE PASSAGE OF THIS BILL SO THAT WE CAN GET ON WITH THE CRITICAL JOB OF REVIVING OUR AGRICULTURAL ECONOMY.

MR. DECONCINI. MR. PRESIDENT I RISE IN OPPOSITION TO THE CONFERENCE REPORT ON FARM CREDIT WHICH PASSED THE SEANTE LAST NIGHT. I OPPOSED THE BILL WHEN IT WAS FIRST CONSIDERED IN THE SENATE AND I HAVE SEEN NOTHING IN THE CONFERENCE REPORT TO CHANGE MY VIEWS ON THIS LEGISLATION. FIRST, LET ME STATE THAT I HAVE ALWAYS OPPOSED BAILOUTS. I OPPOSED THE BAILOUT OF NEW YORK CITY, THE BAILOUT OF CHRYSLER AND THE BAILOUT OF CONTINENTAL ILLINOIS. HOWEVER, IF I HAD BELIEVED THAT THIS FARM CREDIT BILL WOULD HAVE REALLY HELPED FARMERS IN AMERICA I MIGHT HAVE BROKEN MY STRONG RECORD AND SUPPORTED IT. BUT THIS BILL IS NOT A BAILOUT OF FARMERS -- IT IS A BAILOUT OF INVESTORS.

SINCE THIS SESSION BEGAN, WE HAVE SPENT MANY DAYS -- AND MANY NIGHTS -- DEBATING THE FATE OF AMERICA'S FARMERS. THERE HAS BEEN MUCH GNASHING OF TEETH AND PULLING OF HAIR IN THE SENATE ON HOW BEST TO HELP THE FAMILY FARMER. BUT IF THIS FARM CREDIT BILL IS ANY INDICATION OF OUR TRUE CONCERN FOR THE FARMERS, I DON'T BELIEVE WE ARE AT ALL, BECAUSE THIS BILL IS A FARM CREDIT SYSTEM INVESTOR BAILOUT. THESE INVESTORS, BE THEY BIG CITY BANKS OR FOREIGN CORPORATIONS OR WHOMEVER, WENT INTO THIS WITH THEIR EYES WIDE OPEN. IT IS AN ACCEPTED ECONOMIC PRINCIPLE THAT WITH HIGHER YIELD COME HIGHER RISKS. FARM CREDIT SYSTEM BONDS ARE NO EXCEPTION TO THIS PRINCIPLE. I HAVE NO SYMPATHY FOR INVESTORS WHO TAKE LOUSY INVESTMENT ADVICE AND MAKE LOUSY BUSINESS DECISIONS -- THAT IS PART OF OUR FREE ENTERPRISE SYSTEM, THE RIGHT TO MAKE A MISTAKE. DO NOT BE MISLED INTO THINKING THAT ANY OF THESE INVESTORS WERE IN THIS TO HELP OUT THE POOR FARMER, BECAUSE THEY WEREN'T. THEY TOOK A RISK AND PERHAPS NOW THEY WILL HAVE TAKEN A BAD RISK. BUT BAILING OUT THE INVESTORS IS NOT GOING TO HELP THE FARMERS.

I AM CONVINCED THAT IF WE REALLY WANT TO WE COULD FORMULATE FARM CREDIT LEGISLATION WHICH WILL HELP ASSUAGE THE PROBLEMS FACING MANY FARMERS. THE CREDIT CRUNCH IS REAL, BUT THAT IS NOT AT QUESTION HERE. THE QUESTION IS HOW DO WE HELP THE FARMERS. THIS BILL IS NOT THE ANSWER.

MR. NICKLES. MR. PRESIDENT. IT IS NO NEWS TO ANYONE THAT AMERICAN AGRICULTURE IS AT A CROSSROADS IN HISTORY. THE PATH ON WHICH IT IS STRUGGLING TODAY IS, I FEAR, HEADED DOWN A DEAD END ROAD. THE FARM BILL CONGRESS IS APPROVING TODAY WILL NOT CHANGE THE COURSE OF THIS PATH.

THERE IS GREAT MISERY OUT ON THE FARM. DURING THE PAST FEW YEARS, I HAVE TALKED WITH THOUSANDS OF FARMERS AND RANCHERS ACROSS OKLAHOMA AND THE MOOD IS DEPRESSED. FOR MOST FAMILY FARMERS, LIFE IN RURAL AMERICA HAS BECOME BLEAK.

FARMERS ARE UP AGAINST THE WALL BECAUSE OF SUSTAINED LOW COMMODITY PRICES, FALLING LAND VALUES, AND HIGH INTEREST RATES. RECENT FARM PROGRAMS HAVE FAILED TO PROVIDE ADEQUATE INCOME PROTECTION DESPITE RECORD AMOUNTS OF MONEY POURED INTO

THESE PROGRAMS. THEY HAVE ALSO FAILED TO HOLD DOWN PRODUCTION AND, IN FACT, HAVE HAD MANY BUILT-IN INCENTIVES TO PRODUCE BEYOND OUR ABILITY TO CONSUMER AND EXPORT.

THE 1985 FARM BILL WILL DO VERY LITTLE TO CHANGE THESE PROBLEMS.

YES, THERE ARE A FEW POSITIVE ASPECTS OF THIS BILL. IT DOES CONTAIN MY PROPOSAL TO ALLOW FARMERS TO MAXIMIZE PROGRAM BENEFITS ON HALF OF THEIR PRODUCTION ACREAGE. UNDER THIS PROGRAM, FARMERS WOULD BE ABLE TO RECEIVE A FAIR PRICE ON AT LEAST PART OF THEIR ACREAGE, AND WOULD BE ABLE TO DIVERSIFY WITHOUT RISKING REDUCTIONS IN THEIR ACREAGE BASE.

HOWEVER, THIS FARM BILL, OVERALL, FALLS FAR SHORT OF WHAT IS REALLY NEEDED ON THE FARM. IT SHOWS TOO LITTLE UNDERSTANDING OF WHAT OUR FARMERS AND RANCHERS NEED.

IT HAS BEEN PREDICTED THAT IF CONDITIONS IN THE AGRICULTURE SECTOR DON'T IMPROVE OVER WHAT THEY HAVE BEEN FOR THE LAST 3 YEARS, A QUARTER OF THE NATION'S PRODUCERS COULD BE FORCED OUT OF BUSINESS. THE FAMILY FARM IS AT THE VERY HEART OF OUR NATION'S ECONOMY AND WE CAN'T AFFORD FOR IT TO FAIL.

FACING THE POSSIBILITY OF FORECLOSURE IS A FRIGHTENING PROSPECT FOR ANYONE IN BUSINESS, BUT CONSIDER THE ADDED PLIGHT OF THE FARMER. THE FARM IS MORE THAN HIS BUSINESS, IT IS HIS LIFE. AND THE WORST PART OF THIS IS THAT THE FINANCIAL CRISIS MANY FARMERS ARE FACING IS NOT A RESULT OF MISTAKES OR POOR BUSINESS DECISIONS ON THEIR PART. RATHER, A LARGE PART OF THE BLAME RESTS ON THE FEDERAL GOVERNMENT.

THE GOVERNMENT HAS ALLOWED INTEREST RATES AND INFLATION TO GO SKY HIGH; IMPOSED EMBARGOS ON SOVIET GRAIN PURCHASES; AND IGNORED THE EVER-GROWING DEFICIT. AND FARMERS ARE PAYING THE PRICE.

WHAT DOES THE FEDERAL GOVERNMENT OWE THE FARMERS? AT THE VERY LEAST, IT OWES THEM COMPASSION, UNDERSTANDING, AND WILLINGNESS TO OFFER SOME CONSISTENT GUIDELINES BEFORE PLANTING SEASON TO HELP FARMERS MAKE DECISIONS. THE FEDERAL GOVERNMENT HAS BEEN INTERFERING WITH THE FARMER'S BUSINESS FOR ABOUT 50 YEARS NOW AND, QUITE FRANKLY, HAS NOT DONE A VERY GOOD JOB.

IT HAS ALWAYS BEEN MY CONTENTION THAT THE BEST ASSISTANCE FARMERS CAN GET WILL BE THE REDUCTION OF THE FEDERAL DEFICIT. THIS WOULD ASSURE LOWER INTEREST RATES, AND REDUCE THE VALUE OF THE DOLLAR TO HELP SELLING TO FOREIGN MARKETS. ADDITIONALLY, WE NEED TO BE MORE AGGRESSIVE WITH OUT TRADE POLICY, AND DO ALL THAT WE CAN TO BE MORE COMPETITIVE IN THE WORLD MARKET. THE 1985 FARM BILL DOES LITTLE OF THIS. IN FACT, IT DOESN'T ADEQUATELY MAINTAIN FARM INCOME THROUGH THESE VERY WORST OF TIMES.

THIRTY YEARS AGO FARMERS RECEIVED \$1.99 FOR A BUSHEL OF WHEAT. TEN YEARS AGO THE SAME BUSHEL WOULD BRING \$3.40. TODAY, OKLAHOMA FARMERS FIND THE DOWNWARD MARKET OFFERING A DISMAL \$2.85 PER BUSHEL. A SINGLE BUSHEL OF WHEAT PRODUCES SEVENTY-THREE #1 POUND LOAVES OF BREAD, AND YET A FARMER'S SHARE OF A DOLLAR LOAF OF BREAD IS LESS THAN 4 CENTS. THIS FARM BILL DOESN'T CHANGE THAT EITHER.

I'M NOT SAYING THAT THIS ON ANY FARM BILL CAN CURE ALL THE ILLS FACING OUR FARMERS; IT CANNOT. BUT THE LEAST IT COULD DO IS FULLY RECOGNIZE THE DEEP AND SERIOUS PROBLEMS ON THE FARM BY MAINTAINING AND NOT DECREASING FARM INCOME. UNDER THIS BILL, CARGO PREFERENCE SUBSIDIES, WHICH COST FARMERS AND TAXPAYERS, INCREASE 50 PERCENT, FOOD

STAMP COSTS INCREASE MILLIONS OF DOLLARS, BUT FARMERS ARE FACED WITH TARGET PRICE REDUCTIONS OF 10 PERCENT OVER THE LIFE OF THE BILL.

THE SOCIAL FABRIC OF RURAL AMERICA IS TEARING UNDER THE STRAIN CAUSED BY FARM FAILURES, BANK CLOSINGS AND THE MIGRATION OF RURAL FAMILIES TO URBAN AREAS. THIS FARM BILL DOESN'T MEND THAT FABRIC. FOR THESE REASONS, I WILL VOTE AGAINST THE 1985 FARM BILL.

FARM BILL STILL TOO COSTLY TOO INEFFECTIVE TO SUPPORT

MR. PELL. MR. PRESIDENT, WE HAVE LABORED FOR MANY DAYS AND HAVE MADE MANY IMPROVEMENTS IN THE FARM BILL BUT, EVEN AFTER A ROUND OF LAST-MINUTE BUDGET CUTS IN CONFERENCE, IT REMAINS TOO EXPENSIVE AND TOO INEFFECTIVE FOR ME TO SUPPORT.

THIS MEASURE, ACCORDING TO THE DEPARTMENT OF AGRICULTURE, WOULD COST ABOUT \$52 BILLION FOR FARM SUPPORT PROGRAMS DURING THE FIRST 3 YEARS OF THIS 5-YEAR BILL. THAT IS FAR TOO MUCH TO REPEAT THE MISTAKES OF THE PAST.

DURING SENATE CONSIDERATION OF THE FARM BILL, I OPPOSED EFFORTS TO BOOST FEDERAL PAYMENTS TO CORPORATE AGRICULTURAL INTERESTS. AT THE SAME TIME, I SUPPORTED EFFORTS TO REDUCE THE BLOATED SUBSIDIES THAT PUSH OUR FARM ECONOMY EVEN MORE OFF-BALANCE BY ENCOURAGING OUR FARMERS TO OVER-PRODUCE.

IT IS BECOMING INCREASINGLY APPARENT THAT OUR AGRICULTURAL POLICY IS BANKRUPT, LIKE MANY OF THE FARMERS WHO TRUSTED THE EASY CREDIT MADE AVAILABLE BY THE FEDERAL GOVERNMENT AND OVER EXTENDED THEIR OPERATIONS.

WE NEED TO AID THE FARMERS AND, AS SOME OBSERVERS HAVE SAID, WE NEED TO SET AN INCOME FLOOR TO ASSURE THAT FARMERS ARE NOT WIPED OUT BY THE VAGARIES OF WEATHER AND MARKET CONDITIONS BEYOND THEIR CONTROL.

I UNDERSTAND AND SUPPORT THE NEED TO ESTABLISH AN INCOME FLOOR, BUT WE ARE NOT DOING THAT IN THIS BILL. WE ARE TARGETING MOST OF OUR AID TO THE WEALTHIEST FARMERS WHO NEED IT LEAST AND WE ARE ENCOURAGING FARMERS TO PRODUCE FOR GOVERNMENT WAREHOUSES AND NOT CONSUMERS.

THE CONFERENCE REPORT, MOREOVER, DOES AWAY WITH SOME OF THE PROGRESS WE MADE IN REDUCING SUBSIDIES, SUCH AS THOSE FOR PEANUTS AND SUGAR. IT ALSO DOES AWAY WITH THE SENATE ELIMINATION OF THE LAVISH HONEY PROGRAM. NEITHER CONSUMERS NOR TAXPAYERS BENEFITS FROM THESE CHANGES.

CLEARLY WE MUST ACT TO PROTECT THE FARM ECONOMY. THIS FARM BILL, HOWEVER, ONLY REPEATS THE MISTAKES OF THE PAST BY CONTINUING ENORMOUS FARM SUBSIDIES THAT REWARD THE WEALTHY, AT GREAT COST TO THE TAXPAYERS AND CONSUMERS, AND DO LITTLE FOR THOSE WHO NEED HELP THE MOST.

I HAVE WORKED FOR MEASURES THAT WOULD HAVE REDUCED SOME OF THE ENORMOUS SUBSIDIES AND ELIMINATED SOME OF THE NEEDLESS FEDERAL LARGESSE IN THE FARM BILL. WE DID NOT MAKE ENOUGH CHANGES, UNFORTUNATELY, TO CUT THIS EXPENSIVE BILL DOWN TO SIZE OR TO MAKE IT AN EFFECTIVE VEHICLE TO AID THE NATION'S FARMERS.

FOR THAT REASON, AFTER CONSIDERABLE REFLECTION, I DECIDED I COULD NOT SUPPORT

## FINAL PASSAGE OF THE FARM BILL IN ITS CURRENT FORM.

MR. THURMOND. MR. PRESIDENT, I RISE IN SUPPORT OF THE CONFERENCE REPORT ON THE 1985 FARM BILL. THIS COMPREHENSIVE LEGISLATION REPRESENTS A CONCERTED EFFORT BY ALL INDIVIDUALS INVOLVED TO IMPROVE THE MARKETABILITY OF AMERICAN FARM PRODUCTS ABROAD. THE CONGRESS HAS LABORED MANY MONTHS TO REDUCE THE COST OF FARM PROGRAMS TO THE FEDERAL GOVERNMENT WITHOUT JEOPARDIZING THE ECONOMIC STABILITY OF OUR FARMERS.

THIS BILL CONTAINS A CONSERVATION TITLE THAT WILL IMPROVE OUR EFFORTS TO PRESERVE OUR LAND FOR FUTURE GENERATIONS. THE STRONG EXPORT TITLE, COMBINED WITH LOWER LOAN RATES ON SEVERAL COMMODITIES, WILL ENCOURAGE FOREIGN NATIONS TO PURCHASE AMERICAN GOODS AND STIMULATE OUR DEPRESSED AGRICULTURAL ECONOMY. FURTHERMORE, THE BILL PROVIDES A MECHANISM FOR THE SECRETARY OF AGRICULTURE TO MAKE ADDITIONAL REDUCTIONS IN PRICE SUPPORTS IN RESPONSE TO COMPETITIVE CHANGES IN THE WORLD MARKET.

THE DAIRY PROVISION WILL ALLOW SOME FARMERS TO GET OUT OF PRODUCTION WITHOUT SUFFERING A TERRIBLE ECONOMIC LOSS, THEREBY REDUCING OUR OVERPRODUCTION OF DAIRY PRODUCTS. ALTHOUGH I AM DISAPPOINTED BY THE ASSESSMENT LEVELED ON DAIRY FARMERS, I AM ENCOURAGED BY THE PROVISION TO TERMINATE THIS "MILK TAX" ON OCTOBER 1, 1987.

THE 1985 FARM BILL IS A VERY LARGE STEP IN THE RIGHT DIRECTION FOR AMERICAN AGRICULTURE. I URGE MY COLLEAGUES TO VOTE FOR ADOPTION OF THIS CONFERENCE REPORT.

MR. KASTEN. MR. PRESIDENT, I RISE IN OPPOSITION TO H.R. 2100, THE 1985 FARM BILL.

I OPPOSE THIS LEGISLATION WITH A GREAT DEAL OF RELUCTANCE, BECAUSE I KNOW HOW MUCH OUR FARMERS NEED A FARM BILL, AND HOW IMPORTANT IT IS FOR THEM TO HAVE SOME INDICATION ABOUT WHAT GOVERNMENT POLICY TOWARD AGRICULTURE IS GOING TO BE.

BUT WHILE NO PIECE OF LEGISLATION THIS LARGE AND COMPLICATED CAN POSSIBLY PLEASE EVERYONE, THIS FARM BILL CONTAINS MORE THAN ITS SHARE OF FLAWED AND MISGUIDED PROVISIONS WHICH WE WILL REGRET HAVING PASSED.

MR. PRESIDENT, I WAS ESPECIALLY DISAPPOINTED TO SEE THE CONFERENCE COMMITTEE ADOPT THE VERY WORST FEATURE OF THE DAIRY TITLE APPROVED BY THE HOUSE, THE LEGISLATED INCREASES IN CLASS I DIFFERENTIALS IN MOST OF THE NATION'S MARKETING ORDER REGIONS.

CLASS I DIFFERENTIALS, WHEN ADDED TO THE M-W PRICE FOR MANUFACTURING-GRADE MILK, DETERMINE THE GUARANTEED MINIMUM PRICE FOR MILK SOLD FOR FLUID USE. BY ARBITRARILY RAISING THEM IN SOUTHERN AND SOUTHEASTERN MARKETING ORDERS, THE CONFERENCE REPORT WILL STIMULATE GREATER MILK PRODUCTION IN THOSE ORDERS AT A TIME WHEN WE ARE TRYING TO REDUCE A MASSIVE DAIRY SURPLUS. THE INCREASED PRICES FOR MILK WILL ALSO DEPRESS CONSUMPTION AT A TIME WHEN WE NEED TO ENCOURAGE IT.

MOREOVER, THE HIGHER GUARANTEED MINIMUM PRICES FOR SOUTHERN DAIRY FARMERS WILL INCREASE THE INCENTIVE FOR THOSE FARMERS TO REMAIN IN THE INDUSTRY AND REFUSE TO PARTICIPATE IN THE WHOLE-HERD BUYOUT PROGRAM. THIS WILL PLACE AN UNFAIR BURDEN FOR REDUCING MILK PRODUCTION ON THE TRADITIONAL HEART OF THE DAIRY INDUSTRY, WISCONSIN AND THE UPPER MIDWEST. IRONICALLY, IT WILL BE THE MOST EFFICIENT, LOWEST COST OF PRODUCTION DAIRYING REGION THAT WILL LOSE THE MOST DAIRY PRODUCTION UNDER

THIS PROGRAM.

OF COURSE, THINGS MAY NOT WORK OUT THIS WAY. WHAT MAY HAPPEN IS THAT INCREASED CLASS I PRICES WILL DETER PARTICIPATION IN THE WHOLE-HERD BUYOUT PROGRAM IN THE SOUTHEAST, AND THAT PRODUCERS IN THE UPPER MIDWEST WILL DECIDE THAT THEY HAVE NO ALTERNATIVES TO DAIRYING EVEN WITH THE BUYOUT PAYMENTS. IN MANY PARTS OF WISCONSIN, THERE ARE NO ALTERNATIVES IN AGRICULTURE TO DAIRYING. SO UNDER THIS SCENARIO, THE BUYOUT PROGRAM WILL SIMPLY NOT WORK AT ALL.

ANOTHER FLAW WITH THIS CONFERENCE REPORT IS ITS PARTIAL RELIANCE ON SUPPORT PRICE CUTS TO BRING SUPPLY AND DEMAND IN BALANCE. I BELIEVE IT IS FUNDAMENTALLY UNFAIR TO FREEZE WHEAT AND FEED GRAINS FOR 2 YEARS, AND SUGAR PRICES INDEFINITELY, WHILE STARTING TO CHIP AWAY AT THE DAIRY SUPPORT PRICE AFTER ONLY 1 YEAR.

MR. PRESIDENT, THERE IS A FARM INCOME CRISIS IN WISCONSIN. I CANNOT IGNORE IT, AND THIS SENATE SHOULD NOT IGNORE IT EITHER. WISCONSIN DAIRY FARMERS HAVE ALREADY ENDURED THREE PRICE SUPPORT-CUTS IN THE LAST 2 YEARS. THE ADDITIONAL PRICE-SUPPORT CUTS REQUIRED IN THE CONFERENCE REPORT WILL NOT SIGNIFICANTLY REDUCE THE SURPLUS -- THE ONLY THING THEY WILL ACCOMPLISH IS TO SEND A FEW MORE WISCONSIN DAIRY FARMERS OVER THE EDGE.

