

NOT VOTING—1

Landrieu

The bill (H.R. 3162) was passed.

Mr. COCHRAN. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002

The PRESIDING OFFICER (Mr. JOHNSON). Under the previous order, the Appropriations Committee is discharged from consideration of H.R. 2330 and the Senate will proceed to its consideration.

The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2330) making appropriations for agriculture, rural development, Food and Drug Administration, and related agencies programs for fiscal year ending September 30, 2002, and for other purposes.

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

The assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

RECESS

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate, at 2:31 p.m., recessed until 3:01 p.m., and reassembled when called to order by the Presiding Officer (Mr. NELSON of Florida).

AMENDMENT NO. 1969

Mr. KOHL. Mr. President, pursuant to yesterday's unanimous consent agreement, I rise to offer the text of S. 1191 as reported by the Senate Appropriations Committee as a substitute amendment for H.R. 2330, the fiscal year 2002 appropriations bill for Agriculture, Rural Development, Food and Drug Administration, and related agencies. The text of S. 1191 is at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. KOHL], for himself and Mr. COCHRAN, proposes an amendment numbered 1969.

The PRESIDING OFFICER. Under the previous order, the amendment is agreed to.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KOHL. Mr. President, I am pleased to present to the Senate, the fiscal year 2002 appropriations bill for agriculture, rural development, the

Food and Drug Administration, and related agencies. This bill was approved by the Appropriations Committee without dissent, and I hope it will receive the support of all Senators. I believe this bill strikes an appropriate balance of programs, consistent with the interests of Senators, to meet the needs of the farm sector, the environment, and rural America generally; nutrition assistance to our Nation's most vulnerable citizens; provide adequate resources to the Food and Drug Administration for protection of our food supply and other aspects of public health; and to support other national and international priorities.

This bill provides \$73.9 billion in new budget authority for both mandatory and discretionary programs under our subcommittee's jurisdiction, and is within our 302(b) allocation. This bill is \$2.8 billion below the level provided for fiscal year 2001, and is \$78 million below the President's request. Let me restate, this bill is below the President's request.

Although this bill is \$2.8 billion below the level provided last year, I should explain that the fiscal year 2001 bill included \$3.6 billion in emergency spending for natural disaster and market loss related assistance to farmers and rural communities. No emergency funding is provided in the bill now before the Senate, and when compared to the non-emergency spending for fiscal year 2001, we are providing an increase of approximately \$850,000. That amount represents an increase of slightly more than 1 percent from the previous year.

Before I go any further, I want to publicly thank my friend from Mississippi, Senator COCHRAN, ranking member on the Subcommittee, for his help and guidance. I also want to thank his staff: Rebecca Davies, minority clerk for the subcommittee, Martha Scott Poindexter, and Rachelle Schroder. Without their help and expertise, presentation of this bill to the Senate today would not have been possible. I owe a great deal of gratitude to Senator COCHRAN and his staff, as do all Senators.

Mr. President, when someone refers to this bill simply as the "Agriculture" appropriations bill, one might be left with the impression that it relates only to programs important to the farming community. While this bill does much to support our Nation's farmers, it also does much more. This bill provides substantial funding for agriculture research, including human nutrition research, biotechnology, energy alternatives, and many other important areas of inquiry. It also provides increases in conservation programs that protect our soil, water, and air resources, including examination of global change, and other critical aspects of environmental protection.

This bill also supports rural communities through economic development programs and assistance for basic needs such as housing, electricity, safe drinking water and waste disposal sys-

tems, and to help move rural America into the information age by promoting new technologies in the area of telecommunications and internet services. More and more, Americans are seeking relief from the congestion and sprawl of urban centers, and with the proper tools, rural America holds great promise for viable job opportunity alternatives. Programs in this bill do much to help rural communities provide the infrastructure necessary to create those jobs.

In addition, funding in this bill supports many nutrition and public health related programs. These include the food stamp, school lunch, and other nutrition assistance programs such as the Women, Infants, and Children program—WIC. This bill also provides funding for the Food and Drug Administration, which includes an increase for the Office of Generic Drugs to help make lower cost medications available to Americans as quickly as possible. Funding for the Food and Drug Administration, and other agencies, included in this bill will also help guarantee that the food Americans eat is not only the most nutritious and affordable in the world, but that it is also the safest.

Assistance in this bill does not stop at our shores. This bill also includes a number of international programs such as Public Law 480, which provide humanitarian food assistance to people in dire need around the world. This bill also supports international trade through a number of programs designed to open, maintain, and expand markets for U.S. production overseas.

Before I describe some of the specific program included in this bill, let me offer a few observations in view of recent events. World headlines this past year have described the devastation to the rural sector of the United Kingdom and other areas where foot and mouth disease outbreaks have raged out of control. Should such outbreaks occur in this country, the effect to the farm sector, and the general economy, would be staggering. Thankfully, this country has a strong set of safeguards to keep our shores safe from problems such as foot and mouth disease. But our safeguards are only as strong as the weakest part.

More recently, we all witnessed the horrific events of September 11. Suddenly, we were reminded that the significant concerns were held, in regard to accidental introductions of exotic pests and disease, may pale in comparison to what could befall this country by design. This is true for protection of our food supply, and in order to ensure that our public health system has the resources for immediate response to any threat at any time.

Last week, events occurring in the United States Senate, itself, reminded us of the need to keep strong our nation's defenses in regard to public health and safety. This bill, with jurisdiction for the food and Drug Administration, the Food Safety Inspection

Service, the Animal and Plant Health Inspection Service, numerous research agencies, and other vital parts of government, place this bill directly on the front line for safety and security for the American people.

