

to-farm. I don't. I favor long-term policy that would promote family agriculture and revitalize our rural economy. This is not that.

I believe freedom-to-farm is a dubious carrot followed by a very real stick. It would eliminate farm programs, ultimately leaving farmers to the tender mercies of the grain companies and the railroads and the Chicago Board of Trade during years when prices are low. I think in the long term it could have disastrous effects on family farmers and our rural economy.

Some farmers believe that freedom-to-farm is the best deal they will get from this Congress. I understand that. Many in this Congress oppose farm programs, and those people have made a credible threat to the future existence of farm programs. This plan offers farmers payments this year even though prices are projected to be strong. And it promises to lock in at least some payments for 7 years. For some farmers, even those who know that it is bad policy, that is attractive.

In fact, freedom-to-farm is bad policy. I will have more to say on this subject when we get to actual debate on the bill.

I voted for cloture last week because I had told Minnesota farmers that I didn't want to block its consideration. I had my amendments prepared. I was ready to debate. I still am. My strategy is not to block or obstruct.

But I will vote against cloture today. I have very strong reasons for doing so. And I am pleased to say that I do so on behalf of Minnesota dairy farmers, as I will explain in a moment.

First, I would like to point out that I have supported what I consider to be genuine reform of farm programs. I cosponsored a 7-year proposal last year which I wish could have received a closer look from the Senate and from farmers around the country in recent months. I still believe it is the best approach.

My colleagues and I, led by the minority leader, proposed a long-term, targeted marketing-loan approach. That plan would provide farmers the planting flexibility they need. But it also would provide needed long-term protection from some of the uncertainties that farmers face—uncertainties of weather, and of markets that are dominated by large multinational companies. It also would target farm-program benefits to family-size farmers. I still hope we can vote on that proposal.

I also intend to propose at least one amendment, if not two, to save money by eliminating loopholes that allow some people to collect the maximum farm payments three times. I want to use savings from that reform to raise loan rates for family farmers, or to help family-size farmers to invest in their own value-added processing cooperatives and marketing operations.

Now, however, I would like to address the effort represented by this substitute bill to dress up the freedom-to-farm proposal to attract votes—to at-

tract Democratic votes in order to get cloture. I especially would like to address a provision that has been added which I consider to be a poison pill: the Northeast dairy compact.

I have to say that I've been working since I got here 5 years ago for meaningful dairy market-order reform. Minnesota dairy farmers suffer terrible discrimination under the current Federal order system. I'm strongly opposed to the Northeast dairy compact not only because it forestalls reform of that system. But it also cuts a special deal for one region's dairy farmers to the detriment of farmers in the Upper Midwest, and it sets the bad precedent of establishing regional barriers.

We need to move to a farm bill. And we need to do it swiftly. But this deal is unacceptable.

My office is hearing from Minnesota dairy farmers and their organizations. Minnesota's Agriculture Commissioner, a Republican whom I respect, also has sent a message. They are urging a vote against cloture. I also received a very strong statement of opposition to the Northeast dairy compact from the Governor of my State today. I agree with his position, and I appreciate his communication on this issue. Madam President, I ask unanimous consent that the letter of Minnesota Governor Arne Carlson be printed in the RECORD immediately following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. WELLSTONE. I cannot stand by while this deal is made which neglects the dairy farmers of my State. I will vote against cloture. I believe I owe it to Minnesota dairy farmers. And should cloture be invoked, or should the farm bill come up for consideration under some other time agreement, I intend to be part of an effort to strike the Northeast dairy compact from the bill.

Madam President, I hope we can move quickly forward from here to consideration of a viable and acceptable farm bill. I look forward to a healthy debate.

#### EXHIBIT 1

STATE OF MINNESOTA,  
WASHINGTON OFFICE,  
Washington, DC, February 6, 1996.

Re Opposition to the Northeast interstate dairy compact.

Dear U.S. Senator. I am writing to ask you to oppose the inclusion of the Northeast Interstate Dairy Compact in the Freedom to Farm Act. My state represents one of the top dairy states in the nation and our dairy farmers are among the smallest on average in the nation.

The Compact, if approved by Congress, would be exempt from Commerce Clause challenge and would allow those states participating in the Compact to require a higher price to be paid to their producers than guaranteed by the Federal Milk Marketing Order system.

I oppose the Dairy compact for the following reasons:

(1) The Compact does nothing to correct the many failings of the archaic 1937 Federal Milk Marketing Order system;

(2) Most of the Compact's vital provisions will be left to rulemaking and the rules will be written by those who benefit from the Compact;

(3) The Compact Commission will erect trade barriers to less expensive milk coming in from other regions to maintain the higher Compact milk prices and these trade barriers will harm dairy farmers and processors in the rest of the nation;

(4) Higher Compact dairy farm prices will likely encourage surplus dairy production in that region, thereby requiring additional federal government purchases and lowering the prices received by struggling producers in other regions due to the dumping of surplus milk into other markets;

(5) Higher Compact prices in the Northeast will likely raise the cost of milk to Northeast dairy consumers and make Northeast processors less competitive;

(6) Higher Compact prices will benefit only one region of the country, a region that already benefits from some of the nation's highest federally-guaranteed minimum farm Class I milk prices; and

(7) Other regions will likely seek to enact dairy compacts as a defensive measure, thereby balkanizing the nation's dairy industry, raising consumer dairy prices nationwide, and encouraging inefficient milk production.

If Congress is seeking ways to help the nation's struggling dairy farmers, it should reform or eliminate the archaic Federal Milk Marketing Order system so that the nation's dairy policy is evenhanded and beneficial to all of the nation's dairy farmers. Moreover, we should not protect one region of the nation from competition from outside its borders as we move toward free trade around the world.