THE OBJECTIONABLE PROVISIONS OF THIS BILL ARE NOT LIMITED TO THE DAIRY TITLE. BECAUSE OF THE SUGAR TITLE OF THIS FARM BILL, SUGAR USERS IN WISCONSIN WILL HAVE TO PAY HIGHER SUGAR PRICES, WITHOUT GUARANTEEING THAT SUGAR PRODUCERS IN THE REST OF THE COUNTRY WILL BE ANY BETTER OFF.

BECAUSE OF THE CARGO PREFERENCE SECTION OF THIS BILL, THE GREAT LAKES PORTS OF MILWAUKEE, GREEN BAY, AND SUPERIOR WILL HAVE TO FIGHT JUST TO STAY OPEN. BY RAISING THE CARGO PREFERENCE REQUIREMENT ON PUBLIC LAW 480 SHIPMENTS TO 75 PERCENT, THE ARM BILL SLASHES THE AMOUNT OF CARGO THAT CAN GO OUT THROUGH THE LAKES. SINCE THERE IS LITTLE U.S.-FLAG SERVICE THROUGH THE LAKES, WISCONSIN PORTS WILL NOW HAVE TO BID FOR ONE-FOURTH, RATHER THAN ONE-HALF, OF PUBLIC LAW 480 CARGOS.

WITH THE PORT OF MILWAUKEE DEPENDENT ON PUBLIC LAW 480 SHIPMENTS FOR OVER 90 PERCENT OF ITS BUSINESS, THIS CHANGE IN LEGISLATION IS UNACCEPTABLE. IT IS IRONIC, AT A TIME WHEN FARMERS ARE BEING CALLED ON TO SACRIFICE, THAT THE MARITIME INDUSTRY ON COASTS OTHER THAN THE GREAT LAKES ARE BEING GIVEN AN EFFECTIVE INCREASE IN GOVERNMENT SUBSIDIES -- AND ONE THAT WILL BE EXEMPT FROM CUTS UNDER GRAMM-RUDMAN.

IN SUM, MR. PRESIDENT, CONGRESS HAS NOT DONE A GOOD JOB IN THIS YEAR'S FARM BILL. IT DOES NOT DO ENOUGH FOR FARMERS, AND IT WILL ALL HAVE TO BE REDONE WELL BEFORE THE 1989 EXPIRATION DATE. FOR THAT REASON, I OPPOSE PASSAGE OF THIS BILL.

MRS. HAWKINS. MR. PRESIDENT, I RISE TODAY TO SUPPORT THIS CONFERENCE REPORT ON THE 1985 FARM BILL. TODAY MARKS THE BEGINNING OF WHAT I HOPE WILL BE A NEW ERA IN FEDERAL AGRICULTURAL POLICY. THIS LEGISLATION PROVIDES, FOR THE FIRST TIME, A MARKET-ORIENTED APPROACH TO SUPPORTING AMERICAN FARMERS, EXPANDED PROGRAMS TO PROMOTE THE EXPORTS OF U.S. COMMODITIES, A TOUGH NEW CONSERVATION PROGRAM INTENDED TO PROTECT ERODIBLE LANDS AND WETLANDS, AN EXTENSION OF THE FEDERAL FOOD STAMP PROGRAM, AND PROVISIONS FOR DEALING WITH THE CREDIT PROBLEMS OF MANY OF AMERICA'S FARMERS.

IT IS AN UNDERSTATEMENT TO SAY THIS IS COMPREHENSIVE LEGISLATION. THE 1985 FARM

BILL IS A MASSIVE ARTICLE INTENDED TO PROMOTE AN ABUNDANT SUPPLY OF FOOD AND FIBER TO U.S. CITIZENS AND MANY OF THE OTHER PEOPLE OF THE WORLD. THIS BILL IS ALSO INTENDED TO HELP PROTECT, AND EVENTUALLY IMPROVE, THE INCOME OF MANY OF OUR HARD-PRESSED FARMERS. THIS IS, WITHOUT DOUBT, AN EXPENSIVE PROPOSITION. ESTIMATES OF THE COST OF THIS LEGISLATION RANGE UPWARD OF \$55 BILLION OVER THE FIRST 3 YEARS OF THE BILL'S LIFE. THIS BILL MAINTAINS MANY OF THE WRONG-HEADED CONCEPTS OF PAST FEDERAL FARM POLICY. ARTIFICIAL PRICE SUBSIDIES ARE MAINTAINED AT RELATIVELY HIGH LEVELS. THE DAIRY PROGRAM IS DESIGNED TO PAY FARMERS TO GO OUT OF BUSINESS. BUT ON THE WHOLE THIS LEGISLATION CORRECTS MANY MORE OF THE BAD POLICIES OF THE 1981 FARM BILL THAN IT RETAINS.

COMMODITY LOAN RATES HAVE BEEN TIED TO MOVING MARKET AVERAGES AND THE BILL INCLUDES THE USE OF MARKETING LOANS IN AN ATTEMPT TO IMPROVE AMERICAN FARMERS' COMPETITIVE POSITION IN THE WORLD MARKET. THESE ARE COSTLY PROVISIONS. BUT THEY ARE NECESSARY PROVISIONS IF AMERICAN FARMERS ARE TO COMPETE WITH THE SUBSIDIZED FARM EXPORTS OF MANY OF OUR TRADING PARTNERS. MOST IMPORTANTLY, AS POLICY TOOLS, THEY DEMONSTRATE OUR NATION'S COMMITMENT TO THE FUNDAMENTAL CONCEPTS OF THE FREE AND COMPETITIVE MARKETPLACE. FURTHER, THEY SEND A STRONG MESSAGE ABROAD THAT THE UNITED STATES WILL NOT ABANDON AGRICULTURE.

IN FACT, AGRICULTURE IS AND WILL CONTINUE TO BE THE FOUNDATION ON WHICH OUR NATION'S WEALTH AND PROSPERITY IS BASED. OUR NATION WAS BORN AS AN AGRARIAN SOCIETY. AGRICULTURE IS STILL VITAL TO OUR LIFE AND LIVELIHOOD. TODAY, AGRICULTURAL EXPORTS ARE VITAL TO THE U.S. BALANCE OF TRADE. WITHOUT AGRICULTURE, OUR NEGATIVE TRADE BALANCE WOULD IMMEASURABLY WORSEN. AGRICULTURE PROVIDES APPROXIMATELY ONE-FIFTH OF U.S. GROSS NATIONAL PRODUCT. THIS FARM BILL UNDERLINES OUR COMMITMENT TO AMERICAN AGRICULTURE.

MR. PRESIDENT, SEVERAL WEEKS AGO I VOTED AGAINST THE SENATE-PASSED VERSION OF THE FARM BILL. I FELT AT THAT TIME THAT WE HAD CREATED AN EXPENSIVE MONSTER THAT HELD OUT LITTLE HOPE FOR OUR NATION'S FARMERS. I HOPED THE CONFERENCE COMMITTEE WOULD IMPROVE THE BILL. I AM CONVINCED THIS IS THE BEST THAT CAN REALISTICALLY BE ACHIEVED. TODAY I PLAN TO VOTE FOR THE 1985 FARM BILL BECAUSE OF THE POLICY CHANGES THAT IT INCLUDES. TAKEN TOGETHER, FLEXIBLE LOAN RATES, MARKETING LOAN PROVISIONS, REDUCTIONS IN THE TARGET PRICES AFTER 1987, TOUGH NEW CONSERVATION PROVISIONS TO EVENTUALLY PROHIBIT FARMERS WHO PLACE ERODIBLE LANDS AND WETLANDS INTO CULTIVATION FROM PARTICIPATING IN FEDERAL FARM PROGRAMS, THE ADOPTION OF A LONG-TERM DAIRY POLICY THAT REDUCES PRICES TO REDUCE PRODUCTION, AND THE PROVISION OF CREDIT ASSISTANCE TO HARD-PRESSED FARM BORROWERS, MAKE THIS FARM BILL A SUPPORTABLE MEASURE. I WANT TO REMIND SENATORS THAT THIS 1985 FARM BILL IS ONLY ONE-HALF OF THE PACKAGE WE ARE OFFERING TO AMERICAN FARMERS.

YESTERDAY, THE SENATE PASSED A TOUGH SELF-HELP PROGRAM FOR THE FARM CREDIT SYSTEM. THAT LEGISLATION PROVIDES AN EMERGENCY BACKUP LINE OF CREDIT FROM THE FEDERAL TREASURY TO ASSIST THE BORROWERS OF THE FEDERAL FARM CREDIT SYSTEM. AS CHAIRMAN OF THE SUBCOMMITTEE ON AGRICULTURAL CREDIT AND RURAL ELECTRIFICATION I COSPONSORED THAT LEGISLATION FOR A NUMBER OF REASONS.

FIRST, AMONG THOSE WAS MY DESIRE TO SEE AFFORDABLE INTEREST RATES FOR AMERICAN FARMERS. EQUALLY IMPORTANT, IS MY DESIRE TO SEE THE FARM CREDIT ADMINISTRATION REPLACED WITH A NEW STRONG "ARMS LENGTH" REGULATOR, IMPROVE THE OPERATING



PROCEDURES AND REPORTING PRACTICES OF FARM CREDIT SYSTEM INSTITUTIONS, AND PROVIDE FOR ADEQUATE EXAMINATION OF FARM CREDIT SYSTEM INSTITUTIONS. I WOULD ADD FOR THE RECORD, AS AN ORIGINAL COSPONSOR OF S. 1884 AND AUTHOR OF AN AMENDMENT TO THE HOUSE PASSED TEXT, A STATEMENT ON THE INTENT OF THIS LEGISLATION. THIS LEGISLATION IS INTENDED TO PROVIDE THE FARM CREDIT ADMINISTRATION WITH THE NECESSARY AUTHORITY TO REGULATE THE FARM CREDIT SYSTEM CAPITAL CORPORATION'S POWER TO REQUIRE CONTRIBUTIONS OF CAPITAL TO THE CORPORATION. THIS LEGISLATION IS INTENDED TO PROVIDE A MECHANISM FOR DRAWING ON THE EXISTING SURPLUS OF THE FARM CREDIT SYSTEM TO ADDRESS THE FINANCIAL PROBLEMS OF FARM CREDIT SYSTEM INSTITUTIONS. FURTHER, THE LEGISLATION IS INTENDED TO PROVIDE THE FARM CREDIT ADMINISTRATION WITH THE REGULATORY AUTHORITY TO INSURE THAT THE SURPLUS IS DRAWN UPON TO THE MAXIMUM EXTENT PRACTICABLE BEFORE FEDERAL FUNDS ARE MADE AVAILABLE TO THE CAPITAL CORPORATION. SPECIFICALLY, THE SENATE AMENDMENTS OFFERED TO THE HOUSE-PASSED TEXT SECTION 4.28G (A)(15)(B) (I)(II) AND (II)(I) WERE INTENDED TO INSURE THAT THE FARM CREDIT ADMINISTRATION WILL HAVE ADEQUATE REGULATORY AUTHORITY IN THIS REGARD. THE FARM CREDIT LEGISLATION, S. 1884, AS PASSED BY BOTH THE HOUSE AND SENATE GOES A LONG WAY TOWARD MEETING THE GOALS I BELIEVE THE CONGRESS SOUGHT TO ACHIEVE. WITHOUT THAT LEGISLATION I BELIEVE THE NEW YORK MARKETS WOULD HAVE ABANDONED THE FARM CREDIT SYSTEM WITH DISASTROUS CONSEQUENCES FOR AMERICAN FARMERS. BECAUSE CONGRESS HAS TAKEN ACTION TO ADDRESS THE PROBLEMS OF THE FARM CREDIT SYSTEM AND IF WE ENACT THIS FARM BILL, I BELIEVE WE HOLD OUT CONSIDERABLE HOPE FOR THE FARMERS OF THIS NATION.

TO CLOSE, MR. PRESIDENT, I WOULD SIMPLY SAY THAT THE 1985 FARM BILL MARKS AN END AND A BEGINNING. IT IS THE END OF LONG HOURS OF EFFORT BY THE CHAIRMAN OF THE SENATE AGRICULTURE COMMITTEE AND THE RANKING MEMBER OF OUR COMMITTEE, THE SENATOR FROM NEBRASKA, AND THE MAJORITY LEADER, AND MANY OTHER MEMBERS OF THE COMMITTEE AND THE SENATE. WE WOULD NOT BE HERE TODAY, HOWEVER, WITHOUT THE YOEMAN EFFORTS OF THE STAFF OF THE SENATE AGRICULTURE COMMITTEE UNDER THE DIRECTION OF GEORGE DUNLOP. I THANK THE SENATORS FOR THEIR LEADERSHIP AND THE STAFF FOR THEIR ASSISTANCE IN CRAFTING THIS FARM BILL. I URGE MY COLLEAGUES TO SUPPORT THIS MEASURE.

MR. DODD. MR. PRESIDENT, AFTER CAREFUL CONSIDERATION I HAVE DECIDED TO VOTE AGAINST THE FARM BILL ONCE AGAIN, ALTHOUGH I REALIZE THAT WE HAVE A MUCH IMPROVED PRODUCT IN FRONT OF US. OBVIOUSLY, WITH A BILL OF THIS LENGTH AND ENORMOUS COMPLEXITY NO ONE CAN POSSIBLY LIKE OR DISLIKE EVERY PROVISIONS. THERE ARE SEVERAL PARTS OF THIS BILL THAT I CAN FULLY SUPPORT. IN MY STATE OF CONNECTICUT THE DAIRY PROVISIONS ARE IMPORTANT FOR MANY OF MY CONSTITUENTS. I AM SATISFIED WITH THE DAIRY PART OF THE BILL. IT LOWERS PRICE SUPPORTS, IN ITSELF NOT A JOYOUS PIECE OF NEWS FOR DAIRY FARMERS, BUT IT DOES SO IN A GRADUAL, BALANCED WAY BY TYING PRICE SUPPORTS TO THE LEVEL OF PRODUCTION. THIS IS A SENSIBLE SOLUTION. THE DAIRY FARMERS OF MY STATE DO NOT SEEK HANDOUTS FROM A DAIRY PRICE SYSTEM BUT REASONABLE SECURITY AND PREDICTABILITY.

THE BILL, HOWEVER, IS STILL OVER BUDGET TO A DEGREE THAT I FIND UNACCEPTABLE. AT THIS TIME WHEN WE FORCE EVERY RECIPIENT OF OUR FEDERAL EXPENDITURES TO TAKE PAINFUL REDUCTIONS WE CANNOT CREATE SUCH EXCEPTIONS TO THE GENERAL RULE. EXCEPTIONS LEAD TO CLAMOR FOR OTHER EXCEPTIONS AND WE CONTINUE TO ADD TO THE DEFICIT INSTEAD OF REDUCING IT. IT IS NO SECRET THAT AMONG THE PRIME VICTIMS OF THE DEFICIT ARE THE SMALL FARMERS WHO ARE DEVASTATED BY HIGH INTEREST RATES RESULTING FROM THE DEFICIT. THIS BILL DOES NOT DO MUCH FOR THE SMALL FARMER ANYWAY, ITS MAJOR BENEFICIARIES ARE THE

LARGE AGRIBUSINESS TYPE OF OPERATIONS.

FOR THESE REASONS, MR. PRESIDENT, I CANNOT SUPPORT THIS BILL EVEN IN THIS IMPROVED FORM.

MR. GLENN. MR. PRESIDENT, BEFORE THE PRESENT VERSION OF THE 1985 FARM BILL EMERGED FROM THE CONFERENCE COMMITTEE, I WAS DEEPLY TROUBLED WITH THE COURSE OF U.S. AGRICULTURAL POLICY. THE SENATE-PASSED FARM BILL DID LITTLE TO BOOST FARM INCOME AND THEREBY RELIEVE THE FINANCIAL DISTRESS IN AGRICULTURAL COMMUNITIES. PARADOXICALLY, BY CONTINUING COSTLY AND INEFFICIENT PROGRAMS, THE BILL DID LITTLE TO REDUCE THE FEDERAL DEFICIT.

THE SENATE BILL DID, NONETHELESS, CONTAIN PROVISIONS WHICH I WHOLEHEARTEDLY ENDORSED, INCLUDING STRONG CONSERVATION AND EXPORT ENHANCEMENT PROGRAMS. I RELUCTANTLY VOTED FOR THIS BILL, NOT ONLY BECAUSE IT CONTAINED THOSE PROGRAMS, BUT ALSO BECAUSE A VOTE FOR FINAL PASSAGE WAS ALSO A VOTE TO CONSIDER THE CRUCIAL ISSUE OF FARM CREDIT SYSTEM ASSISTANCE, AND BECAUSE A FARM BILL WAS BETTER THAN PERMANENT LEGISLATION OR, WORSE YET, NO LEGISLATION AT ALL.

MANY OF MY CONCERNS HAVE BEEN ALLAYED BY THE CONFERENCE COMMITTEE'S FARM BILL. THE PRESENT VERSION OF THE FARM BILL RETAINS MANY OF THE PROGRAMS I HAVE ALREADY MENTIONED I SUPPORT -- CONSERVATION AND EXPORT ENHANCEMENT PROGRAMS. OF PARTICULAR PRIDE TO ME, IT ALSO INCLUDES A HEALTHY COMMITMENT TO NEW-USES RESEARCH. FINDING NEW USES FOR AGRICULTURAL PRODUCTS WILL HELP CORRECT THE IMBALANCE BETWEEN SUPPLY AND DEMAND FOR FARM PRODUCTS. I, ALONG WITH MY COLLEAGUE, SENATOR LUGAR PROPOSED AND WON INCLUSION OF A NEW PROGRAM FOR NONFOOD USE AGRICULTURAL RESEARCH IN THIS COUNTRY. I WILL HAVE OTHER PROPOSALS ALONG A SIMILAR LINE EARLY IN 1986.

MORE IMPORTANTLY, PERHAPS, THE CONFERENCE COMMITTEE LEGISLATION IS A STEP IN THE DIRECTION OF A MORE SENSIBLE AGRICULTURAL POLICY. FOR EXAMPLE, ALTHOUGH I HAVE BEEN A STRONG SUPPORTER OF A 4-YEAR FREEZE IN TARGET PRICES I CAN ACCEPT A 2-YEAR FREEZE. THIS MEANS THAT THE INCOMES OF FARMERS WILL BE STABLE FOR AT LEAST THE NEXT 2 YEARS. THE LEVEL WILL BE GRADUALLY PHASED DOWN, ALLOWING FARMERS TO COMFORTABLY ADJUST TO THE AGRICULTURAL ECONOMY.

MR. PRESIDENT, MY VOTE IN FAVOR OF THE CONFERENCE COMMITTEES' FARM BILL REMAINS, NONETHELESS, A RELUCTANT ONE. WE HAVE YET TO DEAL RESOLUTELY WITH THE CRISIS IN THE AGRICULTURAL COMMUNITY. SMALL FARMERS CONTINUE TO VEER TOWARD BANKRUPTCY, SUPPLIERS ARE STILL SHUTTING THEIR DOORS, AND RURAL COMMUNITIES IN THE MIDWEST ARE STILL EXPERIENCING AN ECONOMIC DEPRESSION.

I BELIEVE THAT WE NEED TO RETURN PROSPERITY TO AMERICA'S FAMILY FARMERS. I HAVE CALLED FOR A NEW PARTNERSHIP BETWEEN THE FEDERAL GOVERNMENT AND FARMERS TO ENSURE THAT THIS GOAL IS MET. THE 1985 FARM BILL TAKES SOME FIRST STEPS IN THIS DIRECTION.

MR. LEVIN. MR. PRESIDENT, I INTEND TO VOTE FOR THE CONFERENCE REPORT ON THE FARM BILL BECAUSE I AM CONVINCED THAT GIVEN THE BUDGET CONSTRAINTS, IT IS THE BEST WE CAN DO.

ALTHOUGH I HAD HOPED WE COULD DEVISE INNOVATIVE APPROACHES TO OUR FARM

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PROGRAMS, I AM ALSO AWARE THAT DRASTIC CHANGES MAY NOT BE APPROPRIATE BECAUSE OF THE DELICATE STATE OF THE FARM ECONOMY.

I AM HEARTENED THAT THE ADMINISTRATION'S WISHES TO CUT FARMER INCOME AND LET THE ALLEGED FREE MARKET DICTATE COMMODITY PRICES WHICH ARE ALREADY DEPRESSED, DID NOT PREVAIL. ALTHOUGH A 2-YEAR FREEZE IN COMMODITY PRICES IS, BY NO MEANS, RELIEF FOR OUR FARMERS, WE HAVE AT LEAST NOT PULLED THE RUG OUT FROM UNDER THE FARMERS AS SOME HAD WISHED.

THIS FARM BILL CONTAINS AN IMPORTANT PROVISION FOR THE DAIRY FARMERS IN MY STATE. THE FACT OF THE MATTER REMAINS THAT WE HAVE TO REDUCE THE AMOUNT OF MILK PRODUCING COWS IN THIS NATION AND THIS PROVISION SHOULD BE A SIGNIFICANT STEP TOWARD REDUCING MILK PRODUCTION.