Our determination is strong, and our commitment is steadfast. This subcommittee is engaged in the struggle against terror, ignorance, and injustice, and we will prevail.

We must stay ever vigilant, especially in view of our growing global economy, and global exposure, to keep USDA, the FDA, and other relevant agencies alert and well prepared to meet the prospect of invasion by foreign pests and disease or threats conveyed by any other medium. We give high deference to items important to national defense, and we must not lose sight that many of the challenges to our border inspectors, animal health experts, public health officials, and others play as important a role in our national defense as do those in our armed forces.

We on this subcommittee have engaged Secretary Veneman, Secretary Thompson, and others in an ongoing dialogue so that we can do our best to understand what resources the various departments and agencies under the jurisdiction of this subcommittee require. We will continue these discussions as the administration allocates supplemental resources already provided by the Congress, and as we consider further appropriations actions.

As I stated at the outset, I believe this bill provides a proper balance of priorities within the limitation of resources provided to this subcommittee. I would like to highlight a few of the programs supported by this bill:

This bill provides \$2.305 billion for agricultural research activities. This represents an increase of nearly \$200 million above the fiscal year 2001 level, and includes programs of the Agricultural Research Service—the USDA-in house research agency; the Cooperative State Research, Education, and Extension Service, which supports the long-standing State and Federal partnership in research and extension activities; and other research agencies of the Department of Agriculture. This appropriated amount is in addition to the \$120 million also available through the Initiative for Future Agriculture and Food Systems.

Agricultural production in this country is without parallel anywhere in the history of the world. Research has made that possible, and is one of the most important investments we can make to assure that American farmers continue that success and pass it on to the American consumer. This bill continues important support for those efforts.

Regulatory and marketing activities at the Department of Agriculture are strongly supported by this bill, which includes \$1.445 billion for food safety inspection, animal and plant health safety programs, oversight of mar-

keting transparency and fairness, and other activities. This level reflects an increase of nearly \$100 million above the previous year.

This bill also includes a number of programs that directly support the farm sector. USDA farm credit serves the need of farmers in the acquisition and operations of farms all across this country. It should be noted, that many of today's farmers are nearing retirement age and without USDA farm credit programs, it would be very difficult for many young farmers to acquire the capital necessary to enter into this important occupation of high up-front costs, and high risk. Farm programs in this bill including farm credit, mediation, and the cost of supporting local Farm Service Agency offices, are funded at \$1.487 billion, an increase of more than \$200 million from last year.

Americans do not only benefit from the abundance and quality of products grown on the farm, they also benefit from the wise land stewardship practiced by farmers and ranchers. This bill provides \$980 million for conservation programs. This funding, in large part, provides support to Natural Resource Conservation Service staff, who provide conservation technical assistance to farmers, ranchers, rural communities, and others at the local level. This bill also includes a new account for the Watershed Rehabilitation Program, which will provide assistance to repair the many water conservation structures located throughout the country that, due to age and condition, now pose a risk to life and property.

This funding is also in addition to other conservation programs such as the Conservation Reserve Program and the Environmental Quality Incentives Program, which have been authorized as direct spending measures under the 1996 farm bill. This bill also allows the Secretary of Agriculture to transfer funds from a number of mandatory programs to provide technical assistance for the Conservation Reserve Program in a way that does not detract from USDA's ability to provide discretionary conservation assistance for other ongoing natural resource needs.

It has often been noted that little of the general economic prosperity of the last decade made its way to rural America. This bill provides \$2.794 billion for rural development programs. This is an increase of \$318 million from the fiscal year 2001 level. Of this amount, slightly more than \$1 billion is for the Rural Community Advancement Program, which includes the rural water and waste water loan and grants program, and is an increase of \$243 million from last year's level.

This bill also includes \$35.8 billion for domestic food programs, the largest single area of spending in this bill. These programs include the Food Stamp Program and Child Nutrition Programs, such as the School Lunch and School Breakfast Programs. In addition, this bill provides \$4.247 billion for the WIC Program. This amount is

an increase of \$204 million from last year's level and \$110 million above the amount requested by the President.

In addition to support of domestic programs, funding in this bill also helps the United States meet international challenges both in the area of promoting free trade, and our moral obligations to provide humanitarian assistance. This bill provides \$1.128 billion for foreign assistance and related programs, which is an increase of \$38 million from the fiscal year 01 level. This amount includes an appropriation of \$850 million for Public Law 480 Title II food donations, which is an increase of \$15 million.

Finally, this bill provides \$1.217 billion for the Food and Drug Administration, an increase of \$119 million from last year's level. The Food and Drug Administration provides a vital service to all Americans in helping protect our food and blood supplies, to ensure the safety and availability of effective drugs and medical devices, and other activities that affect American lives and health on a daily basis.

This overview presents only some highlights of programs included in this appropriations bill. I believe we have a good bill and I want to again thank my friend, and ranking member, Senator COCHRAN, for his invaluable help in putting this bill together. I hope all Senators will support this bill.

I believe that we can, and we should, move quickly to pass this bill in the Senate. I know that in years past, controversial subjects have come up when this bill has been on the floor, resulting in a number of days being spent on its consideration. I hope that will not be the case this year due, in part, to the recent tragic events which have occurred over the past six weeks, and the high state of urgency now before this Congress on other matters relating to a proper response to those events.

I hope that we can follow the lead of Senator DORGAN when the Treasury and general government bill was on the floor earlier. Senator DORGAN pointed out that there were certain amendments he had planned to offer which were of great importance to him, but due to their controversial nature, he deferred introduction of those amendments in order to ease the passage of that legislation. He was successful, and that appropriations bill passed the Senate in one day.