Please oppose inclusion of the Northeast Interstate Dairy Compact in the Freedom to Farm Act. The future of your state's dairy industry is at stake.

Thank you for your consideration.

Warmest regards,

ARNE H. CARLSON,  
Governor of Minnesota.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Madam President, I ask unanimous consent I may be permitted to speak for up to 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### A BALANCED BUDGET

Mr. GORTON. Madam President, it seems to me in the last 24 to 48 hours, we have taken one or two steps forward in our quest for a truly balanced budget, a balanced budget that will pay great dividends to future generations of America in lower interest rates, better jobs, and higher incomes. And at the same time, at least one major step backward. That major step backwards, of course, is what the President of the United States has submitted as a budget for fiscal year 1997. This yellow booklet really should not carry that title because it obviously does not meet the requirements of a budget submission under the law. To the extent that it does give an outline of the President's priorities, however, it is clearly a status quo document. All of the difficult decisions, the heavy lifting, is left until after the completion of

the term of the President who will be elected this fall.

So, while it does not represent a step forward on the part of the President, it also, one must confess, does not represent a step backward either. It consolidates the modest gains that were attained through five separate budget submissions on the part of the President for the current year. The overwhelmingly significant step forward, however, was the work by the National Governors Conference, which now unanimously has reached a detailed statement of principle on both Medicaid and welfare reform, one that has been agreed to by both Republican and Democrat Governors across the country, one that raises the very real possibility of breaking the budget deadlock in which we find ourselves at the present time. I cannot possibly be too laudatory of the tremendously difficult task that the Governors have undertaken and the great degree of success they have reached.

Madam President, we need a balanced budget for our children and for our grandchildren. We need reforms in Medicare and Medicaid for our seniors and for others who are less fortunate and cannot afford to pay for health care services themselves. We need welfare reform for all Americans for a more just and equitable system. And we need tax cuts for hard-working American families. All of these remain our goal. But two of the most difficult now are the beneficiaries of intervention on the part of the National Conference of Governors in such a way that the entire logjam may now possibly be broken and that, before the end of the current continuing resolution on March 15, there is the very real possibility of a wonderfully genuine move toward a budget that will lead to a very real balance by the year 2002 without gimmicks and without postponing all of the hard questions for 4 more years.

The final element in this equation was the report yesterday that the Medicare part A trust fund is going bankrupt much more rapidly than we had thought during our debate during the course of the last year. Instead of being in the black last year, it was in the red, 1 year earlier than was predicted just last April. That fact makes more urgent the reform of Medicare and the Medicare trust fund so that this trust fund will be there after the turn of the century for all of those over the age of 65 who depend on it. It causes to be even more modest in the long term the reforms in Medicare that were included in the Balanced Budget Act of 1995, regrettably vetoed by the President, and makes more urgent a set of reforms that will protect Medicare for our seniors in the future and will more equitably distribute the burden for paying for Medicare among all of our citizens—both those working and those retiring.

So, all in all, in spite of the President's refusal to recognize these new

facts in this so-called budget document, I believe that this week represents real progress toward an honest balanced budget, a budget that will be good for all Americans, that will lessen the burden of debt on future generations and increase their opportunities, their jobs, and their income.

Madam 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. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Madam President, I ask unanimous consent to speak for 7 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. GRASSLEY pertaining to the introduction of S. 1560 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRASSLEY. I yield the floor. Madam 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 (Mr. GORTON). Without objection, it is so ordered.

The Senator from North Carolina is recognized.

MR. HELMS. I thank the Chair.

(The remarks of Mr. HELMS pertaining to the introduction of S. 1562 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. HUTCHISON). Without objection, it is so ordered.

#### AGRICULTURAL MARKET TRANSITION ACT OF 1996

The Senate continued with the consideration of the bill.

Mr. DOLE. Madam President, what I am going to do here is obtain the consent on the farm bill so that we maybe can vote on final passage tomorrow at 4:45. So let me start that consent.

Madam President, I ask unanimous consent that Senator CRAIG be recognized to modify amendment No. 3184 with permanent law provisions, and once that modification has been made,

no amendments be in order to strike the permanent law modification during the pendency of S. 1541.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Madam President, I further ask unanimous consent that all amendments in order to amendment No. 3184 as modified be limited to 30 minutes, to be equally divided in the usual form, and must be relevant to the subject matter contained in amendment No. 3184 or farm related.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Madam President, I further ask unanimous consent that all amendments be offered in the first degree and not be subject to second degrees and offered on an alternating basis between the parties, and that the majority side be limited to 5 amendments, the minority side limited to 10 amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Reserving the right to object on that, just for clarification, I think the leader and I would encourage, if there is not a Senator on one side, that we would just go ahead and—the idea would be to alternate. We will leave it to the managers to make that determination.

Mr. DOLE. Right. That is the understanding of the chairman of the committee, Senator LUGAR, and I think Senator LEAHY. It is going to be a rather tight timeframe in any event. So we do not want to waste any time.

Madam President, I further ask unanimous consent with respect to the Santorum amendment concerning peanuts that there be 15 minutes under the control of Senator SANTORUM and 30 minutes under the control of Senator HEFLIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Finally, Madam President, I ask unanimous consent that final passage occur on S. 1541, as amended, no later than 4:45 p.m., Wednesday, February 7, 1996.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### UNANIMOUS CONSENT AGREEMENT—S. 1028

Mr. DOLE. Madam President, I also ask unanimous consent that not prior to April 15, but no later than May 3, the majority leader, after consultation with the Democratic leader, turn to the consideration of Calendar No. 205, S. 1028, the Health Insurance Reform Act of 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Further, Madam President, I ask unanimous consent that it not be in order to offer any amendment or motion relative to health care portability or similar to the text contained in S. 1028 prior to the execution of this agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.