I ALSO SUPPORT KEEPING THE LOAN RATE FOR SUGAR AT ITS CURRENT LEVEL FOR 5 YEARS WHICH IS IMPORTANT TO MICHIGAN'S SUGAR BEET FARMERS.

FINALLY, WE HAVE TAKEN STRONG STEPS TO DISCOURAGE FARMING FRAGILE LAND BY ESTABLISHING THE CONSERVATION RESERVE AND DENYING FEDERAL PAYMENTS TO THOSE WHO PLOW UP ERODIBLE LAND WITHOUT AN APPROVED CONSERVATION PLAN.

IT WOULD BE EASY TO POINT OUT THE MANY NEGATIVE ASPECTS OF THE FARM BILL AND SIMPLY VOTE AGAINST IT. BUT I AM CONVINCED THAT AN OVERRIDING CONCERN IN MICHIGAN IS THAT WE GET A REASONABLE FARM BILL. OUR FARMERS NEED THE STABILITY OF A 5-YEAR PROGRAM AND THEY EXPECT US TO ACT NOW. IF I THOUGHT DELAY ON THE FARM BILL WOULD RESULT IN A SIGNIFICANTLY BETTER FARM BILL, I WOULD VOTE AGAINST IT. HOWEVER, I DO NOT BELIEVE THAT IS THE CASE AND THEREFORE, I WILL VOTE FOR THE BILL.

MR. CHAFEE. MR. PRESIDENT, I MUST OPPOSE THE CONFERENCE AGREEMENT ON H.R. 2100, THE FARM BILL. I DO SO WITH SOME REGRET, FOR THIS BILL CONTAINS SEVERAL PROVISIONS THAT I WOULD LIKE TO SEE ENACTED INTO LAW -- PARTICULARLY THOSE PERTAINING TO AGRICULTURAL CONSERVATION AND THE FOOD STAMP PROGRAM.

THERE IS NO QUESTION THAT WE NEED A FARM BILL. NOT JUST ANY FARM BILL, HOWEVER, BUT ONE THAT IS FAIR TO TAXPAYERS, CONSUMERS, AND FARMERS ALIKE. MANY SAY THIS IS THE BEST THAT CAN BE ACHIEVED. DO WE HAVE TO GO WITH SOMETHING SO FAR SHORT OF EXCELLENCE. I DON'T THINK SO.

I DON'T BELIEVE ANYONE WOULD DISPUTE THAT THIS BILL IS A WOEFUL FAILURE AS FAR AS TAXPAYERS ARE CONCERNED. IN BUDGETARY TERMS, IT MISSES ITS TARGET BY A LONG SHOT. THE COMMODITY PORTION ALONE IS MORE THAN \$13 BILLION OVER THE GENEROUS LIMITS THIS CONGRESS SET JUST 4 MONTHS AGO IN THE BUDGET RESOLUTION.

NOW LET US CONSIDER CONSUMERS. UNDER THIS BILL CONSUMERS WILL CONTINUE TO PAY INFLATED PRICES FOR MILK, SUGAR, PEANUT BUTTER, AND HONEY. THIS HITS POOR FAMILIES -- WHO SPEND TWO AND A HALF TIMES AS MUCH OF THEIR INCOME ON FOOD AS DO AVERAGE FAMILIES -- ESPECIALLY HARD. IT IS, IN EFFECT, A TAX MORE REGRESSIVE THAN ANY THAT CONGRESS WOULD EVER WRITE.

THIS IS ENTIRELY INCONSISTENT WITH THE PORTION OF THE BILL THAT INCREASES AUTHORIZED FUNDING LEVELS FOR THE FOOD STAMP PROGRAM. ONCE AGAIN, WE FIND OURSELVES IN THE POSITION OF GIVING WITH ONE HAND AND TAKING AWAY WITH THE OTHER.

SOME OF THESE DEFICIENCIES MIGHT BE PARDONED IF THERE WAS ANY LIKELIHOOD THAT THIS BILL WOULD ACTUALLY ALLEVIATE THE STRESS IN THE FARM SECTOR. UNFORTUNATELY THAT IS NOT THE CASE HERE: THIS BILL WOULD DO LITTLE TO BREAK THE DOWNWARD SPIRAL OF THE FARM ECONOMY. WHILE IT DOES MOVE TOWARD A MORE MARKET-ORIENTED POLICY, THAT TRANSITION WILL BE VERY SLOW. AND IT LARGELY FAILS TO ADDRESS THE PROBLEM OF POORLY TARGETED DIRECT SUBSIDIES, THUS ASSURING THAT THE LARGEST BENEFITS WILL CONTINUE TO GO TO THE LARGEST PRODUCERS.

ONE PORTION OF THE BILL, HOWEVER, THAT DOES REPRESENT A RADICAL DEPARTURE FROM THE PAST IS THE CONSERVATION TITLE. I STRONGLY SUPPORT THESE HISTORIC PROVISIONS. UNDER THIS TITLE, HIGHLY ERODIBLE LAND WOULD BE PERMANENTLY RETIRED INTO A 40-MILLION ACRE CONSERVATION RESERVE. ALSO, THOSE WHO FARM SUCH LAND WOULD -- FOR THE FIRST TIME -- BE INELIGIBLE FOR FEDERAL FARM BENEFITS. THUS, IT WOULD ENSURE THAT OUR MOST FRAGILE LANDS WILL FINALLY BE TAKEN OUT OF PRODUCTION.

AT THE SAME TIME, IT WOULD ENSURE THAT OUR BEST FARMLAND STAYS IN PRODUCTION AND PROTECTED FROM DEVELOPMENT. A PROVISION WHICH I AUTHORED, FOR EXAMPLE, ALLOWS FMHA TO SELL THE DEVELOPMENT RIGHTS TO FARMLAND, THUS ENSURING THAT THE LAND WILL NOT BE DEVELOPED. THE BILL ALSO PROVIDES THAT FMHA WILL MAKE EVERY EFFORT TO KEEP PRIME FARMLAND IN THE HANDS OF FAMILY FARMERS, RATHER THAN SIMPLY SELLING IT OFF TO THE HIGHEST BIDDER.

DESPITE THESE EXCELLENT PROVISIONS, I BELIEVE THAT THE BILL AS A WHOLE FALLS FAR SHORT OF WHAT THESE TIMES DEMAND. RATHER THAN CONFRONTING TOUGH CHOICES, IT SIMPLY SPENDS MORE ON THE COUNTERPRODUCTIVE POLICIES OF THE PAST.

THIS IS FAIR TO NEITHER TAXPAYERS OR CONSUMERS -- NOR, ULTIMATELY, TO FARMERS THEMSELVES. I MUST, THEREFORE, RESPECTFULLY OPPOSE THE CONFERENCE REPORT.

#### ANIMAL WELFARE LEGISLATION

MR. DOLE. MR. PRESIDENT, THE FARM BILL CONTAINS LEGISLATION DEALING WITH THE HUMANE TREATMENT OF ANIMALS. THE MAIN THRUST OF THE BILL IS TO MINIMIZE PAIN AND DISTRESS SUFFERED BY ANIMALS USED FOR EXPERIMENTS AND TESTS.

IN SO DOING, BIOMEDICAL RESEARCH WILL GAIN IN ACCURACY AND HUMANITY. WE OWE MUCH TO LABORATORY ANIMALS AND THAT DEBT CAN BEST BE REPAID BY GOOD TREATMENT AND KEEPING PAINFUL EXPERIMENTS TO A MINIMUM.

#### INFORMATION SERVICE

THE BILL ESTABLISHES AN INFORMATION SERVICE AT THE NATIONAL AGRICULTURAL LIBRARY TO WORK IN COOPERATION WITH THE NATIONAL LIBRARY OF MEDICINE AND IT IS INTENDED THAT ALL INVESTIGATORS BE PROVIDED READY ACCESS TO METHODS OF RESEARCH AND TESTING INVOLVING FEWER OR NO ANIMALS OR REDUCED PAIN OR DISTRESS. INSTITUTIONS WOULD HAVE ACCESS TO INSTRUCTIONAL MATERIALS FOR USE IN PERSONNEL TRAINING AND IT IS INTENDED THAT A DATA BASE BE MAINTAINED TO AVOID UNINTENDED DUPLICATION IN TESTING AND EXPERIMENTATION. IT IS HOPED THAT SUBSTANTIAL SAVINGS IN GOVERNMENT EXPENDITURES CAN BE MADE IN THIS WAY.

#### TRAINING

MR. PRESIDENT, THE BILL CALLS FOR TRAINING OF SCIENTISTS, TECHNICIANS, AND ANIMAL CARE PERSONNEL BY RESEARCH FACILITIES. IT IS INTENDED THAT INSTRUCTION COVER THE BASIC NEEDS OF EACH SPECIES IN THE INSTITUTION AND PRACTICAL WAYS OF FULFILLING THESE NEEDS, HANDLING APPROPRIATE TO THE SPECIES, NURSING CARE FOLLOWING OPERATIONS, OR OTHER TRAUMATIC INTERVENTIONS AND FEEDING APPROPRIATE TO THE CONDITION OF THE ANIMAL.

TRAINING FOR SCIENTISTS SHOULD INCLUDE INSTRUCTION ON ANESTHESIA, ANALGESIA, AND TRANQUILIZING DRUGS APPROPRIATE TO EACH SPECIES USED IN EXPERIMENTS THAT COULD CAUSE PAIN, AND INSTRUCTION IN THE LEAST DISTRESSING METHODS OF RESTRAINT FOR EACH SPECIES AND IN OTHER METHODS OF MINIMIZING PAIN OR DISTRESS. IT IS INTENDED THAT DETAILS BE PROVIDED ON THE AVAILABILITY OF INFORMATION FROM THE NATIONAL AGRICULTURAL LIBRARY IN COOPERATION WITH THE NATIONAL LIBRARY OF MEDICINE TO PREVENT UNINTENDED DUPLICATION OF EXPERIMENTS AND TESTS AND ENCOURAGE USE OF STATE-OF-THE-ART MEANS OF REDUCING PAIN, AND AVOIDING UNNECESSARY USE OF ANIMALS.

#### EMPLOYEE EDUCATION

IT IS INTENDED THAT ALL PERSONNEL BE ACQUAINTED WITH THE PROVISIONS OF THIS ACT AND INSTRUCTED TO REPORT DEFICIENCIES PROMPTLY TO ENSURE THAT THE INSTITUTION IS IN COMPLIANCE AT ALL TIMES. NO ONE SHOULD BE DISCRIMINATED AGAINST FOR REPORTING VIOLATIONS OF THE ACT. VETERINARY INSPECTORS FROM THE U.S. DEPARTMENT OF AGRICULTURE CANNOT BE PRESENT ON A DAILY BASIS. HOWEVER, THEIR ENFORCEMENT CAPABILITY CAN AND SHOULD BE ENHANCED BY THE INSTITUTIONAL ANIMAL COMMITTEE AND PERSONNEL IN LABORATORIES MUST BE PROTECTED AGAINST ANY REPRISAL FOR REPORTING MISTREATMENT OF ANIMALS.

#### PERFORMANCE

WITH REGARD TO EXPERIMENTAL PROCEDURES, IT IS INTENDED THAT THE SECRETARY PROMULGATE STANDARDS RELATING TO THE PERFORMANCE OF EXPERIMENTS AND TESTS ONLY WITH RESPECT TO THE ACT'S PROVISIONS AS SPECIFIED FOR THE PURPOSE OF MINIMIZING PAIN AND DISTRESS, INCLUDING ANESTHESIA, ANALGESIA, TRANQUILIZING DRUGS, RESTRAINT AND HANDLING METHODS, NURSING CARE, AND EUTHANASIA.

#### EXERCISE

THE NEW PROVISION CALLING FOR EXERCISE OF DOGS IS INTENDED TO PREVENT PERMANENT CAGING WITHOUT DAILY RELEASE FROM A CAGE. IT IS INTENDED TO INCLUDE A VARIETY OF PRACTICAL MEANS TO ALLOW DOGS MOVEMENT. THIS COULD INCLUDE HOUSING IN PENS OR KENNEL-RUNWAYS OR, WHERE DOGS ARE HOUSED IN CAGES, REMOVAL FROM THE CAGE DURING CLEANING. THE ATTENDING VETERINARIAN SHOULD WORK WITHIN THE BASIC STANDARDS SET BY THE SECRETARY PROVIDING SPECIAL ATTENTION TO THE NEEDS OF INDIVIDUAL DOGS.

#### CONCLUSION

MR. PRESIDENT, IT IS MY DESIRE THAT THESE POINTS REFLECTED IN THE LEGISLATIVE HISTORY OF THIS BILL WILL CLARIFY THE INTENT OF SOME OF THE BILL'S PROVISIONS. FINALLY, I WOULD NOTE THAT THIS BILL IS THE RESULT OF EFFORTS MADE BY MEMBERS OF BOTH THE RESEARCH AND ANIMAL WELFARE COMMUNITIES AND REFLECTS A BALANCED APPROACH TO THIS IMPORTANT ISSUE.

MR. LAUTENBERG. MR. PRESIDENT, I HAVE SOME VERY STRONG OBJECTIONS TO THE

## CONFERENCE REPORT ON THE FARM BILL.

ONE OF THE PRINCIPAL REASONS I WILL VOTE AGAINST THIS CONFERENCE REPORT IS THAT IT EXCEEDS THE BUDGET RESOLUTION AND WILL RESULT IN ALL OTHER FEDERAL PROGRAMS PAYING FOR THAT EXCESS. I HAVE SPOKEN TO THAT POINT SEPARATELY.

I ALSO OPPOSE THIS BILL BECAUSE IT FAILS TO MAKE ESSENTIAL REFORMS IN THE SUGAR, PEANUT, AND DAIRY PROGRAMS IMPORTANT TO CONSUMERS, AND TO FOOD PROCESSING MANUFACTURERS AND WORKERS TRYING TO COMPETE IN AN INCREASINGLY COMPETITIVE WORLD ECONOMY WITH THEIR HANDS TIED BEHIND THEIR BACKS.

THIS CONFERENCE REPORT PERMITS THE CURRENT SUGAR PRICE SUPPORT LEVEL TO CONTINUE UNCHANGED INSTEAD OF GRADUALLY REDUCING THE SUPPORT PRICE, THE APPROACH I SUPPORTED DURING SENATE CONSIDERATION OF THE FARM BILL.

UNDER THE CURRENT SUGAR PROGRAM, RAW SUGAR SELLS FOR ABOUT 21 CENTS PER POUND IN THE UNITED STATES, ALTHOUGH IT COSTS ONLY 4 TO 5 CENTS IN THE WORLD MARKET. IT IS KEPT AT THIS ARTIFICIALLY HIGH PRICE THROUGH AN 18-CENTS LOAN RATE, THE PRICE THE GOVERNMENT WILL PAY FOR SUGAR AS A BUYER OF LAST RESORT, AND THROUGH QUOTAS ON HOW MUCH SUGAR CAN ENTER THE UNITED STATES. THE DIFFERENCE BETWEEN WHAT AMERICAN CONSUMERS PAY FOR SUGAR AND SUGAR-CONTAINING PRODUCTS AND WHAT THESE ITEMS COST ON THE OPEN MARKET IS ESTIMATED TO ADD ABOUT \$3 BILLION A YEAR TO THE BILL AMERICANS PAY FOR SWEETENERS. THE ARTIFICIALLY HIGH PRICE OF SUGAR ALSO HURTS THOSE INVOLVED IN THE PROCESSING OF PRODUCTS CONTAINING SUGAR BY IMPAIRING THEIR ABILITY TO COMPETE WITH FOREIGN BUSINESSES WHO CAN BUY CHEAPER SUGAR. CHOCOLATE, CANDY, COOKIE AND ICE-CREAM MANUFACTURERS ALL SUFFER A COMPETITIVE DISADVANTAGE FROM THE SUGAR PROGRAM.

THIS CONFERENCE REPORT PERPETUATES A BAD PROGRAM BY FAILING TO MAKE EVEN MODEST REFORMS IN THE SUGAR PROGRAM. AND BY ADDING A "NO NET COST" PROVISION TO THE LAW, IT MAKES A BAD PROGRAM WORSE. "NO NET COST" MEANS THAT THE GOVERNMENT MUST ASSURE THAT THE PRICE OF SUGAR IS HIGH ENOUGH THAT IT IS MORE PROFITABLE FOR SUGAR FARMERS TO SELL THEIR SUGAR ON THE MARKET RATHER THAN SELLING IT TO THE GOVERNMENT FOR THE SUPPORT PRICE. TO DO THIS, THE GOVERNMENT MUST DECREASE THE AMOUNT OF SUGAR ENTERING THE COUNTRY UNDER QUOTA, LESSENING THE SUGAR SUPPLY AND RAISING THE PRICE OF DOMESTIC SUGAR.

THE CONFERENCE REPORT ALSO FAILS TO MAKE REFORMS IN THE PEANUTS PROGRAM. THE PRICE OF PEANUTS IS SUPPORTED BY LIMITING THOSE WHO CAN PRODUCE PEANUTS FOR DOMESTIC CONSUMPTION, AND SUPPORTING THOSE PEANUTS AT A PRICE FOUR TIMES THAT OF WORLD PRICES. LOWER-PRICED PEANUTS ARE KEPT OUT OF THE U.S. MARKET THROUGH IMPORT QUOTAS. ALTHOUGH ANYONE CAN PRODUCE PEANUTS FOR THE OVERSEAS MARKET, THOSE PEANUTS ARE SUPPORTED AT A MUCH LOWER PRICE. BECAUSE DOMESTIC PEANUT PRODUCTION IS ARTIFICIALLY LIMITED, AND LOW PRICED-PEANUTS ARE KEPT OUT OF THE UNITED STATES, CONSUMERS PAY ABOUT 13 PERCENT MORE PER JAR FOR PEANUT BUTTER. AND IT ALSO COSTS CANDY, COOKIE, AND BAKERY BUSINESSES MORE TO BUY PEANUTS FOR THEIR PRODUCTS.

NOT ONLY DOES THE CONFERENCE REPORT FAIL TO MAKE SIGNIFICANT REFORMS IN THIS PROGRAM, IT ACTUALLY PROVIDES THAT THE SUPPORT PRICE FOR DOMESTIC PEANUTS COULD BE INCREASED IN 1986 BY AN AMOUNT EQUAL TO ANY INCREASE IN THE COST OF PRODUCTION. THE CONFERENCE REPORT PERMITS FURTHER INCREASES IN THE SUPPORT LEVELS FOR 1987 AND FOR

THE LIFE OF THE BILL UP TO 6 PERCENT ANNUALLY TO REFLECT INCREASES IN THE COST OF PRODUCTION.

FINALLY, THIS CONFERENCE REPORT TAKES A STEP TOWARD REFORM OF OUR DAIRY SUPPORT PROGRAM, BUT TAKES THAT STEP 1 YEAR TOO LATE. OUR GOVERNMENT SUPPORTS THE PRICE OF MILK BY AGREEING TO BUY ALL FARMERS' SURPLUS MILK IN THE FORM OF BUTTER, DRY MILK, AND CHEESE AT AN AGREED PRICE, AND BY DICTATING THE PRICE AT WHICH MOST FLUID MILK MUST BE SOLD. BY KEEPING THE PRICE OF MILK HIGH, AND BY GUARANTEEING DAIRY FARMERS A GOVERNMENT MARKET FOR THEIR MILK, THIS PROGRAM HAS ENCOURAGED EXCESS PRODUCTION. THE RESULT IS LARGE SURPLUSES OF DAIRY PRODUCTS SITTING IN GOVERNMENT WAREHOUSES, AND A PROJECTED GOVERNMENT PRICE TAG TO \$2 BILLION IN 1985. THE ONLY WAY TO DECREASE PRODUCTION IS BY LOWERING THE PRICE SUPPORT -- WHICH THE BILL DOES IN 1987, NOT THIS YEAR, WHICH WOULD BE THE BETTER CHOICE BY FAR. THE CONFERENCE REPORT ALSO PAYS DAIRY FARMERS WHO AGREE TO SLAUGHTER THEIR HERDS INSTEAD OF USING THEM TO PRODUCE MILK. BUT THE MONEY FOR THESE PAYMENTS WOULD BE RAISED BY IMPOSING A MILK TAX OR ROUGHLY 3 CENTS A GALLON ON EACH AND EVERY MILK PRODUCER IN THE COUNTRY IN 1986. WHILE WE MUST REDUCE THE MILK SUPPLY, I DO NOT BELIEVE THAT TAXING EACH DAIRY PRODUCER IN THE COUNTRY IS THE WAY TO DO IT.

FOR ALL THESE REASONS, MR. PRESIDENT, I CANNOT SUPPORT THIS BILL. WHILE IT TAKES SOME STEPS TO REFORM OUR FARM POLICY, IT SIMPLY DOES NOT GO FAR ENOUGH AND IT WOULD IMPOSE PENALTIES ON OUR CONSUMERS, WORKERS, AND DOMESTIC FOOD PROCESSORS.

#### OPPOSITION TO THE FARM BILL

MR. HART. MR. PRESIDENT, IT WAS WITH SOME RELUCTANCE THAT I VOTED FOR THE FARM BILL WHEN IT PASSED THE SENATE A FEW WEEKS AGO. IT WILL BE WITH SOME RELUCTANCE TODAY THAT I WILL VOTE AGAINST THE CONFERENCE REPORT ON THIS LEGISLATION.