I, too, have amendments I had considered offering on subjects important to me, the people of Wisconsin, and all Americans. However, I also have chosen not to raise them at this time, and I hope all Senators will refrain, as Senator DORGAN and I have done on our respective bills, to avoid any subjects that would result in controversial, divisive, and lengthy debate. I do not mean to suggest that any Senator should not exercise any right he or she has, if the sentiment for that action is strong, but I do hope that consideration will be given to refrain from actions that will unnecessarily delay or make difficult the passage of this bill.

Mr. President, at this time I turn to the Senator from Mississippi, Mr. COCHRAN.

THE PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I am pleased to join my good friend from Wisconsin in presenting this bill to the Senate today. I first want to thank him for his hard work and the work of his staff in helping to draft the bill. It was a pleasure to work with him during the hearings when we heard from administration officials and others about the budget requests of the President and the needs of the Department of Agriculture and the agencies that are funded in this legislation.

I am pleased to report that the amounts of discretionary spending recommended in this bill are consistent with the subcommittee's discretionary spending allocations under the Budget Act. In way of summary of some of the increases that are provided, I thought the Senate might be interested to know that the bill provides additional funding over last year's levels to enhance food safety activities, quarantine inspection activities, and pest and disease control, including increased vigilance against the entry into this country of foreign animal diseases.

The amount recommended for the Agricultural Research Service, for example, will provide enhanced funding for a number of priority research needs including emerging plant and animal diseases, genomics, control of invasive weeds and insects, and the development of bio-based products from agricultural commodities.

In the case of the Cooperative State Research, Education, and Extension Service, funding increases are recommended for minor crop pest management and sustainable agricultural research.

The Department of Agriculture's Natural Resources and Conservation Service has total funding recommended, which includes increases for conservation operations. These are over and above the President's request for resource conservation and development programs and a watershed rehabilitation program.

The Foreign Agricultural Service has an increase provided that will enable that agency to strengthen its market intelligence capabilities and to better address technical trade issues, particularly those related to food safety and biotechnology.

I am pleased that the bill contains an increase for the Rural Community Advancement Program, which is essential to supporting safe drinking water supplies and waste disposal systems for rural Americans.

Let me point out also that in the case of the nutrition programs, the total appropriation recommended for the WIC Program is \$204 million more than the 2001 fiscal year level, and it is \$110 million more than the level requested by the President for this next

fiscal year, 2002. The increase was based on more recent data on projected program costs and participation levels at the time the Senate reported the bill. But since then, there are indications that the WIC caseload has continued to increase with the steady increase in unemployment and that additional funding may be required. I am committed to reexamine this issue in conference to ensure that WIC is adequately funded for fiscal year 2002.

Let me also say that in the case of the Food and Drug Administration, the President requested additional appropriations to cover pay increases, to prevent mad cow disease, to enhance import inspections, to enhance adverse events reporting, and food safety activities. This bill recommends the full amount requested for these activities and also provides increased funding for generic drugs, orphan products grants, dietary supplements, and gene therapy tracking.

Food safety continues to be a very high priority of this committee. The bill provides the funds necessary to ensure that American consumers continue to have the safest food supply in the world. Not only does this bill provide increased funds required for meat and poultry inspection activities of the Food Safety and Inspection Service, it increases funding for food safety research and for FDA's food safety activities.

So the bill accommodates increased funding to meet expected higher WIC participation levels, to control foreign animal diseases and pests, to provide rural Americans access to affordable housing and a safe water supply, and to protect the safety of the Nation's food supply. It is essential for us to consider this expeditiously so we can get this bill to conference with the House and on to the President for his signature.

I think Senators should be aware that we are continuing to assess supplemental funding needs of various programs and activities included in this bill as a consequence of the terrorist attacks on our Nation.

Mr. President, to reiterate, I am pleased to join my good friend from Wisconsin in presenting for the Senate's consideration today the fiscal year 2002 Agriculture, rural development, Food and Drug Administration, and related agencies appropriations bill.

This bill, as recommended to the Senate, provides fiscal year 2002 funding for all programs and activities of the United States Department of Agriculture (with the exception of the Forest Service which is funded by the Interior appropriations bill), the Food and Drug Administration, and the Commodity Futures Trading Commission.

As reported, the bill recommends total new budget authority for fiscal year 2002 of \$73.9 billion. This is \$803 million more than the fiscal year 2001 enacted level, excluding emergency appropriations, and \$78 million less than the President's fiscal year 2002 budget request.

Just over seventy-eight percent of the total \$73.9 billion recommended by this bill is for mandatory appropriations over which the Appropriations Committee has no effective control. The spending levels for these programs are governed by authorizing statutes. These include not only the payments to reimburse the Commodity Credit Corporation for net realized losses and fund the Federal Crop Insurance Corporation, but also appropriations for the Food Stamp and Child Nutrition Programs.

Roughly 22 percent of the total appropriations recommended by the bill is for discretionary programs and activities. Including congressional budget scorekeeping adjustments and prior-year spending actions, this bill recommends total discretionary spending of \$16.1 billion in both budget authority and outlays for fiscal year 2002. These amounts are consistent with the subcommittee's discretionary spending allocations under the Budget Act.

I would like to take a few moments to summarize the bill's major funding recommendations. For the Food Safety and Inspection Service (FSIS), appropriations of \$716 million are recommended, \$21 million more than the fiscal year 2001 level. This provides additional funding to enhance food safety activities and to cover pay and benefit cost increases necessary to support the FSIS workforce, including approximately 7,600 meat and poultry inspectors.

For the Animal and Plant Health Inspection Service responsible for agricultural quarantine inspection activities and pest and disease control—including increased vigilance against the entry into this country of foreign animal disease, such as foot-and-mouth and "mad cow" disease—\$608 million is recommended. This is an increase of \$64 million from the 2001 level.

Appropriations for USDA headquarters operations and for other agriculture marketing and regulatory programs are approximately \$52 million more than the fiscal year 2001 appropriations levels. Included in this increase is \$19 million for information technology investments in support of the Department's Service Center Modernization Initiative; and additional \$5 million to support the Department of Agriculture's buildings and facilities and rental payments' requirements; and a \$10 million increase for the costs of the Census of Agriculture.

For programs needed to meet the credit needs of farmers, the bill funds an estimated \$3.9 billion total loan level, \$800 million more than last year's level. The amount recommended includes \$1.1 billion for farm ownership loans and \$2.6 billion for farm operating loans.

Total appropriations of \$1.2 billion are recommended for salaries and expenses of the Farm Service Agency. This is \$121 million more than the 2001 level and the same as the President's budget request. The additional funding

will support Farm Service Agency staffing levels essential to keep pace with heavy county office workload demands due to a weakened farm economy.

The bill provides total appropriations of \$2.1 billion for agriculture research, education, and extension activities. Included in this amount is an increase of \$26 million from fiscal year 2001 for Agriculture Research Service (ARS) buildings and facilities; an increase of \$108 million of research activities of the ARS; and a \$40 million increase in funding for the Cooperative State Research, Education, and Extension Service.

The amount recommended for the Agricultural Research Service will continue support for essential ongoing research activities and provide enhanced funding for a number of priority research needs, including those focused on emerging exotic plant and animal diseases, genomics, control of invasive weeds and insects, and the development of biobased products from agricultural commodities.

The recommended funding for the Cooperative State Research, Education, and Extension Service includes a \$1.4 million reduction below the fiscal year 2001 level for special research grants; increases of \$1.0 million for minor crop pest management and \$3.8 million for sustainable agriculture research and education; and total funding of \$137 million, a \$31.2 million increase, for the National Research Initiative competitive grants program. Appropriations for formula programs, including the Smith-Lever, Hatch Act, and McIntire-Stennis programs, are maintained at the 2001 funding levels.

For conservation programs administered by USDA's Natural Resources Conservation Service, total funding of \$980 million is provided, \$73 million more than the 2001 level and \$52 million more than the President's request. Included in this amount is \$802 million for conservation operations, \$48 million for the resource conservation and development program, \$10 million for a new watershed rehabilitation program, and \$7.8 million for the Forestry Incentives Program.

USDA's Foreign Agricultural Service is funded at a program level of \$126 million, \$6 million more than the fiscal year 2001 level and the same as the budget request. The increase provided will enable the agency to strengthen its market intelligence capabilities overseas and to better address technical trade issues, particularly those related to food safety and biotechnology.

In addition, total appropriations of \$1 billion are recommended for the Public Law 480 program, \$31 million more than the fiscal year 2001 and budget request levels. This includes \$159.3 million for Title I credit sales, and \$850 million for donations of humanitarian food assistance overseas under Title II of the program.

The bill also provides total appropriations of \$2.8 billion for rural eco-

nomic and community development programs, along with a total loan authorization level of \$10 billion. Included in this amount is \$1 billion for the Rural Community Advancement Program essential to supporting safe drinking water supplies and waste disposal systems for rural Americans; \$47 million for the Rural Business-Cooperative Service; first-time funding for rural broadband telecommunications and television loans; and \$42 million to support a total \$4.6 billion program level for rural electric and telecommunications loans.

In addition, the bill devotes additional resources to those programs which provide affordable, safe, and decent housing for low-income individuals and families living in rural America. Estimated rural housing loan authorizations funded by this bill total \$4.5 billion, a net increase of \$32 million from the fiscal year 2001 level. Included in this amount is \$4.2 billion for section 502 low-income housing direct and guaranteed loans and \$114 million for section 515 rental housing loans. In addition, \$709 million is included for the rental assistance program. This is \$15 million more than the budget request to provide sufficient funds to meet contract renewal requirements, and \$30 million more than the 2001 appropriations level.

Appropriations totaling \$35.8 billion, just over 48 percent of the total \$73.9 billion recommended by the bill, will support our nation's nutrition assistance programs. This includes \$10.1 billion for child nutrition programs, including the school lunch and breakfast programs; \$4.2 billion for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); \$140 million for the commodity assistance program; \$151 million for the needy family and elderly feeding food donations programs; and \$21.1 billion for the food stamp program.

The total appropriation recommended for the WIC program is \$204 million more than the 2001 level and \$110 million more than the level requested by the President for fiscal year 2002. The increase recommended was based on more recent data on projected program costs and participation levels at the time the Senate reported the bill. However, since then, there are indications that WIC caseload has continued to increase with the steady rise in unemployment and that additional funding may be required. I am committed to reexamine this issue in conference to ensure that WIC is adequately funded for fiscal year 2002.

For those independent agencies funded by the bill, the committee provides total appropriations of \$1.3 billion, \$122 million more than the 2001 level. Included in this amount is \$70.4 million for the Commodity Futures Trading Commission and \$1.2 billion for the Food and Drug Administration (FDA). The bill also establishes a limitation of \$36.7 million on administrative expenses of the Farm Credit Administration.