WHEN THE SENATE BEGAN CONSIDERATION OF LEGISLATION TO WRITE A NEW 4-YEAR PROGRAM FOR RURAL AMERICA, I ESTABLISHED A SET OF PRINCIPLES AGAINST WHICH I WOULD JUDGE THE BILL. IT WAS MY BELIEF THAT WE MUST DO NO LESS THAN MAINTAIN FARM INCOME AT CURRENT LEVELS, EVEN THOUGH THAT INCOME IS DEEPLY DEPRESSED; EVEN THOUGH MANY FARMERS ARE BEING FORCED FROM THEIR LAND.

IT WAS MY BELIEF THAT THE COMMODITY SUPPORTS SHOULD BE TARGETED OR TIERED, SO THAT SMALL AND MEDIUM SIZED OPERATIONS WOULD ENJOY THE LION'S SHARE OF THE BENEFITS PROVIDED BY THE PROGRAMS.

SINCE THE FARM CREDIT SITUATION IS INEXTRICABLY LINKED TO THE STATUS OF FARM FAMILIES, I WANTED A FARM CREDIT BILL WHICH PROVIDED DIRECT ASSISTANCE TO FARMERS -- TO KEEP THEM ON THE LAND. THE BEST BACKUP FOR OUR FARM BANKS IS A FARMER ON HIS LAND PAYING HIS MORTGAGE.

I VOTED TO SEND THE BILL TO CONFERENCE BECAUSE I HOPED THERE WAS SOME PROSPECT OF ACHIEVING THOSE OBJECTIVES. THE SENATE BILL DID NOT APPLY TARGETING ACROSS THE BOARD TO ALL COMMODITY PROGRAMS -- AS I BELIEVE THEY SHOULD -- BUT IT DID APPLY TARGETING TO THE WHEAT PROGRAM. AND THAT'S A GOOD START. FARM INCOME, DUE TO THE EFFORTS OF SENATORS HARKIN, MELCHER, AND EXON, WAS HELPED IN THE SENATE BILL WHEN THEY PRESSED FOR AND WON A REAL, 2-YEAR FREEZE APPROACH. RATHER THAN PROLONGING THE PROCESS FURTHER, I VOTED IN FAVOR OF THE SENATE BILL TO SEE WHAT THE CONFERENCE MIGHT

ACCOMPLISH.

NOW THAT THE CONFERENCE REPORT HAS COME BACK TO THE SENATE, MUCH HAS CHANGED, BUT NOT FOR THE BETTER. TARGETING IS GONE; THERE IS NO 2-YEAR FREEZE TO PROTECT FARM INCOME, EVEN MINIMALLY, AND NO DIVERSION PAYMENTS ARE REQUIRED AFTER 1986 FOR THOSE WHO AGREE TO CUT BACK PRODUCTION. THE CONGRESS HAS SINCE VOTED FOR FARM CREDIT LEGISLATION WHICH WILL NOT MATERIALLY CONTRIBUTE TO THE ELIMINATION OF FARM DEBT, OR THE SOLVENCY OF FARMERS AND SMALL BUSINESSES.

IF THAT WERE NOT ENOUGH, THE CONGRESS HAS PASSED, AND THE PRESIDENT HAS SIGNED, THE GRAMM-RUDMAN BILL. AS SURE AS THE SUN RISES IN THE EAST, THIS FARM BILL WILL BE CUT BACK RADICALLY, WHEN THE COMPUTERIZED SPENDING REDUCTIONS MANDATED BY GRAMM-RUDMAN ARE ISSUED BY THE PRESIDENT. THIS WILL MAKE A BAD SITUATION ALL THE WORSE.

RATHER THAN ALLOW EFFECTIVE SUPPLY MANAGEMENT PROGRAMS, RATHER THAN EFFECTIVELY NEGOTIATE FAIR MARKET SHARES FOR U.S FARM GOODS IN INTERNATIONAL TRADE FORUMS, THE SENATE IS VOTING TO ABANDON FAMILY FARMERS. WE ARE NOT TALKING ABOUT A FEW FARM FAMILIES. WE ARE TALKING ABOUT CUTTING THOUSANDS OF FARMERS ADRIFT IN A FLOOD OF EXCESS COMMODITIES, BUFFETED BY THE WINDS OF A HOSTILE FARM POLICY.

WE SHOULD, INSTEAD, BE SWIMMING IN NEW WATERS.

THIS BILL WILL BECOME LAW. IT DOES OFFER SOMETHING TO SOME FARMERS IN DISTRESS IN COLORADO AND IN OTHER SUGAR PRODUCING REGIONS OF THE COUNTRY. FOR THAT, I AM GRATEFUL. THE MAJORITY LEADER JOINED ME IN OFFERING LEGISLATION DEALING WITH THE PROBLEM OF LOST CCC PAYMENTS. PAYMENTS LOST TO HONEST FARMERS WHEN PROCESSORS ENTERED BANKRUPTCY BEFORE PAYMENTS HAD BEEN CONVEYED. THE CONFERENCE APPROVED THIS PROVISION AND I OFFER MY THANKS.

IT HAS BECOME AXIOMATIC THAT VOTING HERE INEVITABLY INVOLVES MAKING TOUGH CHOICES. THERE HAVE BEEN TIMES I HAVE VOTED FOR LEGISLATION WHICH SHOULD HAVE BEEN BETTER, BUT THERE WEREN'T ADEQUATE ALTERNATIVES.

IN THIS INSTANCE, AND IN GOOD CONSCIENCE, I CANNOT SENTENCE THE FAMILIES AND SMALL BUSINESSES AFFECTED BY THIS BILL TO 5 YEARS OF EXISTENCE UNDER ITS PROVISIONS. THE FARM LEGISLATION IS NOT AN ANSWER TO THEIR PROBLEMS BUT A REPUDIATION OF THEIR CONCERNS. I INTEND TO VOTE AGAINST IT.

MR. BURDICK. MR. PRESIDENT, I SUPPORTED THE FARM BILL THAT WAS PASSED BY BOTH THE HOUSE AND THE SENATE, BECAUSE IT WAS THE BEST WE COULD DO UNDER THE THREAT OF THE PRESIDENTIAL VETO. HOWEVER, I HAVE SERIOUS RESERVATIONS THAT IT WILL NOT BE ENOUGH TO PROVIDE FOR OUR FARMERS NOT ONLY OVER THE LIFE OF THE BILL, BUT EVEN IN 1986.

THERE IS NO QUESTION THAT THIS BILL IS BETTER THAN WHAT THE SENATE ORIGINALLY PASSED. THE SYSTEM OF TARGET PRICES AND DEFICIENCY PAYMENTS IS THE MOST IMPORTANT FACET OF THE FARM BILL THAT SERVES TO BOLSTER OUR FARMERS' INCOMES. BECAUSE THIS BILL CONTAINS ESSENTIALLY A 3-YEAR FREEZE, IT IS BETTER THAN THE 2-YEAR FREEZE PASSED BY THE SENATE. HOWEVER, IT IS NOT NEARLY AS HELPFUL AS THE 4-YEAR FREEZE WHICH WAS ADOPTED BY THE SENATE AGRICULTURE COMMITTEE.

THIS ADMINISTRATION, MR. PRESIDENT, HAS LITTLE COMPASSION FOR THE FAMILY FARMER.



WE WITNESSED THIS LACK OF COMPASSION ON BOTH THE FARM BILL AND THE FARM CREDIT BILL. NEITHER PIECE OF LEGISLATION IS ENOUGH FOR OUR FARMERS, WHO ARE THE MOST DESERVING OF ANYONE IN OUR SOCIETY OF FEDERAL ASSISTANCE.

LET ME TELL YOU THIS, MR. PRESIDENT. WITHOUT OUR FARMERS, THIS COUNTRY WOULD NOT RUN. WE WOULD NOT NEED THE MASSIVE DEFENSE BUDGET BECAUSE WE WOULD HAVE LITTLE TO PROTECT. I WANT THIS ADMINISTRATION TO KNOW THAT JUST BECAUSE WE HAVE PASSED A FARM BILL AND A FARM CREDIT BILL, THIS IS NOT THE END OF IT. WE NEED TO DO MORE AND WE MUST DO MORE. THOSE OF US WHO CARE ABOUT FARMERS AND FARMING WILL BE BACK NEXT YEAR TO PUSH FOR WHAT IS RIGHT AND JUST FOR OUR FARMERS.

MR. HELMS. MR. PRESIDENT, I ASK FOR THE YEAS AND NAYS ON THE CONFERENCE REPORT.

THE PRESIDING OFFICER. IS THERE A SUFFICIENT SECOND? THERE IS A SUFFICIENT SECOND.

THE YEAS AND NAYS WERE ORDERED.

MR. HELMS. I YIELD TO MY FRIEND FROM OREGON.

MR. PACKWOOD. MR. PRESIDENT, ON THE RECONCILIATION CONFERENCE, I WANT TO SAY THAT MEDICAID IS FINISHED, TRADE IS FINISHED, SOCIAL SECURITY TRUST FUND, PENSION, THE PENSION BENEFIT GUARANTEE BOARD, FINISHED, EXTENSION OF AID TO WIDOWS, CHAMPUS FINISHED, AND SO FORTH. THE ONLY ISSUE HOLDING US UP IS REVENUES. THE SENATE MADE AN OFFER TO THE HOUSE YESTERDAY AFTERNOON ABOUT 2 OR 3 O'CLOCK IN THE AFTERNOON. SINCE THAT TIME WE HAVE HAD NO RESPONSE FROM THE HOUSE. THE CHAIRMAN OF THE HOUSE CONFEREES REFUSES TO MEET. SO WE HAVE HAD NEITHER A COUNTEROFFER NOR A MEETING. AT THE MOMENT, I AM STUCK BECAUSE THERE IS NO PLACE ELSE TO GO. THE TWO ISSUES HOLDING US UP ARE SUPERFUND AND MEDICARE COVERAGE FOR STATE AND LOCAL EMPLOYEES. WHEN WE GET A COUNTEROFFER, WE MAY MAKE PROGRESS. WE HAVE NONE AT THE MOMENT.

MR. DOLE. MR. PRESIDENT, I TAKE THIS TIME BECAUSE EARLIER THE DISTINGUISHED SENATOR FROM NORTH DAKOTA -- --

MR. STENNIS. MAY WE HAVE ORDER, MR. PRESIDENT?

THE PRESIDING OFFICER. THE SENATE WILL BE IN ORDER.

MR. DOLE. MR. PRESIDENT, EARLIER THE DISTINGUISHED SENATOR FROM NORTH DAKOTA, SENATOR ANDREWS, AND I HOPED TO HAVE AN EXCHANGE ON ANOTHER MATTER, WHEAT DEFICIENCY PAYMENTS. I DID NOT WANT TO KEEP THE FLOOR AT THAT TIME BECAUSE OTHER MEMBERS HAD NOT HAD THE OPPORTUNITY TO SPEAK. I NOW YIELD FOR A QUESTION.

MR. ANDREWS. MR. PRESIDENT, I APPRECIATE THE MAJORITY LEADER YIELDING. I WAS INTERESTED IN LISTENING TO THE COMMENTS OF THE SENATOR FROM NEW JERSEY FOLLOWED BY THE COMMENTS OF THE SENATOR FROM IOWA. THE SENATOR FROM NEW JERSEY SAID THE SPENDING IS TOO HIGH AND, THEREFORE, WE OUGHT TO OPPOSE THIS FARM BILL BECAUSE IT IS TAKING TOO MUCH FROM THE BUDGET.

THE SENATOR FROM IOWA SAID THAT THE SPENDING IS TOO LOW AND, THEREFORE, WE OUGHT TO OPPOSE THIS FARM BILL.

BUT, MR. PRESIDENT, WHEN WE CONTINUE TALKING ABOUT THIS, THE PROBLEM THAT WE

HAVE IN THE FARM SECTOR IS THAT WE ARE OPERATING UNDER A PROGRAM RIGHT NOW THAT PAYS DEFICIENCY PAYMENTS TO THE WHEAT PRODUCERS. AS WE SPEAK, THE WHEAT PRODUCERS IN MY STATE, THE MAJORITY LEADER'S STATE, AND OTHER STATES ARE NOT GETTING THOSE DEFICIENCY PAYMENTS. THOSE CHECKS ARE BEING HELD UP IN THE LOCAL ASC OFFICE, CHECKS THAT ARE DESPERATELY NEEDED BY THOSE FARM FAMILIES, CHECKS THAT AMOUNT TO IN EXCESS OF \$3 BILLION, HELD UP BECAUSE WE CANNOT GET A CONTINUING RESOLUTION THROUGH.

MR. PRESIDENT, I WOULD LIKE TO ASK MY COLLEAGUE, THE MAJORITY LEADER OF THE SENATE, WHAT HIS OBSERVATIONS ARE ON HOW FAST THE DEPARTMENT OF AGRICULTURE WILL BE ABLE TO DISBURSE THESE CHECKS IF AND WHEN WE CAN RESOLVE THIS CONTINUING RESOLUTION.

MR. DOLE. WELL, FIRST, AS THE SENATOR POINTED OUT, THE USDA ASC OFFICES ARE WITHHOLDING SENDING OUT DEFICIENCY PAYMENTS ON THE 1985 WHEAT CROP BECAUSE THEY ARE NEARING THE END OF THEIR CCC SPENDING AUTHORITY AND ARE CONTINUING TO MAKE COMMODITY LOANS AND PAYROLLS. THEY HAD \$4 BILLION, AS THE SENATOR KNOWS, IN THE CONTINUING RESOLUTION FOR ADDITIONAL CCC SPENDING AUTHORITY.

HAD THE HOUSE PASSED THE CONTINUING RESOLUTION A COUPLE OF NIGHTS AGO WE PROBABLY WOULD HAVE BEEN OUT OF HERE BY NOW, PLUS THE FARMERS IN MY STATE AND THE SENATOR'S STATE AND OTHER STATES, IN THE DAKOTAS AND OTHER STATES, WOULD HAVE BEEN GETTING THEIR DEFICIENCY PAYMENTS ON TIME. I REGRET THAT THE CONTINUING RESOLUTION DID NOT PASS THE HOUSE THE OTHER EVENING. I REGRET THAT SOME MEMBERS OF CONGRESS FROM FARM STATES VOTED AGAINST THE CONTINUING RESOLUTION.

MR. ANDREWS. THAT IS PRECISELY THE PROBLEM.

MR. PRESIDENT, LET ME POINT OUT TO THE MAJORITY LEADER THAT I HAVE NEVER YET VOTED FOR A FARM BILL THAT WAS GOOD ENOUGH, IN MY ESTIMATION. YET I HAVE VOTED FOR EVERY FARM BILL THAT HAS COME ALONG BECAUSE IT REPRESENTS THE VERY BEST PRODUCT THAT WE COULD PUT TOGETHER.

THIS, AGAIN, MR. PRESIDENT, IS THE BEST PRODUCT THAT WE COULD PUT TOGETHER. OUR FARM FAMILIES NEED NOT JUST THESE CHECKS FOR DEFICIENCY PAYMENTS FOR THIS PAST CROP YEAR, BUT THEY NEED TO BE ABLE, AS THEY GO INTO THEIR BANKER, THEIR LOCAL PCA OR FARMERS HOME OFFICE, RIGHT AFTER THE FIRST OF THE YEAR, TO SIT DOWN WITH THAT LENDER AND KNOW WHAT IS HAPPENING IN THOSE OUTYEARS.

UNDER THIS BILL, THEY HAVE A FREEZE ON TARGET PRICES FOR 2 YEARS, A 2-PERCENT CUT THE NEXT YEAR, A 3-PERCENT CUT IN THE NEXT. THAT GIVES A FAIRLY LEVEL PLAYING FIELD AND TO THE BEST OF MY KNOWLEDGE IN TALKING WITH THE CONFEREES AND IN TALKING WITH MY COLLEAGUES IT IS THE BEST WE COULD GET THROUGH.

I APPLAUD THE INDIVIDUALS WHO WORKED SO LONG AND HARD. THEY DID A GOOD JOB. I ONLY WISH WE COULD HAVE DONE BETTER. THE SATISFACTION I HAVE IS THAT THEY SHARE MY FEELINGS THAT WE ALWAYS COULD HAVE DONE BETTER. BUT THIS IS WHAT WE HAVE NOW AND THAT IS WHY WE HAVE TO SUPPORT IT NOW, BECAUSE THOSE FARM FAMILIES CANNOT WAIT AROUND TO FIND OUT WHAT IS GOING TO HAPPEN ANY MORE THAN THEY CAN WAIT AROUND MANY MORE WEEKS FOR THEIR DEFICIENCY PAYMENTS.

MR. HARKIN. WILL MY COLLEAGUE YIELD?

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MR. ANDREWS. FIRST, LET ME SAY THAT MY FRIEND FROM IOWA HAS A SPECIAL PROGRAM FOR AGRICULTURE THAT WOULD RESULT IN LESS SPENDING. I SHOULD NOT HAVE REFERRED TO HIM IN THE WAY THAT HE WANTED TO SPEND MORE. OTHER COLLEAGUES ON HIS SIDE OF THE AISLE SAY WE ARE SPENDING TOO MUCH. OTHER COLLEAGUES HAVE SAID WE ARE NOT SPENDING ENOUGH. BUT THE SENATOR FROM IOWA HAS A VERY UNIQUE PROGRAM THAT CUTS BACK MUCH MORE ACREAGE AND, THEREFORE, RUNS THE PRICE UP ON LESS PRODUCTION. IT WOULD HAVE LESS BUDGET IMPACT.

YES, I YIELD.

MR. HARKIN. I DID WANT TO POINT OUT THAT AT NO POINT IN MY REMARKS DID I INDICATE THAT WE WERE NOT SPENDING ENOUGH. I THINK WE ARE CHASING BAD MONEY AFTER GOOD.

MR. ANDREWS. BUT MY COLLEAGUE WILL AGREE THAT THE TIME HAS COME TO ACT. WE CANNOT CONTINUE TO POSTPONE FOR THOSE FARM FAMILIES WHICH ARE SUFFERING.

MR. DOLE. MR. PRESIDENT, I WOULD ASK UNANIMOUS CONSENT THAT WE MIGHT INCLUDE IN THE RECORD AT THIS POINT THE RECORDED VOTE BY MEMBERS IN THE HOUSE WHO VOTED AGAINST THE CR.

MR. ANDREWS. MAYBE SOME OF THEIR WHEAT FARMERS WILL BE GLAD TO SEND THEM A SPECIAL CHRISTMAS CARD SAYING, "THANKS FOR HOLDING UP MY PAYMENT FOR ANOTHER 2 WEEKS."

THERE BEING NO OBJECTION, THE VOTE WAS ORDERED TO BE PRINTED IN THE RECORD, AS FOLLOWS:

THE VOTE WAS TAKEN BY ELECTRONIC DEVICE, AND THERE WERE -- YEAS 170, NAYS 239, NOT VOTING 25, AS FOLLOWS:

(See ROLL NO. 461 in the ROLL segment.)

ACKERMAN, AKAKA, ALEXANDER, ANDERSON, ANDREWS, ANNUNZIO, ATKINS, AUCOIN, BADHAM, BARNES, BATEMAN, BEILENSON, BENNETT, BERMAN, BEVILL, BIAGGI, BOEHLERT.

BOGGS, BOLAND, BONIOR (MI), BONKER, BORSKI, BOSCO, BOUCHER, BROWN (CA), BURTON (CA), BURTON (IN), BUSTAMANTE, BYRON, CARNEY, CARR, CHANDLER, CHAPPELL, CHENEY.

CLINGER, COELHO, COLEMAN (MO), COLEMAN (TX), CONTE, COUGHLIN, COYNE, DANIEL, DARDEN, DAUB, DE LA GARZA, DERRICK, DEWINE, DICKINSON, DICKS, DINGELL, DIOGUARDI.

DIXON, DOWDY, DOWNEY, DUNCAN, DWYER, EARLY, FASCELL, FAZIO, FISH, FLIPPO, FOGLIETTA, FOLEY, FORD (TN), FROST, GAYDOS, GEPHARDT, GIBBONS.

GILMAN, GONZALEZ, GOODLING, GRAY (PA), HALL (OH), HATCHER, HEFTEL, HILER, HOLT, HORTON, HOWARD, HOYER, HUTTO, HYDE, JONES (NC), JONES (TN).

KANJORSKI, KENNELLY, KOLTER, KOSTMAYER, LANTOS, LATTA, LEHMAN (CA), LEHMAN (FL), LELAND, LEVINE (CA), LEWIS (CA), LIVINGSTON, LOWERY (CA), LUJAN, MANTON, MARTIN (NY), MATSUI, MAZZOLI.

MCDADE, MCGRATH, MCHUGH, MICA, MICHEL, MIKULSKI, MILLER (CA), MILLER (OH), MINETA, MOLINARI, MONTGOMERY, MORRISON (WA), MRAZEK, MURTHA, MYERS, NATCHER, NICHOLS.

O'BRIEN, OAKAR, OBERSTAR, OBEY, ORTIZ, PARRIS, PEPPER, QUILLEN, REGULA, REID, ROGERS, ROSE, ROSTENKOWSKI, ROWLAND (GA), ROYBAL, RUDD.