For salaries and expenses of the FDA, the bill recommends a total increase of \$129 million from the 2001 appropriations level. The President requested additional appropriations to cover pay cost increases; to prevent bovine spongiform encephalopathy (BSE or "mad cow" disease); to enhance import coverage and inspections; to increase the protection of human subjects in clinical trials; to cover relocation costs and begin the acquisition of a new financial information system; and to enhance adverse events reporting and food safety activities. The bill recommends the full amount requested for these activities, and also provides increased funding for generic drugs, orphan product grants, dietary supplements, and gene therapy tracking.

Food safety continues to be a high priority of this committee. This bill, as recommended to the Senate, provides the funds necessary to ensure that American consumers continue to have the safest food supply in the world. Not only does this bill provide increased funds required for meat and poultry inspection activities of the Food Safety and Inspection Service, it increases funding for food safety research and for FDA's food safety activities.

Mr. President, again, only 22 percent of the total funding recommended by this bill is for discretionary programs subject to annual control through the appropriations process. As I indicated earlier, this bill accommodates increased funding to meet expected higher WIC participation levels, to control foreign animal diseases and pests, to provide rural Americans access to affordable housing and a safe water supply. To protect the safety of the Nation's food supply, and many other pressing program needs.

Mr. President, this bill was passed by the House of Representatives on July 11, 2001. It was reported to the Senate by the Committee on Appropriations on July 18, 2001. Appropriations for programs and activities covered by the bill are now being provided through a continuing resolution. It is essential that the Senate complete its consideration of this bill so that we can conference it with the House and get a bill to the President.

At the same time we work to complete action on the regular appropriations bill, Senators should be aware that we are continuing to assess the supplemental funding needs of various programs and activities included in this bill as a consequence of the terrorist attacks on our Nation.

Let me close by thanking my staff members who have been identified by Senator KOHL. I also thank his staff. We worked together in a spirit of bipartisanship, to be sure that the needs and interests of all Senators that have been brought to our attention are taken under serious consideration. I hope we have been able to meet the needs that have been pointed out to the committee during our work on this bill. We are prepared to defend this bill.

There are some suggested amendments about which we have heard. As a matter of fact, we have a list about two pages long. Most of these are acceptable, I am happy to say, but there are a few that are not. I hope Senators who do have amendments that we have indicated we will not be able to support will refrain from offering them so we can get on to final passage of the bill and move this legislation along to the President for his signature.

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. JOHNSON. 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. JOHNSON. Mr. President, I thank Chairman KOHL and Senator COCHRAN for their extraordinary cooperation and leadership on this Agriculture appropriations bill which funds the commodity and income support programs for farmers. It funds conservation programs, crop insurance, regulatory programs ensuring market competitiveness, rural development initiatives, value-added projects, agricultural research and security priorities, trade promotion initiatives, food safety, drug and medical services, and nutritional programs administered by the Department of Agriculture and the Food and Drug Administration. This bill contains \$74.121 billion for these imperative programs which benefit all Americans.

There is a lot of focus obviously here on farmers and ranchers, understandably so. Over half of the funding for these programs, in fact, goes for nutritional programs which benefit particularly low-income people as well as students all over America.

This important appropriations legislation, of course, is separate from the farm bill debate which we hope to have on the floor of the Senate this year. The current farm bill expires next year. It is our hope to have a new farm bill in place—perhaps this year but certainly early on next year if this year it is not possible. It will be critically important that the Congress capitalize upon the resources that are provided in this appropriations bill and in the budget resolution to ensure farmers, ranchers, and rural communities that they, in fact, have an opportunity to prosper and to compete in the years ahead.

I am proud to serve on the Agriculture Subcommittee which crafted this product which has come to us in such an excellent bipartisan fashion. This Agriculture appropriations bill provides very timely funding for the Department of Agriculture's guaranteed and direct loan programs for farmers and ranchers, as well as beginning operators.

It provides almost \$4 million for State mediation grants. This is an area

that has been of particular concern to me because of multiple years of income stress in farm country.

We have needed less litigation and more coming together to try to devise ways for family farmers and ranchers to have an opportunity to stay on the farm and to pay their debts but to do so outside of long, protracted legal proceedings. The mediation grants program has been a proven success. It has now been reauthorized through the year 2005 because of legislation I authored last year allowing agricultural producers to sort through their disputes with creditors and with USDA agencies without costly litigation.

Additionally, this legislation provides funding for our ongoing conservation efforts and programs that compensate farmers while preventing soil erosion and providing valuable habitat for wildlife. This Senate bill provides about \$985 million for discretionary conservation programs administered by the Department of Agriculture—nearly \$30 million more than is contained in our counterpart in the other body, the House of Representatives.

Agricultural research extension and education is another winner in this bill. Those programs are central to a strong production in the agricultural industry in my home State of South Dakota and across the Nation.

The Senate bill contains \$2.3 billion for four USDA agencies to support these activities. Moreover, our bill includes over \$1 billion for the Cooperative State Research, Education, and Extension Service, which is \$32 million more than the House bill. Many new value-added and bioenergy research projects that benefit farmers, and which will benefit our Nation ultimately, are funded through these programs carried out by our land grant universities all over the United States, including specifically South Dakota State University.

Protecting our Nation's crops, livestock, and overall food and fiber system from pests, diseases, and new bioterrorist threats is, again, one of the issues that is addressed in this key legislation.

Given the recent and very real bioterrorist attacks on the people of the United States, including in this very Capitol complex, I am also concerned that our Nation's food and fiber systems may be vulnerable to bioterrorism. A host of factors make our crop, livestock, and food supplies potentially susceptible to the introduction of a bioterror threat, such as livestock disease, crop fungus, or foodborne illness. Our research facilities and land grant colleges are in great need of emergency funding to boost security and accelerate research to protect our agricultural industry and to protect our Nation as a whole. This bill provides appropriate funding levels for these facilities given the timing of committee action, but we may need to consider additional emergency funding to boost security and research in these important labs.

Second, our border inspections need to be dramatically increased, and greater security needs to be placed on imports of commodities, livestock, carcasses, food ingredients, and ready-to-eat food items. Less than 1 percent of imported food currently undergoes inspection by Federal officials. Given the new set of circumstances that we face regarding anthrax and bioterror, this must change, and it needs to change with great urgency.

Additionally, many of the major livestock feeding and processing areas are concentrated in certain regions of our Nation. The introduction of a biosecurity threat such as foot and mouth disease could, in fact, spread rapidly in these areas and would create horrendous problems for the livestock health and economic viability.

Finally, and perhaps most disturbing, Federal agencies, including USDA, APHIS, FSIS, Customs, HHS, and the Food and Drug Administration, responsible for protecting our food and fiber system do not adequately coordinate their efforts, nor do they effectively communicate among each other or with the agricultural industry or the public. Therefore, I believe it is going to be imperative that we establish a crisis communications and education strategy with respect to bioterrorist threats to our food supply.

My good friend and colleague, Senator HAGEL from Nebraska, and I are working on legislation which we believe complements and coordinates the efforts I have referred to here. And the funding made available through this legislation, in fact, will be an important part of that overall strategy.

I believe this bill takes significant steps to boost current efforts to begin new initiatives to protect American agriculture from harm. I thank the chairman and the ranking member in particular for that effort.

Now more than ever, ensuring economic security in rural America means that emphasis has to be placed upon initiatives that serve to enhance the well-being of rural communities throughout our Nation. Rural development programs within USDA target financial loan and grant resources to value-added agricultural projects, telecommunications, and broadband services, telemedicine, distance learning, rural housing, and rural electric systems.

The Senate bill devotes almost \$2.8 billion to rural development. It is a great amount of investment to these important programs. Again, these are programs that will make the difference literally between communities that prosper and communities that die away and that wither away in our rural development programs. This legislation provides \$300 million more for this array of rural development initiatives than is found in the legislation of our counterpart, the House of Representatives.

So in area after area, I believe the Ag Appropriations Subcommittee and the

Appropriations Committee as a whole have done very well for our Nation, for our farmers and ranchers, for our consumers, for the economic vitality of the entire fabric of our country. I applaud the bipartisanship and the thoughtful work that went into the production of this appropriations bill.

It is my hope that we will reach an opportunity for final passage on this bill still today. It is an excellent piece of legislation. I applaud all who participated and worked so hard to create this quality piece of appropriations legislation.

I yield back, Mr. President.

The PRESIDING OFFICER. The Senator from Wisconsin.

AMENDMENTS NOS. 1970 THROUGH 1975, EN BLOC

Mr. KOHL. Mr. President, at this time I have a series of amendments which I send to the desk that are technical in nature and have the approval of the ranking member. These amendments are offered on behalf of the managers of the bill. They are: An amendment regarding conditions for transfers of funds; an amendment regarding extraneous language in the 1994 Endowment Fund account; an amendment regarding empowerment zones and enterprise communities; an amendment regarding rural utilities programs; an amendment regarding distance learning and telemedicine; and an amendment regarding administration of rural utility programs.

I offer this series of amendments en bloc, and I urge their adoption.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. KOHL], for himself and Mr. COCHRAN, proposes amendments numbered 1970 through 1975, en bloc.

The PRESIDING OFFICER. Without objection, the amendments are adopted en bloc.

The amendments (Nos. 1970 through 1975) were agreed to en bloc, as follows:

AMENDMENT NO. 1970

(Purpose: To modify conditions for transfers of funds)

On page 5, line 16, strike “in the event an agency within the Department should require modification of space needs.”

On page 5, line 21, after “appropriation,” insert “to cover the costs of new or replacement space for such agency.”

AMENDMENT NO. 1971

(Purpose: To strike extraneous language from the Native American Institutions Endowment Fund)

On page 15, strike all beginning with “Provided,” on line 20 down through and including “purposes” on line 24.

AMENDMENT NO. 1972

(Purpose: To make a technical correction to the rural empowerment zones and enterprise communities grants program)

On page 47, after “1997” at the end of line 2, insert the following: “and Public Law 105-277, the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999.”

AMENDMENT NO. 1973

(Purpose: To make a technical correction to the Rural Utilities Service Rural Electrification and Telecommunications Loans Program Account)

On page 47, after “1936” on line 20, insert “(7 U.S.C. 935 and 936):”

AMENDMENT NO. 1974

(Purpose: To make a technical correction to the Rural Utilities Service Distance Learning and Telemedicine Program)

On page 49, after “for” at the end of line 6, insert “the continuation of a pilot project for” and also on page 49, after “Provided” on line 11, insert “further”.

AMENDMENT NO. 1975

(Purpose: To include omitted language regarding administration of rural utilities programs)

On page 78, after line 2, insert the following:

SEC. . . Hereafter, notwithstanding any other provision of law, the Administrator of the Rural Utilities Service shall use the authorities provided in the Rural Electrification Act of 1936 to finance the acquisition of existing generation, transmission and distribution systems and facilities serving high cost, predominantly rural areas by entities capable of and dedicated to providing or improving service in such areas in an efficient and cost effective manner.