SABO, SCHEUER, SCHULZE, SCHUMER, SISISKY, SKEEN, SKELTON, SMITH (FL), SMITH (IA), SMITH (NE), SMITH (OR), SOLARZ, SPENCE, STANGELAND, STRANG, STRATTON, SUNDQUIST.

THOMAS (GA), TORRICELLI, UDALL, WATKINS, WAXMAN, WEISS, WHITEHURST, WHITLEY, WHITTEN, WILSON, WOLF, WOLPE, WRIGHT, WYDEN, WYLIE, YATES, YOUNG (AK), YOUNG (FL).

NAYS -- 239

ANTHONY, APPLGATE, ARCHER, ARMEY, BARNARD, BARTLETT, BARTON, BATES, BEDELL, BENTLEY, BEREUTER, BILIRAKIS, BLILEY, BONER (TN), BOULTER, BOXER, BREAUX.

BROOMFIELD, BROWN (CO), BROYHILL, BRUCE, BRYANT, CALLAHAN, CAMPBELL, CARPER, CHAPMAN, CHAPPIE, CLAY, COATS, COBEY, COBLE, COLLINS, COMBEST, CONYERS.

COOPER, COURTER, CRAIG, CRANE, DANNEMEYER, DASCHLE, DELAY, DELLUMS, DONNELLY, DORGAN (ND), DORNAN (CA), DREIER, DURBIN, DYSON, ECKART (OH), ECKERT (NY), EDGAR.

EDWARDS (CA), EDWARDS (OK), EMERSON, ENGLISH, ERDREICH, EVANS (IA), EVANS (IL), FAWELL, FEIGHAN, FIEDLER, FIELDS, FLORIO, FORD (MI), FOWLER, FRANK, FRANKLIN, FRENZEL.

GALLO, GEJDENSON, GEKAS, GINGRICH, GLICKMAN, GORDON, GRADISON, GREEN, GREGG, GROTBORG, GUARINI, GUNDERSON, HALL, RALPH, HAMILTON, HAMMERSCHMIDT, HANSEN, HARTNETT, HAWKINS.

HAYES, HENDON, HENRY, HERTEL, HOPKINS, HUBBARD, HUCKABY, HUGHES, HUNTER, IRELAND, JACOBS, JEFFORDS, JENKINS, JOHNSON, JONES (OK).

KAPTUR, KASICH, KASTENMEIER, KEMP, KILDEE, KLECZKA, KOLBE, KRAMER, LAFALCE, LAGOMARSINO, LEACH (IA), LEATH (TX), LEVIN (MI), LEWIS (FL), LIGHTFOOT, LIPINSKI, LLOYD, LOEFFLER, LONG.

LOWRY (WA), LUKEN, LUNDINE, LUNGREN, MACK, MACKAY, MADIGAN, MARLENEE, MARTIN (IL), MARTINEZ, MAVROULES, MCCAIN, MCCANDLESS, MCCLOSKEY, MCCOLLUM, MCCURDY, MCEWEN, MCKERNAN, MCMILLAN.

MEYERS, MILLER (WA), MITCHELL, MOLLOHAN, MONSON, MOODY, MOORE, MOORHEAD, MORRISON (CT), MURPHY, NEAL, NIELSON, NOWAK, OLIN, OWENS, OXLEY.

PACKARD, PANETTA, PASHAYAN, PEASE, PENNY, PERKINS, PETRI, PICKLE, PORTER, PURSELL, RAHALL, RAY, RICHARDSON, RIDGE, RINALDO, RITTER, ROBERTS, ROBINSON, RODINO.

ROE, ROEMER, ROUKEMA, ROWLAND (CT), RUSSO, SAVAGE, SAXTON, SCHAEFER, SCHNEIDER, SCHROEDER, SCHUETTE, SEIBERLING, SENSENBRENNER, SHARP, SHAW, SHELBY, SHUMWAY.

SHUSTER, SIKORSKI, SILJANDER, SLATTERY, SLAUGHTER, SMITH (NJ), SMITH, DENNY (OR), SMITH, ROBERT (NH), SNOWE, SNYDER, SOLOMON, SPRATT, ST GERMAIN, STAGGERS, STALLINGS, STARK, STENHOLM.

STOKES, STUDDS, STUMP, SWEENEY, SWIFT, SWINDALL, SYNAR, TALLON, TAUKE, TAUZIN, TAYLOR, THOMAS (CA), TORRES, TOWNS, TRAFICANT, TRAXLER.

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VENTO, VISCLOSKY, VOLKMER, VUCANOVICH, WALGREN, WALKER, WEBER, WHEAT, WHITTAKER, WILLIAMS, WIRTH, WISE, WORTLEY, YATRON, ZSCHAU.

NOT VOTING -- 25

ADDABBO, ASPIN, BROOKS, CROCKETT, DAVIS, DYMALLY, FUQUA, GARCIA, GRAY (IL), HEFNER, HILLIS, KINDNESS.

LENT, LOTT, MARKEY, MCKINNEY, MOAKLEY, NELSON, PRICE, RANGEL, ROTH, VALENTINE, VANDER JAGT, WEAVER, YOUNG (MO).

THE CLERK ANNOUNCED THE FOLLOWING PAIRS:

ON THIS VOTE:

MR. NELSON OF FLORIDA, FOR, WITH MR. CROCKETT AGAINST.

MESSRS. WEBER, DORNAN OF CALIFORNIA, STOKES, GLICKMAN ERDREICH, SCHAEFER, ZSCHAU, BEDELL, VOLKMER AND CAMPBELL CHANGED THEIR VOTES FROM "YEA" TO "NAY."

MESSRS. MORRISON OF WASHINGTON, CHANDLER, BURTON OF INDIANA, AND STANGELAND CHANGED THEIR VOTES FROM "NAY" TO "YEA."

SO THE CONFERENCE REPORT WAS REJECTED.

MR. DOLE. MR. PRESIDENT, I WOULD LIKE TO RENEW MY REQUEST THAT THE SENATOR FROM ARKANSAS BE PERMITTED TO SPEAK FOR 10 MINUTES -- THERE MAY BE OTHERS WHO REQUEST TIME -- AND THAT WE MAY HAVE A VOTE ON PASSAGE ON THE CONFERENCE REPORT AT 6:30 P.M.

THE PRESIDING OFFICER. IS THERE OBJECTION?

MR. BYRD. MR. PRESIDENT, RESERVING THE RIGHT TO OBJECT. DOES THE SENATOR FROM IOWA WISH TO SPEAK FURTHER? I HAD UNDERSTOOD THAT HE DID.

MR. PRESIDENT, I HAVE NO OBJECTION.

THE PRESIDING OFFICER. IS THERE OBJECTION? WITHOUT OBJECTION, IT IS SO ORDERED.

MR. GORTON. MR. PRESIDENT, AT LONG LAST THE TIME HAS COME FOR THE SENATE TO TAKE ITS FINAL LOOK AT THE 1985 FARM BILL. THE BILL THAT COMES TO THE SENATE OUT OF THE CONFERENCE COMMITTEE IS AN IMPROVEMENT ON THE TWO BILLS THAT WENT IN TO THE CONFERENCE. THAT IN ITSELF IS AN ACCOMPLISHMENT THAT SHOULD NOT BE IGNORED AND I APPLAUD THE EFFORTS OF THE CONFEREES ON BOTH SIDES OF THE AISLE AND FROM BOTH HOUSES OF CONGRESS FOR THEIR DILIGENT WORK ON THIS BILL.

FOR ALL THE IMPROVEMENTS THAT HAVE BEEN MADE IN THE BILL, I DO NOT THINK THERE IS A MEMBER IN THIS BODY WHO DOES NOT DISAGREE WITH SOME OF ITS PROVISIONS. I AM ONE OF THAT NUMBER. I WOULD HAVE DONE MANY THINGS DIFFERENTLY. HOWEVER, THE OPPORTUNITY FOR CHANGING THE LEGISLATION, AT LEAST FOR THIS SESSION OF CONGRESS, IS PAST. NOW IS THE TIME TO DECIDE IF WE WILL PASS A 5-YEAR FARM BILL THAT WILL BEGIN TO HELP CORRECT SOME OF THE FAILED POLICIES OF THE PAST OR IF WE WILL FAIL TO DO SO. I BELIEVE THAT WE SHOULD PASS THIS FARM BILL AND I URGE MY COLLEAGUES TO JOIN ME IN THIS EFFORT.

FOR THE FARMERS IN WASHINGTON STATE, THE WHEAT AND DAIRY PROGRAMS ARE OF PARTICULAR IMPORTANCE. A NUMBER OF IMPROVEMENTS HAVE BEEN MADE IN BOTH PROGRAMS -- SOME OF WHICH ARE REVOLUTIONARY. THE LOAN RATES FOR WHEAT WILL START AT \$3 PER BUSHEL FOR 1986. HOWEVER, FROM 1987 ON, LOANS FOR WHEAT WILL BE SET TO THE MARKETPLACE RATHER THAN TO A GOVERNMENTALLY DETERMINED RATE. IN THE SECOND THROUGH FIFTH YEARS OF THE BILL THE LOAN RATES FOR WHEAT WILL BE SET BETWEEN 75 AND 85 PERCENT OF THE AVERAGE PRICE RECEIVED BY PRODUCERS DURING THE IMMEDIATE PRECEDING 5 YEARS MARKETING YEARS, EXCLUDING THE HIGH AND LOW YEARS. THE SECRETARY WILL ALSO HAVE THE AUTHORITY TO FURTHER LOWER THE LOAN RATE IF THE MARKET PRICE CONTINUES TO FALL. ULTIMATELY THIS WILL LEAD TO DECISIONS ON THE FARM TO PLANT FOR THE MARKET RATHER THAN FOR THE PROGRAM.

THE TARGET PRICES UNDER THE WHEAT PROGRAM WILL BE FROZEN AT CURRENT LEVELS THROUGH 1987. BEGINNING IN 1988, THE SECRETARY WILL HAVE THE AUTHORITY TO SET THE TARGET PRICE AT SLIGHTLY LOWER LEVELS. THIS PROVISION IS ALSO A MOVEMENT IN THE CORRECT DIRECTION.

THE DAIRY PROGRAM HAS ALSO BEEN IMPROVED IN THIS BILL. THE 1 YEAR FREEZE IN SUPPORT PRICES FOLLOWED BY TWO REDUCTIONS IN THE NEXT YEAR WILL BEGIN THE PROCESS OF REDUCING THE TREMENDOUS SURPLUS THAT THE FEDERAL GOVERNMENT PILES UP EVERY YEAR. I AM ALSO PLEASED THAT THE WHOLE HERD BUY-OUT PLAN -- TRULY A REVOLUTIONARY IDEA -- WAS INCLUDED IN THE CONFERENCE REPORT. ALTHOUGH THIS PROVISION WAS NEVER DEBATED ON THE FLOOR OF THE SENATE, IT HAS OFTEN BEEN THE CENTER OF INFORMAL DISCUSSION AMONG SENATORS. IT IS AN UNTESTED PROGRAM, BUT I AM CONVINCED IT IS A NECESSARY ONE. THE WHOLE HERD BUY-OUT PROGRAM WILL GET THOUSANDS OF DAIRY COWS OUT OF PRODUCTION AND KEEP THEM OUT. WITH PROTECTIONS IN PLACE FOR OUR CATTLEMEN AND BEEF PRODUCERS, THIS IDEA NEEDS TO BE TRIED AND I AM PLEASED THAT IT IS PART THE BILL.

THE COMMODITY PROVISIONS OF THE BILL ARE COMPLIMENTED BY A STRENGTHENED EXPORT TITLE AND A VERY GOOD CONSERVATION PROGRAM. THE EXPORT PROVISIONS OF THE BILL ARE IMAGINATIVE AND INNOVATIVE IN MANY RESPECTS. THESE PROVISIONS REQUIRE THE SECRETARY OF AGRICULTURE TO OFFER FEDERALLY OWNED SURPLUS COMMODITIES TO EXPORTERS, PROCESSORS, OR FOREIGN BUYERS TO ENCOURAGE THE DEVELOPMENT AND EXPANSION OF OVERSEAS MARKETS FOR U.S. COMMODITIES. THIS WILL HELP THE ADMINISTRATION IN ITS EFFORTS TO COMBAT UNFAIR FOREIGN TRADE PRACTICES. IN ADDITION, THE CARGO PREFERENCE PROGRAM HAS BEEN REVISED TO FREE THE BLENDED CREDIT PROGRAM WHICH HAS BEEN SUSPENDED FOR MORE THAN 9 MONTHS. THE CONFERENCE REPORT OFFERS A WORKABLE COMPROMISE ON THIS PROGRAM -- THE FOOD FOR PEACE PROGRAM WILL BE SUBJECT TO CARGO PREFERENCE PERCENTAGES OF 60 PERCENT IN 1986, RISING TO 75 PERCENT IN 1988 AND THEREAFTER.

MOREOVER, THE FOOD FOR PEACE PROGRAM, AMERICA'S GREAT CHARITABLE FOOD DONATION PROGRAM, WILL BE ACCOMPLISHED BY THE ESTABLISHMENT OF A COMPANION FOOD AND PROGRESS PROGRAM. THE NEW PROGRAM WILL PROMOTE FREE ENTERPRISE POLICY AND DEVELOPMENT THROUGH THE DONATION OF SURPLUS FEDERAL COMMODITIES.

THE CONSERVATION SECTION OFFERS A NECESSARILY TOUGH SODBUSTER PROVISION WHICH WILL ENSURE THAT HIGHLY ERODIBLE LAND WILL NOT BE PUT INTO PRODUCTION. THE PENALTIES THAT PRODUCERS WILL SUFFER FOR VIOLATING THIS PROVISION ARE STIFF. THE CONSERVATION TITLE IS ALSO NOTEWORTHY FOR THE INCLUSION OF A LONG-TERM CONSERVATION RESERVE WHICH WILL RETURN CROP LAND TO LESS PRODUCTIVE USES. THIS WILL TAKE 40 MILLION ACRES

OF LAND THAT IS NOW PRODUCING SURPLUS COMMODITIES OUT OF PRODUCTION.WITHOUT CAUSING UNDUE SUFFERING FOR THE FARMER WHO OWNS THE LAND.

THERE ARE A NUMBER OF OTHER PROVISIONS IN THE CONFERENCE REPORT WHICH ARE NOTEWORTHY. SOME ARE IMPORTANT STEPS TOWARD RETURNING AGRICULTURE TO A FREER MARKET, OTHERS ARE DOWNRIGHT ONEROUS. MOST IMPORTANTLY, HOWEVER, THIS BILL IS A BEGINNING. A BEGINNING TOWARD A MARKET ORIENTED FARM POLICY AND A BEGINNING TOWARD THE DAY WHEN THE AMERICAN FARMER WILL AGAIN BE ABLE TO PRODUCE FOR THE WORLD.

FINALLY, WE SHOULD MAKE NO MISTAKE IN ASSUMING THAT THE ILLS OF AMERICAN AGRICULTURE WILL BE SOLVED BY THIS BILL OR ANY OTHER FEDERAL AGRICULTURAL POLICY. THE BIG PROBLEMS FACING AGRICULTURE ARE INTEREST RATES, THE STRONG DOLLAR AND A SHRINKING WORLD MARKET. THE SOLUTIONS TO THESE LARGER PROBLEMS LIE BEYOND THE FARM BILL. I URGE MY COLLEAGUES TO CONSIDER THIS AS WELL AS WE MOVE TOWARD THE FINAL VOTE ON THIS BILL.

MR. PRESIDENT, NO CONSIDERATION OF THE FARM BILL IS COMPLETE WITHOUT AN ACCOUNTING OF THE FOOD ASSISTANCE TITLES. I WOULD LIKE TO TAKE A MOMENT TO COMMENT ON THE FOOD STAMP PROGRAM AND OTHER PROGRAMS THAT HAVE EMERGED FROM THE CONFERENCE COMMITTEE.

FEEDING THE HUNGRY IS ONE OF THE HALLMARKS OF A CIVILIZED SOCIETY. IT IS THROUGH PROGRAMS SUCH AS THE FOOD STAMP PROGRAM THAT WE ARE ABLE TO PROVIDE ASSISTANCE TO THOSE WHO ARE HUNGRY.

BEFORE THE BILL WENT TO CONFERENCE, THE HOUSE AND THE SENATE VERSIONS WERE SIGNIFICANTLY DIFFERENT IN THEIR TREATMENT OF FOOD STAMPS. THE HOUSE VERSION PROVIDED FOR \$1.4 BILLION IN EXCESS OF CURRENT SERVICE LEVELS, WHILE THE SENATE BILL WAS \$600 MILLION UNDER CURRENT SERVICE LEVELS. THE RESULT OF THE CONFERENCE IS A BILL PROVIDING FOR \$305 MILLION OVER CURRENT SERVICES. THIS IS CERTAINLY A FAIR COMPROMISE.

I WOULD LIKE TO TOUCH ON SEVERAL OF THE MAJOR REFORMS MADE IN THE FOOD STAMP PROGRAM BY THE CONFERENCE COMMITTEE. FIRST, SEVERAL BENEFIT AREAS IMPACTING THE WORKING POOR WERE INCREASED. AMONG THE CHANGES ARE: INCREASING THE SHELTER DEDUCTION TO \$147; MAKING THE DEPENDENT CARE DEDUCTION A SEPARATE DEDUCTION, WITH A LIMIT OF \$160 PER MONTH; AND INCREASING THE EARNED INCOME DEDUCTION TO 20 PERCENT. IN ADDITION, THE ASSET LIMIT WAS INCREASED FROM \$1,500 TO \$2,000. UNDOUBTEDLY, THESE REFORMS WILL PROVIDE ADDITIONAL BENEFITS TO THOSE WHO ARE AMONG THE WORKING POOR.

A SECOND PROVISION THAT THE CONFERENCE COMMITTEE DEALT WITH WAS THE EMPLOYMENT AND TRAINING PROGRAM. UNDER THE CONFERENCE REPORT, STATES WILL NOT BE PROVIDED WITH A MINIBLOCK GRANT, ENABLING THEM TO ESTABLISH THEIR OWN EMPLOYMENT AND TRAINING PROGRAM.

THIRD, THE CONFERENCE COMMITTEE REVISED THE JOB TRAINING PARTNERSHIP ACT INCOME PROVISION TO COUNT EARNINGS IN THE EQUATION FOR DETERMINING FOOD STAMP BENEFIT LEVELS. THEY DID, HOWEVER, EXCLUDE STIPENDS, TRAINING COSTS, UNIFORMS, AND OTHER NONEARNINGS MONEYS FROM THE EQUATION. THIS CHANGE IS WORTHY OF SUPPORT -- INCOME SHOULD BE COUNTED IN THE EQUATION; HOWEVER, THERE IS SIGNIFICANT DEBATE AS TO WHETHER ITEMS SUCH AS TRAINING COSTS AND UNIFORM COSTS SHOULD BE INCLUDED.

MR. PRESIDENT, I BELIEVE THE REFORMS I HAVE MENTIONED, IN ADDITION TO ENHANCED COMPUTERIZATION AND PROVISIONS TO ELIMINATE FRAUD, REPRESENT A FAIR COMPROMISE, WHILE ENSURING THAT THOSE WHO ARE MOST IN NEED WILL HAVE THEIR BENEFITS PROTECTED.

THE PRESIDING OFFICER. THE SENATOR FROM ARKANSAS.

MR. BUMPERS. MR. PRESIDENT, I HAVE NOT HAD AN OPPORTUNITY TO GO THROUGH ALL OF THIS BILL, AND I DO NOT BELIEVE THAT THERE IS A SINGLE SENATOR HERE WHO HAS. I HAVE ASKED MY STAFF TO GIVE ME A DETAILED SUMMARY OF THE BILL, AND THEY HAVE DONE SO.

I FIND THE BILL MARGINAL, BUT I INTEND TO VOTE FOR IT BECAUSE IT IS MARGINALLY BETTER THAN NO BILL. THIS IS WHAT WE MUST DO: IF WE DO NOT VOTE FOR IT, WE HAVE NO AGRICULTURE BILL AND WE LEAVE DESPERATE FARMERS IN LIMBO ABOUT THEIR FUTURE. MY GUESS IS THAT FARMERS WOULD RATHER TAKE A LITTLE LESS THAN THEY WOULD LIKE TO HAVE, THAN TO HAVE THE KIND OF CHAOS AND CONFUSION THAT WOULD RESULT FROM NOT PASSING THIS BILL.

COMPARED TO THE BILL THAT THE PRESIDENT SUBMITTED TO THIS BODY, IT IS ONE OF THE FINEST BILLS EVER PRESENTED HERE. THAT BILL HAD DISASTER WRITTEN ALL OVER IT. TO SUGGEST THAT THE FARMERS WERE PREPARED TO GO TO A FREE MARKET AND COMPETE IN THE WORLD AGAINST COUNTRIES WHO SUBSIDIZE THEIR FARMERS AND THEIR COMMODITIES ON A MUCH HIGHER PERCENTAGE BASIS THAN WE DO WOULD HAVE BEEN UNTHINKABLE.