Mr. KOHL. I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KOHL. Mr. President, I bring to the attention of all of our colleagues that this, hopefully, is the last bill we will consider this week, and when we finish this bill we could look forward to being out for the balance of the week. So when that occurs depends upon my colleagues and their willingness to come to this Chamber to bring any amendments to our attention they may have.

At this time, I am aware of one amendment that I know is going to come to the floor. I am not aware of what other amendments may come to the floor, but whatever they are, it is clearly in our common interest to get those amendments over here at this time so we can consider them.

Mr. REID. Will the Senator yield?

Mr. KOHL. I yield to Senator REID.

Mr. REID. I say to my two friends, the managers of the bill, Senator DASCHLE has announced that if we finish this bill tonight, we will not be in tomorrow. If we do not finish the bill tonight, we will be in tomorrow with votes.

We do not have the ability to communicate the way we normally do by running hotlines because some people cannot be in their office to receive them. So this is the notice that everyone will get: People have to come over and present their amendments or the managers will have no alternative but to move forward on the bill.

We want to be as agreeable, as considerate to everyone as we can, but there is an effort to complete this bill as soon as we can.

So, I repeat, this is everyone's notice that if you have an amendment, this is the time to offer it. If you cannot come over physically, you have to call the cloakroom and tell them you have an amendment and give the subject matter of the amendment.

Mr. KOHL. I thank the Senator.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Ms. STABENOW. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. CORZINE). Without objection, it is so ordered.

Ms. STABENOW. I see my colleagues on the floor are ready to proceed. I defer to my senior colleague, Senator LEVIN, from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

AMENDMENT NO. 1978

Mr. LEVIN. Mr. President, I send an amendment to the desk on behalf of myself and Senators MURRAY, CANTWELL, STABENOW, SCHUMER, LEAHY, SNOWE, COLLINS, CLINTON, KERRY, JEFFORDS, and KENNEDY.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for himself, Ms. COLLINS, Ms. SNOWE, Mrs. CLINTON, Mrs. MURRAY, Mr. SCHUMER, Mr. LEAHY, Ms. STABENOW, Ms. CANTWELL, Mr. KENNEDY, Mr. JEFFORDS, and Mr. KERRY, proposes an amendment numbered 1978.

Mr. LEVIN. I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide market loss assistance for apple producers)

At the appropriate place, insert the following:

SEC. . . MARKET LOSS ASSISTANCE FOR APPLE PRODUCERS.

(a) ASSISTANCE AVAILABLE.—The Secretary of Agriculture shall use the funds, facilities, and authorities of the Commodity Credit Corporation, in an amount not to exceed \$150,000,000, to make payments, as soon as practicable after the date of the enactment of this Act, to apple producers to provide relief for the loss of markets during the 2000 crop year.

(b) PAYMENT QUANTITY.—

(1) IN GENERAL.—Subject to paragraph (2), the payment quantity of apples for which the producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) MAXIMUM QUANTITY.—The payment quantity of apples for which the producers on a farm are eligible for payments under this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) LIMITATIONS.—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) APPLICABILITY.—This section applies only with respect to the 2000 crops of apples and producers of that crop.

MR. LEVIN. Mr. President, this amendment will assist apple farmers who have suffered terrible losses in our Nation from fire blight and other weather-related and economic damage. It has broad bipartisan cosponsorship. In our State alone, apple farmers have suffered huge crop losses and damage due to several hailstorms which caused thousands and thousands of acres of apple trees to be affected by fire blight. Fire blight is a bacterium that has destroyed fruit trees across Michigan and across the country. Experts at Michigan State University anticipate that a quarter of our apple farmers have trees that are afflicted by fire blight and that then makes them susceptible to weather-related disasters. Many of our best apple producers have had disastrously reduced production and decreased revenues for a number of years. This amendment would provide vital assistance, not just in our State of Michigan but for apple producers who suffered losses due to fire blight or other weather-related disasters.

Much of the loss to apple growers is due to weather-related disasters, but unfair trade practices have also played an important role in this decline of the apple industry in this country. The Department of Commerce ruled in 1999 that China had dumped apple juice concentrate in the United States and that dumping is still causing the suffering of farmers and apple growers because of those unfair trade practices.

The unfair trade practices could not have come at a worse time for our Nation's apple growers who, according to the U.S. Department of Agriculture, have lost about \$1.5 billion over the past 5 years, including \$500 million last year alone, due to a variety of factors including diseases such as fire blight.

In addition to the large number of colleagues on both sides of the aisle who have cosponsored this amendment, the United States Apple Association and the American Farm Bureau Federation recognize the dire situation facing our apple growers, and both of these organizations have written to a number of Senators, voicing their support for this much-needed relief.

I ask unanimous consent these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, September 24, 2001.

Hon. CARL LEVIN,
U.S. Senate, Russell Senate Office Bldg.,
Washington, DC.

Hon. SUSAN COLLINS,
U.S. Senate, Russell Senate Office Bldg.,
Washington, DC.

DEAR SENATOR COLLINS AND SENATOR LEVIN: The American Farm Bureau Federation supports your efforts to add \$150 million for market loss assistance for apple producers to the FY02 agriculture spending bill.

This is the third consecutive year that apple growers have had to survive low prices caused by a flood of imports. Without assist-

ance, American producers will continue to go out of business, the jobs the industry supports will be lost, and the safe and reliable domestic supply of fruit will disappear.

Many in Congress already understand and support the need for assistance. The Senate Agriculture Committee passed an agriculture emergency package that contained \$150 million for apple producers earlier this summer. Unfortunately, apple producers were left out of the final package that was signed into law.