AGRICULTURE IN THIS COUNTRY, IN MY OPINION, HAS THE POTENTIAL FOR BEING THE CATALYST THAT COULD TAKE THIS COUNTRY'S ECONOMY DOWN IN THE NEXT 24 MONTHS. A LOT OF PEOPLE HAVE TALKED ABOUT THE FACT THAT AGRIBUSINESSES ARE AFFECTED AND THAT BANKS ARE AFFECTED. YOU CAN BET YOUR BOTTOM DOLLAR THAT, WHEN THE FARMERS OF THIS COUNTRY OWE \$212 TO \$220 BILLION AND THAT A BIG PART OF IT IS DELINQUENT AND MORE OF IT ABOUT TO BECOME DELINQUENT, THERE IS A SIGNIFICANT POSSIBILITY THAT IT COULD BE THE VERY CATALYST THAT TRIGGERS THE CLOSING OF HUNDREDS OF BANKS, WHICH WOULD HAVE THE UNDESIRED RIPPLE EFFECT OF CLOSING MORE AND MORE NONAGRICULTURAL BANKS.

THE FARMERS HAVE TO PAY A PRICE IN THIS BILL TO KEEP THE SUPPORT AND TARGET PRICES AT THE LEVEL WE WANT, AND ONE OF THE PRICES THEY HAVE TO PAY IS THE POSSIBILITY OF THE SECRETARY SETTING ASIDE HUGE PERCENTAGES OF THEIR BASE. IN THE CASE OF RICE -- AND WE IN ARKANSAS GROW ABOUT 35 TO 40 PERCENT OF ALL THE RICE IN THIS COUNTRY -- RICE FARMERS COULD BE REQUIRED TO SET ASIDE AS MUCH AS 35 PERCENT OF THEIR LAND -- A VERY UNHAPPY THOUGHT. WE USED TO REQUIRE SET-ASIDES IN THIS COUNTRY, MR. PRESIDENT, IN AN EFFORT TO RAISE PRICES, AND WE HAVE FOUND IN THE LAST FEW YEARS THAT THE MORE WE SET ASIDE, THE MORE ARGENTINA, BRAZIL, CANADA, AND AUSTRALIA GROW. AND IT HAS VIRTUALLY NO EFFECT ON RAISING PRICES, PARTICULARLY OF OUR EXPORTED COMMODITIES.

WHAT SET-ASIDES DO AND WHAT THEY ARE DESIGNED TO DO IN THIS BILL IS TO LIMIT THE COST OF THIS BILL TO THE FEDERAL GOVERNMENT.

THERE IS ONE OTHER THING ABOUT RICE IN THIS BILL. THERE IS A MARKETING LOAN PROVISION WHICH WE HOPE WILL HELP US WIPE OUT OUR BIG SURPLUSES OF RICE OVER THE NEXT 2 YEARS. IT HAS THAT VERY SALUTARY EFFECT. CERTAINLY, THE RICE PROVISION OF THIS BILL WILL BE HAILED BY ALL THE FARMERS IN THIS COUNTRY. HOWEVER, I HAVE SERIOUS RESERVATIONS ABOUT ITS SOYBEAN PROVISIONS.

I SAID EARLIER, AND I REPEAT, THIS BILL IS MARGINAL. I PROMISE YOU THAT SOMEWHERE BETWEEN 10 AND 20 PERCENT OF ALL THE FARMERS IN THIS COUNTRY WHO ARE NOW FARMING



WILL NOT BE FARMING IN 2 YEARS BECAUSE THEY CANNOT FINANCE THE STAGGERING DEBT THEY ARE UNDER.

MUCH HAS BEEN SAID HERE ABOUT GRAMM-RUDMAN, AND MUCH SHOULD BE SAID ABOUT GRAMM-RUDMAN. NOBODY HAS RAISED A POINT OF ORDER ON THIS BILL, WHICH, IN MY OPINION, WOULD BE TECHNICALLY WELL TAKEN UNDER THE GRAMM-RUDMAN AMENDMENT. I AM PLEASED THAT NO POINT OF ORDER HAS BEEN MADE, BUT IT POINTS UP THE TRAUMA THAT THIS BODY AND THE HOUSE BOTH ARE GOING TO BE FACED WITH IN 1986 AND AS EARLY AS FEBRUARY 1986.

I VOTED FOR GRAMM-RUDMAN IN THE HOPE THAT THIS BODY WOULD DO ITS DUTY AND THAT WE WOULD NOT ABDICATE OUR RESPONSIBILITIES TO A COMPUTER PRINTOUT. IF WE CANNOT IN THIS BODY DECIDE, FOR EXAMPLE, WHERE WE ARE GOING TO CUT AND HOW MUCH, AND WHETHER OR NOT WE NEED A TAX INCREASE -- IF WE CANNOT DECIDE, FOR EXAMPLE, THAT SCHOOL LUNCHES ARE MORE IMPORTANT TO OUR VISION OF THE FUTURE, OUR COMMITMENT TO EXCELLENCE, OUR NATIONAL CHARACTER -- IF WE CANNOT CONCLUDE IN THIS BODY THAT SCHOOL LUNCHES ARE MORE IMPORTANT THAN AMTRAK, WE OUGHT TO FOLD IT UP AND GO HOME.

IF WE IN THE U.S. CONGRESS CANNOT DECIDE, FOR EXAMPLE, THAT CHILDHOOD IMMUNIZATIONS AND WIC AND MATERNITY AND CHILD HEALTH CARE ARE MORE IMPORTANT THAN URBAN DEVELOPMENT ACTION GRANTS, WE OUGHT TO FOLD UP OUR TENTS AND SILENTLY STEAL AWAY.

SO, MR. PRESIDENT, I VOTED FOR GRAMM-RUDMAN ON THE ASSUMPTION THAT THE CONGRESS, AND ESPECIALLY THE U.S. SENATE, COULD MAKE THOSE DISTINCTIONS AND THAT THERE WAS STILL ENOUGH SENSITIVITY IN THIS BODY TO UNDERSTAND WHAT IS REALLY IMPORTANT AND WHAT IS POLITICAL.

IF WE COME UP ON THE DEADLINE AND SAY WE JUST CANNOT WORK IT OUT, FIRE UP THE COMPUTER AND BRING US THE PRINTOUT, GRAMM-RUDMAN WILL BE THE MOST DISMAL DISASTER THAT EVER PASSED THIS BODY.

FINALLY, MR. PRESIDENT, I KNOW THAT THERE ARE PEOPLE IN THIS BODY, IN THE HOUSE, AND ALL ACROSS THE COUNTRY WHO ARE REALLY TIRED OF HEARING SOME OF US TALKING ABOUT THE PLIGHT OF THE FARMER. I GET TIRED OF TALKING ABOUT IT. BUT I CAN TELL YOU THERE ARE PEOPLE IN THIS COUNTRY WHO DO NOT GET TIRED OF HEARING ABOUT IT. THEY ARE THE PEOPLE WHO ARE LOSING THEIR FARMS AND THEIR HOMES AND WHO HAVE LOST EVERYTHING THEY FOUGHT AND SCRATCHED FOR ALL THEIR LIVES.

I DO NOT CARE WHETHER YOU ARE AN URBAN SENATOR OR A FARM STATE SENATOR OR SOMEWHERE IN BETWEEN. WE DO NOT HAVE THE DISCRETION OR THE RIGHT TO TURN OUR BACK ON ANY SEGMENT OF OUR ECONOMY, NO MATTER HOW LARGE OR SMALL. THIS BILL IS MUCH BETTER THAN NOTHING AND I URGE MY COLLEAGUES TO SUPPORT IT. IT IS NOT A PANACEA, BUT IT IS CERTAINLY BETTER THAN NOTHING.

MR. PRESIDENT, I YIELD THE FLOOR.

MR. HELMS. MR. PRESIDENT, WE HAVE UNANIMOUS CONSENT TO VOTE AT 6:30; IS THAT CORRECT?

THE PRESIDING OFFICER (MR. CHAFEE). THE SENATOR IS CORRECT.

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MR. HELMS. IT IS NOT NO LATER THAN 6:30; IT IS AT 6:30?

THE PRESIDING OFFICER. THE SENATOR IS CORRECT.

MR. HELMS. I THANK THE CHAIR.

MR. PRESIDENT, I HAD BETTER DEFEND MY BABY A LITTLE BIT FROM THE CRITICISM IT HAS RECEIVED. IT IS TRUE ENOUGH THAT IT WOULD HAVE BEEN NECESSARY TO WAIVE SECTION 311(A) OF THE BUDGET ACT IN ORDER FOR THIS FARM BILL TO QUALIFY FOR FURTHER CONSIDERATION BY THE SENATE, BUT LET ME MAKE THE POINT IT IS BECAUSE WE ARE THE LAST CAR IN THE TRAIN. WE ARE THE CABOOSE. IF THIS FARM BILL, THIS VERY FARM BILL CONFERENCE REPORT HAD APPEARED IN JULY OR SEPTEMBER, OR EVEN OCTOBER, THERE WOULD BE NO QUESTION ABOUT IT.

NOW, LET ME SAY FOR THE RECORD, MR. PRESIDENT, THAT I HAPPEN TO BE THE ONLY CHAIRMAN OF THE AGRICULTURE COMMITTEE IN THE HISTORY OF THE SENATE TO VOTE AGAINST REPORTING A FARM BILL AND TO VOTE AGAINST THE FARM BILL ITSELF ON THE FLOOR, AND I DID SO BECAUSE IN MY JUDGMENT IT WAS TOO EXPENSIVE. IN CONFERENCE WE REDUCED THE SENATE BILL'S COST BY ABOUT \$5 BILLION, AND THAT PUT IT IN THE BALLPARK.

FURTHERMORE, THIS FARM BILL SAVES \$11 BILLION OVER CURRENT LAW, SO IF WE CONTINUED CURRENT LAW AS MANY SENATORS WERE URGING US TO DO EARLY THIS YEAR, IT WOULD COST \$11 BILLION MORE THAN THIS CONFERENCE BILL. SO AS I SAID AT THE OUTSET THIS AFTERNOON WHEN THE CONFERENCE REPORT WAS MADE THE PENDING BUSINESS, IT IS NOT PERFECT. IT IS NOT WHAT I WOULD HAVE WRITTEN IF I WERE A DICTATOR AND I COULD HAVE SAT DOWN AND PRESCRIBED AND PROSCRIBED AS I PLEASED. BUT IT IS A PRETTY GOOD FARM BILL CONSIDERING THE SITUATION THAT EXISTS OUT THERE ACROSS AMERICA, AND I HOPE SENATORS WILL SUPPORT IT.

FURTHERMORE, THIS BILL COMES VERY CLOSE TO THE \$50 BILLION MARK SET BY THE PRESIDENT HIMSELF. SO I REITERATE A POINT OF ORDER UNDER THE BUDGET ACT CAN BE RAISED ONLY BECAUSE OF THE QUIRK THAT THIS FARM BILL IS THE CABOOSE OF THE TRAIN IN THE LEGISLATIVE PROCESS. I REITERATE THAT I SPENT 40 HOURS BY ACTUAL COUNT WAITING FOR A QUORUM TO APPEAR DURING THE MARKUP OF THIS BILL. I SAT THERE OFTEN BY MYSELF, FREQUENTLY WITH THE DISTINGUISHED SENATOR FROM IOWA. I PAY HIM THE COMPLIMENT OF SAYING THAT HE WAS THERE. SENATOR ZORINSKY WAS ALSO THERE, BUT WE HAVE DIFFICULTY, AS THE SENATOR FROM IOWA HIMSELF POINTED OUT, GETTING A QUORUM DAY AFTER DAY. IN ADDITION, OFTEN WE WERE NOT ALLOWED TO MEET IN THE AFTERNOONS OR BEYOND 2 HOURS AFTER THE SENATE HAD CONVENED IN THE MORNING. BUT THAT IS HISTORY. WE HAVE THAT BEHIND US, AND WE HAVE WORKED TOGETHER IN A REMARKABLE FASHION TO PRODUCE A FARM BILL THAT I BELIEVE IS WORTHY OF THE SENATE'S APPROVAL AND I HOPE IT WILL BE OVERWHELMINGLY APPROVED.

MR. PRESIDENT, WHILE I HAVE THE FLOOR I WANT TO THANK SO MANY PEOPLE WHO HAVE CONTRIBUTED TO THE PRODUCTION OF THIS BILL. I HAVE SAID OVER AND OVER AGAIN WHAT A JOY IT IS TO WORK WITH THE DISTINGUISHED SENATOR FROM NEBRASKA [MR. ZORINSKY] AND THE MAJORITY AND MINORITY LEADERS. ALL MEMBERS OF THE COMMITTEE HAVE COOPERATED CONSTANTLY, BUT MOST PARTICULARLY THE YOUNG, DEDICATED STAFF OF THE SENATE AGRICULTURE COMMITTEE, BOTH MINORITY STAFF MEMBERS, AND MAJORITY STAFF MEMBERS. WE WORKED TOGETHER AS A TEAM. SOME DAY I HOPE TO JUST LAY OUT FOR THE RECORD THE SACRIFICES OF THEIR TIME THAT WERE MADE THROUGHOUT THIS YEAR, ON OCCASION AFTER OCCASION. SINCE SATURDAY NIGHT, THEY WENT ROUND THE CLOCK, DAY AFTER DAY, TO

PRODUCE THAT 13-POUND DOCUMENT THAT IS NOW PENDING BEFORE THE SENATE.

SO, WITH THAT, MR. PRESIDENT, I YIELD THE FLOOR.

I WOULD SAY TO SENATORS, IF I MAY REGAIN THE FLOOR, WE CANNOT VOTE UNTIL 6:30 BECAUSE OF THE UNANIMOUS CONSENT AGREEMENT. SO I SUGGEST THE ABSENCE OF A QUORUM.

THE PRESIDING OFFICER. THE CLERK WILL CALL THE ROLL.

THE BILL CLERK PROCEEDED TO CALL THE ROLL.

MR. WILSON. MR. PRESIDENT, I ASK UNANIMOUS CONSENT THAT THE ORDER FOR THE QUORUM CALL BE RESCINDED.

THE PRESIDING OFFICER. WITHOUT OBJECTION, IT IS SO ORDERED.

MR. WILSON. MR. PRESIDENT, I RISE TO EXPRESS SERIOUS RESERVATIONS ABOUT THE 1985 FARM BILL AND TO CONVEY MY HEARTFELT CONCERNS ABOUT THE FUTURE, COMPETITIVE VITALITY OF THE AMERICAN FARMER.

I DO NOT MEAN TO SUGGEST THAT THE CONFERENCE REPORT BEFORE US IS DEVOID OF POSITIVE DEVELOPMENTS IN AGRICULTURAL POLICY. INDEED, THE DISTINGUISHED CONFERENCE CHAIRMAN, SENATOR HELMS, AND HIS FELLOW CONFEREES SHOULD BE COMMENDED FOR FAR MORE THAN THEIR TIRELESS EFFORTS AND REMARKABLE ENDURANCE. YET, FOR MANY OF THE PROVISIONS, WHICH I WOULD CHARACTERIZE AS PLUSES, THERE ARE UNFORTUNATELY OFFSETTING MINUSES OF SIGNIFICANT DIMENSIONS AND SERIOUS CONSEQUENCES.

FOR EXAMPLE, THE BILL MAKES A MAJOR -- AND A POSITIVE -- STRUCTURAL CHANGE IN FEDERAL POLICY BY ALLOWING COMMODITY LOAN LEVELS TO REFLECT MARKETPLACE PRICES, INSTEAD OF CODIFIED ESTIMATES. THIS MEANS THAT OUR GRAIN AND COTTON LOAN RATES WILL COME DOWN OVER THE LENGTH OF THE BILL; BUT ONLY GRADUALLY -- NOT MORE THAN 5 PERCENT IN MOST YEARS. ANOTHER FAVORABLE PROVISION IS THE USE OF A "MARKETING LOAN" WHICH WILL ALLOW GROWERS TO REDEEM THEIR CROPS FROM THE COMMODITY CREDIT CORPORATION AT WORLD PRICE LEVELS, INSTEAD OF HIGHER CCC LOAN LEVELS; THEREBY ENABLING AMERICAN FARM PRODUCTS TO BE SOLD TO FOREIGN BUYERS; NOT FORFEITED TO THE FEDERAL GOVERNMENT.

UNFORTUNATELY, THE DOWNWARD TREND OF LOAN LEVELS, WHICH MAY BE THE SINGLE-MOST IMPORTANT CHANGE IN THE BILL, IS OFFSET BY FREEZING TARGET PRICES AT THEIR PRESENTLY HIGH LEVELS. TECHNICALLY, THIS IS A 2-YEAR FREEZE, BUT A TOKEN 2-PERCENT REDUCTION IN 1988 AND A 3-PERCENT REDUCTION IN 1989 DO LITTLE TO THAW THE FREEZE.

WHILE I UNDERSTAND THE RATIONALE BEHIND THE TARGET PRICE FREEZE AND SYMPATHIZE WITH THE DESIRE OF MY COLLEAGUES TO MAINTAIN FARM INCOME -- ESPECIALLY DURING THESE DIFFICULT ECONOMIC TIMES -- THE COMBINATION OF HIGH TARGET PRICES AND LOWER LOAN RATES WILL TRANSLATE INTO LARGER FEDERAL DEFICIENCY PAYMENTS TO FARMERS. MOREOVER, I STRONGLY SUSPECT THAT THE ATTRACTIVE COMBINATION OF HIGHER DIRECT PAYMENTS AND MARKETING LOAN FLEXIBILITY WILL PROMPT MORE FARMERS TO PARTICIPATE IN THESE PROGRAMS.

CONSEQUENTLY, WE ARE ABOUT TO ADOPT A FARM BILL WHICH WILL NOT ONLY INCREASE THE SIZE OF EACH INDIVIDUAL DEFICIENCY PAYMENT, BUT WILL ALSO INCREASE THE NUMBER OF

FARMERS TO WHOM THESE GOVERNMENT PAYMENTS WILL BE MADE. FOR EXAMPLE, IN RECENT YEARS, ONLY ABOUT 20 PERCENT OF ELIGIBLE FARMERS PARTICIPATED IN THESE FEDERAL SUPPORT PROGRAMS; HOWEVER, AS GOVERNMENT SUBSIDY LEVELS INCREASED AND COMMODITY PRICES FELL, PROGRAM PARTICIPATION HAS SKYROCKETED. THIS TREND WILL SURELY CONTINUE UNDER THE 1985 FARM BILL, PROMPTING SPECULATION THAT NEXT YEAR AS MANY AS 90 PERCENT OF ELIGIBLE WHEAT GROWERS AND FEED GRAINS FARMERS WILL SEEK SHELTER IN USDA'S PROGRAMS.

LONG-TERM CHANGES IN THE DAIRY PROGRAM REPRESENT STEPS IN THE RIGHT DIRECTION; HOWEVER, DAIRYMEN WILL CRAWL THROUGH AN 18 MONTH FEDERAL TAX ON THEIR PRODUCTION BEFORE THEY WILL REACH A SUPPORT PROGRAM RESPONSIVE TO THE REALITIES OF SUPPLY AND DEMAND. DESPITE THE FACT THAT USDA WILL PURCHASE MORE THAN 16 BILLION POUNDS OF SURPLUS DAIRY PRODUCTS IN 1985, THE BILL RETAINS THROUGHOUT ALL OF THE NEXT YEAR THE EXISTING SUPPORT LEVEL OF \$11.60 PER HUNDREDWEIGHT.

DURING THAT PERIOD OF TIME -- AND UNTIL OCTOBER OF 1987 -- THE SECRETARY OF AGRICULTURE WILL ADMINISTER A "WHOLE HERD BUY-OUT" PROGRAM PURSUANT TO WHICH DAIRYMEN WHO WISH TO REMAIN IN BUSINESS WILL BE ASSESSED A TAX ON EVERY 100 POUNDS OF THEIR PRODUCTION, IN ORDER FOR THE GOVERNMENT TO "BUY-OUT" ANY ONE OF THEIR COMPETITORS INTERESTED IN LEAVING THE DAIRY BUSINESS.

I DO NOT DOUBT THAT THIS IS A WELL-INTENTIONED ATTEMPT TO "FINE TUNE" A FARM PROGRAM WHOSE PRIMARY PROBLEM IS UNREALISTICALLY HIGH SUPPORT LEVELS. UNFORTUNATELY, BY ADDRESSING FUNDAMENTAL PROBLEMS WITH SLICK-PACKAGED GIMMICKS INSTEAD OF STRAIGHT-FORWARD CHANGES, WE IN CONGRESS ARE INDIRECTLY PENALIZING SEGMENTS OF AMERICAN AGRICULTURE -- SPECIFICALLY, PRODUCERS OF CATTLE AND GROWERS OF FRUITS NUTS, AND VEGETABLES -- WHO DO NOT RECEIVE GOVERNMENT SUBSIDIES AND HAVE NOT REQUESTED THEM.

FOR EXAMPLE, PROPONENTS OF THE DAIRY PROVISIONS ACCURATELY RECOGNIZED THAT RETURNS TO CATTLEMEN, WHO DO NOT RECEIVE FARM SUBSIDIES, WILL BE ADVERSELY AFFECTED BY THE INCREASED AMOUNT OF RED MEAT WHICH WILL COME ON THE MARKET IN THE WAKE OF A WHOLE HERD BUY-OUT. UNFORTUNATELY, THEIR SOLUTION -- TO REQUIRE THE SECRETARY OF AGRICULTURE TO BUY 400 MILLION DOLLAR'S WORTH OF RED MEAT -- DOES NOT RECOGNIZE THAT THIS MONEY DEPLETES A DISCRETIONARY FUND WHICH THE SECRETARY HAS HISTORICALLY USED TO PURCHASE SURPLUS FRUIT, NUT AND VEGETABLE CROPS -- NONE OF WHICH RECEIVE FEDERAL SUBSIDIES -- FOR DISTRIBUTION IN FEDERAL FOOD PROGRAMS.

ON OTHER MATTERS, THIS FINAL FARM BILL VERSION PROPERLY ELIMINATES THE SHORT-LIVED AND ILL-ADVISED SUBSIDY PAYMENTS FOR SOYBEANS AND SUNFLOWERS, WHICH HAD BEEN ADDED ON THE FLOOR OF THE SENATE. UNFORTUNATELY, THE CONFERENCE REVIVED THE HONEY PROGRAM, WHICH THE SENATE HAD VOTED OVERWHELMINGLY TO PHASE-OUT, AND RESTORED UNLIMITED "INCENTIVE" PAYMENTS -- WORTH HUNDREDS OF THOUSANDS OF DOLLARS ANNUALLY -- TO A SELECT NUMBER OF WOOL AND MOHAIR PRODUCERS.

IT IS PROPER THAT THE BILL DOES CONTAIN A STRONG, COMMENDABLE CONSERVATION TITLE WHICH WILL RETURN NEARLY 45 MILLION ACRES OF HIGHLY ERODIBLE LAND TO LESS-INTENSIVE USES AND WILL DISCOURAGE FARMERS FROM CONVERTING FRAGILE SOIL OR WETLANDS INTO PLANTED ACREAGE; HOWEVER, IN ADDITION TO A CONSERVATION RESERVE, THE BILL'S COMMODITY TITLES WILL STILL CONTINUE TO REQUIRE FARMERS TO IDLE SIGNIFICANT AMOUNTS OF FERTILE, POTENTIALLY PRODUCTIVE LANDS THROUGH ACREAGE REDUCTION PROGRAMS.

COMPLIANCE WITH THESE SO-CALLED ARPS, WHICH WILL RANGE FROM A LOW OF 20 PERCENT OF OUR NATION'S CORN ACREAGE TO A HIGH OF 35 PERCENT OF RICE ACRES, ARE A REGRETTABLE OUTGROWTH OF THE HIGH COSTS OF THE TYPE OF SUPPORT PROGRAMS WHICH THIS LEGISLATION REAUTHORIZES.

UNFORTUNATELY, NOT ONLY DO THESE ARPS INCREASE THE PER UNIT COST OF AMERICAN FARM PRODUCTS AND REDUCE OUR ECONOMIES OF SCALE, BUT THEY SERVE AS AN INCENTIVE FOR FARMERS ABROAD TO INCREASE THEIR OWN PLANTINGS AND PROVIDE ADDITIONAL COMPETITION FOR U.S. AGRICULTURAL EXPORTS. THE DISPLACEMENT EFFECT OF THIS APPROACH IS EVIDENCED BY THE PLIGHT OF OUR FARM EXPORTS UNDER POLICIES IN THE LAST 4 YEAR FARM BILL. THESE EXPORTS HAVE PLUMMETTED FROM A HIGH OF \$44 BILLION IN 1981 TO BARELY \$30 BILLION IN THE CURRENT YEAR.

FORTUNATELY, THE 1985 FARM BILL WILL PROVIDE A VARIETY OF TOOLS TO ENABLE THE SECRETARY OF AGRICULTURE TO REVERSE THIS DOWNWARD EXPORT TREND AND TO RESPOND TO A VARIETY OF UNFAIR TRADE PRACTICES. YET, I AM CONCERNED THAT THE BENEFITS OF A STRONG TRADE TITLE WILL BE, AT LEAST, PARTIALLY DILUTED, IF NOT FULLY NEGATED, BY SOME OF THE OTHER PROVISIONS, WHICH I HAVE ALREADY DISCUSSED.

I RECITE THIS LIST OF THE PLUSES AND MINUSES CONTAINED IN THE 1985 FARM BILL IN ORDER TO DEMONSTRATE THE INCONSISTENT POLICIES AND INCONGRUOUS PROVISIONS WHICH WE ARE ABOUT TO ENACT -- OR SHOULD I SAY REENACT -- INTO LAW. THESE SAME INEXPLICABLE CONTRADICTIONS ARE CONTAINED IN CURRENT FARM POLICIES, WHICH HAVE SO MISERABLY AND TRAGICALLY FAILED THE AMERICAN FARMER.

AND THE FAILURE OF OUR FEDERAL FARM POLICIES IS NOT LIMITED TO THOSE GROWERS WHO PARTICIPATE IN THESE SUPPORT PROGRAMS, MANY OF WHOM ARE CONFRONTING SEVERE FINANCIAL PROBLEMS -- DESPITE \$50,000 A YEAR DEFICIENCY PAYMENTS. THESE FEDERAL FARM SUBSIDIES TAKE A TOLL ON AGRICULTURAL OPERATIONS, WHICH FOR A VARIETY OF REASONS, SUCH AS THEIR SIZE, DIVERSITY, OR FREE-MARKET IDEOLOGY, DO NOT QUALIFY FOR PARTICIPATION IN USDA'S COMMODITY PROGRAMS.

AN AGRICULTURAL CONSTITUENT OF MINE PROVIDES A TIMELY AND TROUBLING EXAMPLE. THE J.G. BOSWELL CO., ONE OF THE WORLD'S LARGEST COTTON-GROWING CONCERNS, ANNOUNCED LAST MONTH THAT IT NEEDS TO REDUCE ITS WORK FORCE BY 600 EMPLOYEES, FROM A WORK FORCE OF 1,300 TO 700. IN A LETTER FROM THE CHAIRMAN OF THIS FAMILY-RUN OPERATION TO HIS EMPLOYEES ANNOUNCING THESE SEVERE CUTBACKS, MR. J.G. BOSWELL CITED THE INABILITY OF THIS CONGRESS TO REDUCE FARM SUBSIDIES AS MAJOR FACTOR BEHIND THE NEED TO RESTRUCTURE HIS OPERATION.

MR. PRESIDENT, THIS YEAR THE AMERICAN TAXPAYER WILL HAVE DISTRIBUTED APPROXIMATELY \$20 BILLION TO FARMERS WHO PRODUCE BASIC COMMODITIES AND ARE ELIGIBLE FOR PROGRAM PARTICIPATION. THEIR DIRE ECONOMIC PLIGHT CONVINCINGLY DEMONSTRATES TO ME THAT THIS YEAR'S FEDERAL LARGESS WAS INADEQUATE TO RESTORE PROSPERITY TO THE FARM BELT. AT THE SAME TIME THAT THESE AGRICULTURAL SUBSIDIES HAVE FAILED TO REVITALIZE FARMERS WHO PARTICIPATE IN THE PROGRAM, THEY HAVE, ALSO, PENALIZED THOSE AGRICULTURAL ENTERPRISES BEYOND THE SCOPE OF FEDERAL ASSISTANCE.

IN MY MIND, THIS IS A LOSE-LOSE SCENARIO -- HARMING THE MOST EFFICIENT OF AMERICAN AGRICULTURE WHILE FAILING TO REVIVE THE FINANCIALLY TROUBLED GROWERS -- WHICH WILL BE PLAYED-OUT FOR 5 MORE YEARS UNDER THE POLICIES CONTAINED IN THE 1985 FARM BILL. FOR

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THIS REASON, MR. PRESIDENT, I AM REGRETTABLY COMPELLED TO VOTE AGAINST THE CONFERENCE REPORT.

MR. PRESIDENT, I SUGGEST THE ABSENCE OF A QUORUM.

THE PRESIDING OFFICER. THE CLERK WILL CALL THE ROLL.

THE ASSISTANT LEGISLATIVE CLERK PROCEEDED TO CALL THE ROLL.

MR. HELMS. MR. PRESIDENT, I ASK UNANIMOUS CONSENT THAT THE ORDER FOR THE QUORUM CALL BE RESCINDED.

THE PRESIDING OFFICER. WITHOUT OBJECTION, IT IS SO ORDERED.

UNDER THE PREVIOUS ORDER, THE VOTE ON THIS MEASURE HAS BEEN SET FOR 6:30 P.M.

THE QUESTION IS ON AGREEING TO THE CONFERENCE REPORT. ON THIS QUESTION, THE YEAS AND NAYS HAVE BEEN ORDERED, AND THE CLERK WILL CALL THE ROLL.

THE ASSISTANT LEGISLATIVE CLERK CALLED THE ROLL.

MR. SIMPSON, I ANNOUNCE THAT THE SENATOR FROM NEW MEXICO, [MR. DOMENICI], SENATOR FROM ALASKA [MR. MURKOWSKI], THE SENATOR FROM VIRGINIA [MR. TRIBLE], THE SENATOR FROM CONNECTICUT [MR. WEICKER], ARE NECESSARILY ABSENT.

I ALSO ANNOUNCE THAT THE SENATOR FROM MARYLAND [MR. MATHIAS], IS ABSENT ON OFFICIAL BUSINESS.

MR. CRANSTON. I ANNOUNCE THAT THE SENATOR FROM MASSACHUSETTS [MR. KENNEDY], IS NECESSARILY ABSENT.

I ALSO ANNOUNCE THAT THE SENATOR FROM FLORIDA [MR. CHILES], IS ABSENT BECAUSE OF ILLNESS.

THE PRESIDING OFFICER. ARE THERE ANY OTHER SENATORS IN THE CHAMBER DESIRING TO VOTE?

THE RESULT WAS ANNOUNCED -- YEAS 55, NAYS 38, AS FOLLOWS:

(See ROLLCALL VOTE NO. 378 LEG. in the ROLL segment.)

SO THE CONFERENCE REPORT WAS AGREED TO.

MR. HELMS. MR. PRESIDENT, I MOVE TO RECONSIDER THE VOTE BY WHICH THE CONFERENCE REPORT WAS AGREED TO.

MR. THURMOND. I MOVE TO LAY THAT MOTION ON THE TABLE.

THE MOTION TO LAY ON THE TABLE WAS AGREED TO.

(EARLIER THE FOLLOWING OCCURRED:)

MR. PRYOR. MR. PRESIDENT, IN ORDER THAT OUR COLLEAGUES WHO WERE NOT ON THE AGRICULTURE COMMITTEE MAY HAVE THE BENEFIT OF AN EXCELLENT SUMMARY THAT WAS

ISSUED BY THE COMMITTEE ON THE CONFERENCE AGREEMENT ON THE NEW FARM BILL AS PROPOSED, I ASK AT THIS TIME UNANIMOUS CONSENT THAT IT BE PRINTED IN THE RECORD IMMEDIATELY FOLLOWING THE DISPOSITION OF THE CONFERENCE REPORT, PROVIDING THAT IT PASSES.

THE PRESIDING OFFICER. WITHOUT OBJECTION, IT IS SO ORDERED.

MAJOR PROVISIONS OF THE BILL INCLUDE:

WHEAT AND FEED GRAINS

BASIC INITIAL LOAN RATES FOR GRAINS WOULD START AT \$3.00 A BUSHEL FOR 1986 WHEAT AND \$2.40 FOR 1986 CORN. FROM 1987 ON, LOANS FOR GRAINS WOULD BE SET EACH YEAR AT BETWEEN 75 AND 85 PERCENT OF THE AVERAGE PRICE RECEIVED BY PRODUCERS DURING THE IMMEDIATE PRECEDING 5 MARKETING YEARS, EXCLUDING THE HIGH AND LOW YEARS, WITH ANNUAL REDUCTIONS LIMITED TO 5 PERCENT.

AFTER CALCULATING THE BASIC INITIAL RATES, THE SECRETARY COULD THEN FURTHER REDUCE THE RATE FOR ANY YEAR BY UP TO 20 PERCENT IF (1) MARKET PRICES IN THE PREVIOUS SEASON FAILED TO TOP 110 PERCENT OF THE PREVIOUS YEAR'S BASIC LOAN RATE, OR (2) 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 LOAN AT LEAST 10 PERCENT.

THE SECRETARY WOULD HAVE DISCRETIONARY AUTHORITY TO ALLOW REPAYMENT OF PRICE SUPPORT LOANS AT LEVELS WHICH COULD BE SET AS LOW AS 70 PERCENT OF THE ORIGINAL LOAN RATE. THE SECRETARY WOULD HAVE ADDITIONAL DISCRETIONARY AUTHORITY TO GIVE PRODUCERS ONE OF TWO ALTERNATE TYPES OF MARKETING CERTIFICATES TO HELP PROMOTE EXPORTS.

TARGET PRICE INCOME PROTECTION WOULD OPERATE ALONGSIDE WHICHEVER LOAN SYSTEM WAS USED, AND ANY REDUCTION BELOW THE BASIC INITIAL LOAN RATES WOULD BE OFFSET BY INCREASED TARGET PRICE DEFICIENCY PAYMENTS WHICH WOULD NOT BE SUBJECT TO PAYMENT LIMITS.

TARGET PRICES, WHICH PROVIDE DIRECT PAYMENTS TO FARMERS WHEN MARKET PRICES ARE BELOW THE TARGET RATE, WOULD BE FROZEN AT CURRENT LEVELS (\$4.38 A BUSHEL FOR WHEAT AND \$3.03 A BUSHEL FOR CORN) THROUGH 1987. FOR THE 1988 CROP, THE SECRETARY WOULD HAVE AUTHORITY TO SET THE TARGET PRICE LEVEL AT NOT LESS THAN 98 PERCENT OF THE 1986 LEVEL (\$4.38 AND \$3.03); AT NOT LESS THAN 95 PERCENT FOR THE 1989 CROP; AND AT NOT LESS THAN 90 PERCENT FOR THE 1990 CROP, BUT NOT TO LOWER THAN \$4 FOR WHEAT AND \$2.75 FOR CORN.

TO QUALIFY FOR BENEFITS IN ANY YEARS IN WHICH CARRYOVER WHEAT STOCKS EXCEED 1 BILLION BUSHEL, 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 FURTHER DISCRETION FOR REDUCTIONS OF 7.5 PERCENT); IN 1987, A MAXIMUM REDUCTION OF 27.5 PERCENT (INCLUDING A MANDATORY MINIMUM REDUCTION 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 A FURTHER 10 PERCENT AT THE SECRETARY'S DISCRETION). FOR THE 1986 CROP ONLY, THE SECRETARY WOULD BE REQUIRED TO OFFER

GROWERS WHO PLANTED BEFORE ANNOUNCEMENT OF THE PROGRAM A CHANCE TO IDLE 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 (INCLUDING A MANDATORY MINIMUM OF 12.5 PERCENT, A MANDATORY IN-KIND PAID DIVERSION OF 2.5 PERCENT, AND FURTHER DISCRETION FOR REDUCTIONS OF 5 PERCENT. 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 THE AUTHORITY TO OFFER PRODUCERS A FURTHER, VOLUNTARY, PAID DIVERSION BEYOND THE BASIC MINIMUMS IN THE BILL.

THE SECRETARY IS REQUIRED TO ALLOW HAYING AND GRAZING ON DIVERTED ACRES IN 1986, PERMIT GRAZING IN 1987-90 IF STATE AGRICULTURAL STABILIZATION COMMITTEES REQUEST IT. CURRENT LAW GIVES THE SECRETARY DISCRETIONARY AUTHORITY TO PERMIT 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 RISE IF HE ELECTED HIGHER LEVELS OF ACREAGE REDUCTION OR DECLINE AT LOWER ACREAGE-CUT LEVELS. ALSO OPTIONAL FOR THE SECRETARY WOULD BE A PLAN VARYING TARGET PRICE LEVELS FOR FARMS OF DIFFERENT SIZES AN EFFORT TO CONCENTRATE BENEFITS ON MEDIUM-SIZED FARMS. FOR THE 1986 CROP, THE SECRETARY WOULD BE REQUIRED TO PAY PART OF THE EXPECTED TARGET PRICE DEFICIENCY PAYMENTS ON AN ADVANCE BASIS AND TO MAKE PART OF THE PAYMENT "IN-KIND."

UNDER THE BILL, THE SECRETARY WOULD HAVE THE DISCRETIONARY AUTHORITY TO PROCLAIM MARKETING QUOTAS FOR WHEAT, AND ESTABLISH A MANDATORY ACREAGE CONTROL PROGRAM FOR WHEAT, SUBJECT TO THE APPROVAL OF PRODUCERS 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 THE STUDY FINDINGS, TO PROTECT GRAIN QUALITY.

#### COTTON

THE BASIC SUPPORT LOAN RATE IS SET AT 55 CENTS PER POUND FOR 1986. IN 1987 AND THEREAFTER FOR THE LIFE OF THE BILL, THE LOAN RATES WOULD BE BASED ON 85 PERCENT OF THE WORLD MARKET PRICE, WITH REDUCTIONS LIMITED TO 5 PERCENT ANNUALLY, WITH 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. IN INSTANCES WHERE WORLD MARKET LEVELS FALL BELOW THE NEW LOAN REPAYMENT LEVELS, THE SECRETARY WOULD ISSUE "IN-KIND" CERTIFICATES TO DOMESTIC AND FOREIGN BUYERS TO BRIDGE THE GAP BETWEEN THE EFFECTIVE SUPPORT AND THE MARKET.



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TARGET PRICES WOULD BE FROZEN FOR THE 1986 CROP AT THE 1985 LEVEL OF 81 CENTS PER POUND. FOR THE 1987 CROP, THE SECRETARY WOULD HAVE THE AUTHORITY TO SET THE TARGET PRICE AT NOT LESS THAN 98 PERCENT OF THE 1986 LEVEL (81 CENTS); AT NOT LESS THAN 95 PERCENT FOR THE 1988 CROP; AT NOT LESS THAN 92 PERCENT FOR THE 1989 CROP; AND AT NOT LESS THAN 90 PERCENT FOR THE 1990 CROP.

TO QUALIFY FOR PROGRAM BENEFITS, PRODUCERS WOULD BE REQUIRED TO DIVERT UP TO 25 PERCENT AND THE SECRETARY COULD OFFER A VOLUNTARY PAYMENT IN KIND SUPPLEMENTAL DIVERSION PLAN, INCLUDING PAYMENTS IN KIND, IF GREATER ACREAGE CUTS WERE NEEDED.

THE BASE LOAN RATE WOULD BE SET AT \$7.20 PER HUNDREDWEIGHT FOR 1986 AND THEN BASED ON 85 PERCENT OF THE AVERAGE MARKET PRICE IN THE PAST 5 YEARS, EXCLUDING THE HIGH AND LOW YEARS, WITH ANNUAL REDUCTIONS LIMITED TO 5 PERCENT AND A FLOOR OF \$6.50.

THE SECRETARY IS REQUIRED TO PERMIT REPAYMENT OF THE PRICE SUPPORT LOAN AT THE WORLD MARKET PRICE, BUT FOR 1986 AND 1987 NOT BELOW 50 PERCENT OF THE ORIGINAL LOAN RATE, FOR 1988 NOT BELOW 60 PERCENT OF THE ORIGINAL LOAN, AND FOR 1989 AND THEREAFTER NOT BELOW 70 PERCENT OF THE ORIGINAL LOAN. UP TO ONE-HALF OF THE DIFFERENCE BETWEEN THE ORIGINAL LEVEL AND REPAYMENT LEVEL MAY BE PAID IN NEGOTIABLE IN-KIND CERTIFICATES.

IF THE MARKET PRICE FALLS BELOW THE REPAYMENT LEVEL, THE SECRETARY MUST ISSUE 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.)

TARGET PRICES WOULD BE FROZEN AT \$11.90 PER HUNDREDWEIGHT FOR THE 1986 CROP AND THEN SCALED DOWN USING THE SAME FORMULA AS FOR COTTON. (PERCENTAGES OF 98, 95, 92, AND 90 OF THE ORIGINAL LEVEL FOR THE YEARS 1987-90.)

PRODUCERS WHO WANT TO ENTER THE PROGRAM WOULD BE SUBJECT TO ACREAGE REDUCTIONS OF UP TO 35 PERCENT. THE SECRETARY COULD ALSO OFFER A VOLUNTARY PAID DIVERSION PROGRAM AND MAKE IN-KIND PAYMENTS.

#### DAIRY

THE BILL RETAINS THE CURRENT \$11.60 SUPPORT PRICE FOR 1986.

THE SECRETARY IS REQUIRED TO IMPLEMENT A WHOLE HERD BUYOUT PROGRAM FOR 18 MONTHS, UNDER WHICH PRODUCERS -- ON A BID BASIS -- MAY TAKE THEIR ENTIRE HERDS OUT OF PRODUCTION. THE PROGRAM WILL BE FUNDED BY A PRODUCER ASSESSMENT OF 40 CENTS PER HUNDREDWEIGHT.

THE SECRETARY IS REQUIRED TO PURCHASE 400 MILLION POUNDS OF RED MEAT FOR EXPORT AND DOMESTIC FEEDING PROGRAMS DURING THE 18-MONTH PROGRAM.

THE SECRETARY IS REQUIRED TO IMPLEMENT ORDERLY MARKETING PROVISIONS DURING THE WHOLE HERD PROGRAM.

ON JANUARY 1, 1987, THE SECRETARY IS REQUIRED TO REDUCE THE PRICE SUPPORT LEVEL BY 25 CENTS PER HUNDREDWEIGHT, AND IS REQUIRED TO REDUCE THE ASSESSMENT TO 25 CENTS PER

## HUNDREDWEIGHT.

THE SECRETARY IS REQUIRED TO REDUCE THE PRICE SUPPORT LEVEL BY 25 CENTS PER HUNDREDWEIGHT ON OCTOBER 1, 1987, AT WHICH TIME THE ASSESSMENT IS TERMINATED.

FOR THE REST OF THE LIFE OF THE BILL -- 1988-1990 -- THE SECRETARY IS REQUIRED TO REDUCE THE SUPPORT PRICE LEVEL BY 50 CENTS PER HUNDREDWEIGHT IF CCC PURCHASES ARE PROJECTED TO EXCEED 5 BILLION POUNDS. IF CCC PURCHASES ARE PROJECTED TO BE LESS THAN 2.5 BILLION POUNDS, THE SECRETARY MUST RAISE THE PRICE SUPPORT 50 CENTS PER HUNDREDWEIGHT.

DIFFERENTIALS USED IN SETTING MINIMUM FLUID MILK PRICES IN SOME MARKETING ORDERS WOULD BE INCREASED.

## SOYBEANS

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 THREE 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 OF THE 5 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 UNDER A "MARKETING LOAN" SYSTEM.

## SUGAR AND WOOL

THE BILL ALSO GENERALLY EXTENDS CURRENT PROGRAMS. THE WOOL PRICE SUPPORT FORMULA WOULD BE FROZEN FOR THE LIFE OF THE BILL.

THE SUGAR PRICE SUPPORT IS MAINTAINED FOR THE LIFE OF THE BILL AT 18 CENTS PER POUND.

1986 IMPORT QUOTAS, SCHEDULED TO EXPIRE SEPTEMBER 30, WOULD BE EXTENDED FOR AT LEAST 3 MONTHS.

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, BEGINNING IN THE 1987 QUOTA YEAR, NO IMPORT QUOTAS CAN BE GIVEN TO A COUNTRY THAT IS A NET IMPORTER OF SUGAR UNLESS THE COUNTRY CAN VERIFY THAT IT DOES NOT IMPORT ANY SUGAR PRODUCED IN CUBA.

## PEANUTS

THE PEANUT PROGRAM WOULD BE CONTINUED WITHOUT MAJOR CHANGES. SUPPORTS FOR PEANUTS GROWN WITHIN A DOMESTIC (FOOD AND SEED) QUOTA IN 1986 WOULD BE SET AT THE 1985 LEVEL PLUS ANY INCREASE IN THE COST OF PRODUCTION; FOR 1987 AND THEREAFTER FOR THE LIFE OF THE BILL, SUCH SUPPORT LEVELS WOULD BE ADJUSTED TO REFLECT INCREASES IN THE COST OF PRODUCTION, BUT NOT BY MORE THAN 6 PERCENT ANNUALLY, AND ACCESS TO QUOTA SALES AT THE DOMESTIC SUPPORT LEVEL WOULD BE BROADENED BY SHARING ANY GROWTH IN THE QUOTA BETWEEN OLD AND NEW GROWERS. THE BILL SETS A FLOOR OF 1.1 MILLION TONS (THE STATUTORY 1985 LEVEL) UNDER THE ANNUAL DOMESTIC PEANUT QUOTA FOR THE NEXT 5 YEARS, BUT PROVIDES THE QUOTA CAN INCREASE IF ACTUAL DOMESTIC NEEDS GROW.

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## HONEY

THE PRICE SUPPORT WOULD BE REDUCED FROM THE PRESENT LEVEL OF 65 CENTS A POUND TO 64 CENTS FOR 1986 AND 63 CENTS FOR 1987. IN THE FOLLOWING 3 YEARS THE SECRETARY WOULD BE AUTHORIZED TO PROVIDE REDUCTIONS OF UP TO 5 PERCENT ANNUALLY AND TO IMPLEMENT A MARKETING LOAN.

## PAYMENT LIMITATIONS AND GENERAL COMMODITY PROVISIONS

THE BILL CONTINUES THE PRESENT \$50,000 ANNUAL PER PRODUCER CEILING FOR PROGRAM PAYMENTS. EXEMPT FROM THE CEILING WOULD BE: (1) TARGET PRICE PAYMENTS REQUIRED TO OFFSET SUPPORT LOAN CUTS BELOW BASIC LOAN LEVELS, (2) PAYMENTS MADE UNDER SEVERAL PROGRAM COST-REDUCTION ITEMS WHICH THE BILL PROVIDES FOR DISCRETIONARY USE BY THE SECRETARY, AND (3) ANY GAINS FARMERS REALIZE WHEN PAYING OFF SUPPORT LOANS AT LESS THAN THE INITIAL LOAN LEVEL.

A \$100,000 CEILING WOULD BE PLACED ON DISASTER PAYMENTS TO PRODUCERS OF GRAINS, COTTON, AND RICE AND SIMILAR DISASTER PAYMENTS ARE AUTHORIZED FOR THE 1985-90 CROPS OF SOYBEANS, SUGAR BEETS, SUGARCANE AND PEANUTS.

ADVANCE DEFICIENCY PAYMENTS WOULD BE REQUIRED FOR THE 1986 CROPS OF WHEAT, FEED GRAINS, COTTON, AND RICE, AND WOULD BE DISCRETIONARY IN FUTURE YEARS FOR THE LIFE OF THE BILL. THE SECRETARY ALSO WOULD BE GIVEN AUTHORITY TO MAKE UP TO 5 PERCENT OF THE TOTAL DEFICIENCY PAYMENT WITH SURPLUS COMMODITIES.

NEW PROVISIONS FOR DETERMINING CROP AND TOTAL FARM ACREAGE BASES ARE INCLUDED, ALONG WITH REVISIONS IN THE FARMER-OWNED GRAIN RESERVE PROGRAM, PUTTING NEW LIMITS ON THE PROGRAM.

ALSO FOR THE PROGRAM USING TARGET PRICE, THE SECRETARY WOULD HAVE THE DISCRETION TO MAKE PAYMENTS TO PRODUCERS WHO ARE ELIGIBLE FOR LOAN AND TARGET PRICE PAYMENTS BUT AGREE TO FORGO THOSE BENEFITS.

**A BEEF PROMOTION BOARD IS ESTABLISHED TO ADMINISTER A BEEF PROMOTION PROGRAM. THE PROGRAM WILL BE FUNDED BY A \$1 PER HEAD CHECKOFF AT THE POINT OF SALE, INCLUDING IMPORTED BEEF. A CREDIT OF UP TO 50 CENTS PER HEAD IS PROVIDED FOR ASSESSMENTS PAID TO STATE BEEF COUNCILS. PROVISION IS ALSO MADE FOR REFUNDS TO PRODUCERS AND IMPORTERS. THE PROGRAM WILL BEGIN AS SOON AS PRACTICABLE, AND A REFERENDUM OF BEEF PRODUCERS MUST BE HELD WITHIN 22 MONTHS OF THE BEGINNING OF THE PROGRAM.**

A SIMILAR PORK PROMOTION BOARD IS ESTABLISHED TO OPERATE A PORK PROMOTION PROGRAM, FUNDED BY A 1/4 OF 1 PERCENT CHECKOFF OF THE SALES PRICE OF SWINE AND IMPORTED PORK PRODUCTS. THE CHECKOFF IS REFUNDABLE AT THE REQUEST OF THE PRODUCER UNTIL A REFERENDUM IS APPROVED BY PORK PRODUCERS. A REFERENDUM MUST BE HELD WITHIN 24 TO 30 MONTHS OF DATE OF ENACTMENT OF THE BILL.

## EXPORT TITLE

REQUIRES THE SECRETARY TO OFFER SURPLUS COMMODITIES OWNED BY THE AGRICULTURE DEPARTMENT 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 TO BE DEVOTED TO EXPORTS OF POULTRY, MEAT AND MEAT PRODUCTS. TO THE EXTENT PRACTICAL, THE SECRETARY MUST USE THE COMMODITIES IN EQUAL AMOUNTS IN EACH OF THE 3 YEARS.

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 REQUIRED TO MAKE NOT LESS THAN \$325 MILLION AVAILABLE ANNUALLY IN FY 86-88 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.)

BROADENS THE PURPOSES FOR WHICH AN EXISTING INTERMEDIATE (3-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 2 COUNTRIES TO ACQUIRE STRATEGIC OR OTHER MATERIALS FOR WHICH THERE ARE UNMET NATIONAL STOCKPILE GOALS.

REQUIRES THE PRESIDENT TO DESIGNATE A SPECIAL ASSISTANT FOR AGRICULTURE TRADE AND AID TO IMPROVE COORDINATION OF FEDERAL AGENCY PROGRAMS IN OVERSEAS FOOD ASSISTANCE.

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, FORTIFIES OR BAGGED PRODUCTS. FOR FISCAL 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 WHICH PROVIDES SURPLUS COMMODITIES FOR NEEDY PEOPLE ABROAD AND IT PROVIDES THAT NOT LESS THAN ONE-TENTH OF 1 PERCENT OF FOOD FOR PEACE (P.L. 480) FUNDS FOR FISCAL 1986 AND 1987 MUST BE USED FOR A FARMER-TO-FARMER TECHNICAL ASSISTANCE PROGRAM.

AUTHORIZES THE PRESIDENT TO DONATE UP TO AT LEAST 75,000 AND UP TO 500,000 METRIC TONS OF ELIGIBLE SECTION 416 OF P.L. 480 COMMODITIES, OR ANY COMBINATION THEREOF, IN EACH OF THE FISCAL YEARS 1989-90 UNDER A NEW FOOD FOR PROGRESS PROGRAM TO PROMOTE PRIVATE FREE ENTERPRISE POLICY AND DEVELOPMENT. AT LEAST 75,000 TONS OF SUCH COMMODITIES MUST BE FROM SECTION 416. IN RETURN FOR THE COMMODITIES, THE RECIPIENT COUNTRY MUST PROMOTE ECONOMIC FREEDOM IN THE PRODUCTION OF FOOD FOR DOMESTIC CONSUMPTION AND MUST BE ABLE TO USE THE DONATED COMMODITIES WITHOUT DISRUPTING ITS OWN AGRICULTURAL MARKETS.

A SECTION ON CARGO PREFERENCE REGULATIONS STATES THAT COMMODITIES EXPORTED UNDER PUBLIC LAW 480 (FOOD FOR PEACE) AND TWO OTHER DONATION 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 AND 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 BRAZILIAN ETHANOL AND ANOTHER ON SPECIFIC UNFAIR TRADE PRACTICES BY FOREIGN COUNTRIES WHICH AFFECT AMERICAN EXPORTS.

#### CONSERVATION

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 COUNTIES 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.

THE BILL EXTENDS THE RESOURCES CONSERVATION ACT, REQUIRING THE AGRICULTURE DEPARTMENT TO PRODUCE ASSESSMENTS OF SOIL AND WATER RESOURCES IN 1995 AND AGAIN IN 2005. 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 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

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 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 "BUY-DOWN," OR ONE-HALF OF THE TOTAL, WHICHEVER WAS LESS.

THE BILL INCLUDES DISCRETIONARY AUTHORITY FOR A PROGRAM OF PLANTING-SEASON ADVANCE COMMODITY LOANS TO FARMERS BEGINNING IN 1986.

AUTHORIZATION CEILING 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 ANNUALLY, BEGINNING WITH AN EQUAL DIVERSION BETWEEN DIRECT AND GUARANTEED LOANS AND ENDING WITH A THIRD-YEAR DIVERSION 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 YEAR 1986, \$700 MILLION IN 1987 AND \$600 MILLION IN 1988. UNDER NEW CHANGES CONTAINED IN THE BILL, SUCH DISASTER LOANS WOULD NO LONGER BE AVAILABLE TO THOSE WHO CAN GET CREDIT ELSEWHERE OR BEGINNING IN 1987, TO THOSE WHO CHOSE NOT TO PURCHASE CROP INSURANCE IF IT WERE AVAILABLE. IN ADDITION, FMHA DISASTER LOANS WOULD NOW BE RESTRICTED TO NOT LARGER THAN FAMILY SIZE FARM OPERATORS.

FOR RURAL DEVELOPMENT PROGRAMS, THE BILL AUTHORIZES \$340 MILLION ANNUALLY FOR 3 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 CONDITIONS.

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 THEIR LIENS ON FARM PRODUCTS. STATES WOULD BE GIVEN 12 MONTHS TO SET UP CENTRAL REGISTRY SYSTEMS FOR RECORDING FARM PRODUCT LIENS, 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 LARGE 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 ON 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.

THE SECRETARY WOULD BE GIVEN DISCRETION TO MAKE LOANS TO DISTRESSED FMHA BORROWERS WHO PLANT TIMBER CROPS ON MARGINAL FARMLAND WHICH IS SECURITY FOR THEIR EXISTING LOANS. THE NEW CREDIT, WHICH WOULD REAMORTIZE THE OLD LOANS AND WOULD BE LIMITED TO AN OVERALL TOTAL OF 50,000 ACRES, WOULD BE REPAYABLE WHEN THE TIMBER PRODUCES REVENUE OR WITHIN 45 YEARS.

THE CATEGORY OF THOSE ELIGIBLE TO BORROW FROM COOPERATIVE BANKS OF THE FARM CREDIT SYSTEM IS EXPANDED TO INCLUDE ALL RURAL UTILITIES ELIGIBLE TO BORROW FROM THE RURAL ELECTRIFICATION ADMINISTRATION.

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.

#### RESEARCH

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 CHOLESTROL 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 OR COMMERCIALIZATION 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 REAUTHORIZES THE ANIMAL HEALTH AND DISEASE RESEARCH ADVISORY BOARD AND AN AUTHORIZATION LEVEL OF \$25 MILLION. IT ALSO AUTHORIZES PERMANENT EXTENSION FUNDING FOR THE 1890 INSTITUTIONS AND \$10 MILLION ANNUALLY FOR 5 YEARS FOR EXTENSION FACILITIES. THE BILL ESTABLISHES A NEW PROGRAM OF AGRICULTURAL PRODUCTIVITY RESEARCH WITH DEMONSTRATION PROJECTS TO BE CONDUCTED FOR A TERM OF AT LEAST 5 YEARS AND TO THE EXTENT PRACTICABLE 12 TO 15 YEARS.

#### FOOD ASSISTANCE

THE FOOD PROGRAM SECTION OF THE BILL EXTENDS THE FOOD STAMP PROGRAM FOR 5 YEARS, 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 ADOPTED WERE AN INCREASE IN WORK INCENTIVES BY REVISING THE "EARNED INCOME" DEDUCTION USED IN CALCULATING STAMP BENEFITS; CHANGES IN ASSETS LIMITATIONS TO MAKE THE PROGRAM MORE ACCESSIBLE TO WORKING POOR HOUSEHOLDS; AN INCREASE IN THE EXCESS SHELTER COST DEDUCTION TO THE FOOD STAMP PROGRAM OPERATIONS; 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

THE BILL PROVIDES THAT IN ORDER TO PREVENT DAMAGE TO OLDER GASOLINE ENGINES USED ON MANY FARMS, THE ENVIRONMENTAL PROTECTION AGENCY MUST NOT REDUCE THE LEAD LIMIT IN GASOLINE TO BELOW 0.1 GRAM PER GALLON UNTIL JAN. 1, 1988. IN THE INTERIM, THE AGRICULTURE DEPARTMENT AND EPA WOULD MAKE A STUDY OF THE NEED FOR LEAD IN ENGINES, COMPLETING THE STUDY BY JAN. 1, 1987 AND REPORTING WITHIN 6 MONTHS ON WHETHER IT WOULD BE APPROPRIATE TO MODIFY THE GENERAL LEAD-LIMIT RULES IN THE CASE OF GASOLINE USED FOR FARMING PURPOSES.

ANOTHER PROVISION BANS IMPORTS OF FLUE-CURED OR BURLEY TOBACCO WHICH DOES NOT PASS U.S. PESTICIDE RESIDUE TESTS APPLYING TO AMERICAN-GROWN TOBACCO. ALSO, THE BILL



DIRECTS THE AGRICULTURE DEPARTMENT TO CONTINUE A PROGRAM OF RANDOM CHECKS TO DETERMINE IF IMPORTED CANADIAN POTATOES MEET U.S. STANDARDS.

A BAN FOR A TOTAL FOR 5 YEARS IS PLACED ON PRICE SUPPORTS AND CERTAIN OTHER FARM BENEFITS FOR PERSON CONVICTED OF GROWING OR STORING "CONTROLLED SUBSTANCE" DRUGS; REQUIRES TOBACCO IMPORTERS, IN ADDITION TO REPORTING THE COUNTRY OF ORIGIN OF THE PROJECT, TO ALSO IDENTIFY THE INTENDED U.S. PURCHASER; AUTHORIZES WATERMELON PRODUCERS TO ADOPT A CHECKOFF PROGRAM TO FINANCE RESEARCH AND PROMOTION; AND DIRECTS 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).

AN ANIMAL WELFARE TITLE REVISES STANDARDS FOR THE HUMANE HANDLING OF ANIMALS BY RESEARCH FACILITIES, DEALERS AND EXHIBITORS. IT DIRECTS THE SECRETARY TO DEVELOP STANDARDS WITH MINIMUM REQUIREMENTS IN AREAS INCLUDING HOUSING, FEEDING, SHELTER, VETERINARY CARE AND EXPERIMENTAL PROCEDURES THAT MINIMIZE PAIN AND DISTRESS.

CHANGES WOULD BE MADE IN 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, BUT WOULD ALLOW STATES WHICH HAVE EFFECTIVE REGULATORY SYSTEMS TO RETAIN THEM. INTRASTATE PRODUCERS WOULD BE GIVEN UP TO 4 YEARS TO COMPLY WITH FEDERAL REGULATIONS.

OTHER PROVISIONS IN THE BILL: REQUIRE THE SECRETARY TO GIVE 60 DAYS NOTICE TO THE SENATE AND HOUSE AGRICULTURE COMMITTEES BEFORE HE ACTS TO TERMINATE MARKETING ORDERS FOR NON-PRICE SUPPORTED CROPS; REQUIRE THE SECRETARY TO DESIGNATE 3 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, IN WHICH CASE ONLY A SINGLE AREA IS REQUIRED; AND REQUIRE THE SECRETARY TO CONTROL GRASSHOPPERS AND MORMON CRICKETS ON FEDERAL RANGELAND.

**ROLL:**

[ROLL NO. 461]

YEAS -- 170

[ROLLCALL VOTE NO. 378 LEG.]

YEAS -- 55

ABDNOR	ANDREWS	ARMSTRONG
BAUCUS	BENTSEN	BOSCHWITZ
BUMPERS	BURDICK	COCHRAN
CRANSTON	D'AMATO	DANFORTH
DENTON	DOLE	DURENBERGER
EAGLETON	EAST	EVANS
FORD	GLENN	GORTON

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HATCH	HATFIELD	HAWKINS
HEINZ	HELMS	INOUYE
JOHNSTON	KASSEBAUM	LAXALT
LEAHY	LEVIN	LONG
LUGAR	MATSUNAGA	MATTINGLY
MCCLURE	MCCONNELL	MELCHER
METZENBAUM	NUNN	PACKWOOD
PRYOR	QUAYLE	RIEGLE
ROCKEFELLER	SARBANES	SIMPSON
SPECTER	STAFFORD	STENNIS
STEVENS	SYMMS	THURMOND
WALLOP		

NAYS -- 38

BIDEN	BINGAMAN	BOREN
BRADLEY	BYRD	CHAFEE
COHEN	DECONCINI	DIXON
DODD	EXON	GARN
GOLDWATER	GORE	GRAMM
GRASSLEY	HARKIN	HART
HECHT	HEFLIN	HOLLINGS
HUMPHREY	KASTEN	KERRY
LAUTENBERG	MITCHELL	MOYNIHAN
NICKLES	PELL	PRESSLER
PROXMIRE	ROTH	RUDMAN
SASSER	SIMON	WARNER
WILSON	ZORINSKY	

NOT VOTING -- 7

CHILES	DOMENICI	KENNEDY
MATHIAS	MURKOWSKI	TRIBBLE
WEICKER		

**SUBJECT:** BUDGET (79%); AGRICULTURAL PRICES (79%); LEGISLATIVE BODIES (79%); FARMERS & RANCHERS (79%); AGRICULTURAL LAW (79%); CONFERENCES & CONVENTIONS (79%); RURAL DEVELOPMENT (59%); RURAL COMMUNITIES (59%); AGRICULTURAL INCOME (59%); AGRICULTURAL SUBSIDIES (59%); BANKING & FINANCE (59%); LOBBYING (59%); HARBORS &

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PORTS (59%); AGRICULTURAL MARKETING (59%); LAKES (59%); LEGISLATION (59%); PUBLIC FINANCE (59%); AGRICULTURAL LENDING (59%); APPROVALS (59%); LEGISLATORS (59%); SOYBEAN MARKETS (59%);