The FY 02 spending bill passed by the House contains \$150 million in emergency assistance for apple producers. Farm Bureau believes that apple assistance should also be included in the Senate bill. Inclusion in both bills will assure that the assistance will reach producers quickly.

Thank you for your work on behalf of our nation's apple producers. Farm Bureau stands ready to assist you in your effort.

Sincerely,

BOB STALLMAN,
President.

—
U.S. APPLE ASSOCIATION,
McLean, VA, October 1, 2001.

Hon. CARL LEVIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR LEVIN: The U.S. Apple Association (US Apple) strongly supports your efforts to garner \$150 million in much-needed emergency market loss assistance for America's apple growers.

Our nation's apple growers are experiencing the worst economic losses in more than 70 years, having lost \$1.5 billion since 1996 and \$500 million last year. Unfairly priced imports of apple juice concentrate, excessive regulatory costs, stagnant domestic consumption, food retail consolidation, subsidized foreign competition, diminished exports and global overproduction have all contributed to the devastating economic conditions confronting apple producers.

Apple growers have invested heavily in efforts to reverse their economic plight, and are not seeking establishment of a permanent direct assistance program. As losses continue to mount, however, as many as 30 percent of America's apple growers will lose their farms without this much needed ad-hoc assistance.

As you know, the House-approved agricultural appropriations bill for fiscal 2002 includes \$150 million in market loss assistance for apple growers. The Senate Agriculture Committee also approved \$150 million in assistance for apple growers as part of its farm relief package. Unfortunately, apple producers were left out of the final farm aid bill that was signed into law this past summer.

Thus, we strongly endorse your efforts to include this desperately needed emergency assistance in the Senate's fiscal 2002 agricultural appropriations bill.

On behalf of the 9,000 apple growers and more than 500 individual apple businesses we represent, USApple looks forward to working with you in support of your efforts to assist America's apple growers.

Sincerely yours,

KRAIG R. NAASZ,
President & CEO.

—
U.S. APPLE ASSOCIATION: EMERGENCY MARKET LOSS ASSISTANCE FOR AMERICA'S APPLE GROWERS

The U.S. Department of Agriculture distributed roughly \$100 million in market loss payments to 7,500 apple growers nationwide, as provided by the 106th Congress to offset 1998 and 1999 crop losses. The amount of assistance each state's apple growers received is listed below under the column titled

AM LAP. An estimate of the amount of assistance each state's apple growers would receive under the Levin-Collins amendment to the fiscal 2002 agriculture appropriations bill, which would provide \$150 million in market loss assistance to offset 2000 crop losses, is listed under the column titled AM LAP II.

State	AM LAP	AM LAP II
Arizona	\$56,037	\$1,269,802
California	4,260,406	14,557,946
Colorado	669,559	1,077,244
Connecticut	79,301	833,854
Georgia	153,542	461,868
Idaho	1,021,370	2,342,670
Illinois	311,624	1,572,777
Indiana	301,902	1,349,585
Maine	538,168	1,611,153
Maryland	396,696	984,669
Massachusetts	866,463	1,837,375
Michigan	11,270,241	19,460,081
Missouri	115,477	1,437,448
New Hampshire	425,351	1,037,184
New Jersey	309,370	1,100,809
New York	9,546,250	15,846,936
North Carolina	2,444,097	3,533,698
Ohio	720,304	2,946,600
Oregon	2,051,102	2,997,096
Pennsylvania	3,798,287	8,587,320
South Carolina	142,275	958,411
Utah	42,390	1,109,225
Vermont	451,210	1,350,595
Virginia	1,918,006	4,854,332
Washington	46,331,907	50,371,268
West Virginia	835,373	2,418,413
Wisconsin	407,838	2,340,650
All Other States	709,305	1,750,992
Total	90,173,852	150,000,000

[From the Michigan Farm News, Feb. 28, 2001]

APPLE SITUATION STILL DISASTROUS, TART CHERRIES BETTER

(By Paul W. Jackson)

Options for apple growers whose farms were devastated by fire blight last year are not good, experts agree. For all growers, prices continue to be disastrous.

"Prices are considerably below the cost of production," said Tom Butler, manager of Michigan Processing Apple Growers. "Last year was the third year in a row they've been through tough economic times."

Hard times are expected to continue, he said, because apple juice concentrate imports from Argentina, China and Chile continue at below \$5 per gallon. Also, there's domestic competition to worry about.

"Washington state continues to be a real competitor in selling fresh apples at low prices, and they're using big promotions," he said. "That makes it difficult to get our apples, particularly red delicious, into the marketplace."

The general state of depression in the apple industry is worse in southwestern Michigan, where fire blight led to a federal disaster aid program, a market loss assistance program and a tree replacement program. But farmers are still waiting for money from those promises, said Mark Longstroth, Michigan State University (MSU) District Extension horticultural and marketing agent in the Van Buren County office.

"That aid was supposed to come in January, but it's stuck in Washington (D.C.)," he said. "Complaining to your local FSA (Farm Service Agency) office won't help. Complain to your legislators."

While farmers wait for disaster aid, Longstroth said he's been telling growers who uprooted significant chunks of apple tree acreage to plant alfalfa this year.

"Don't be in such a big hurry to replant apples," he said. "Lease the ground for soybeans or corn, or plant alfalfa to help amend the soil. That might give a grower the best opportunity to look at what apple varieties might be best if he wants to replant trees in a year or two."

Rumors that many apple farmers are considering vegetable crops on the vacant ground concerns vegetable growers in the area who already face tight margins.

"I have no problem with them growing vegetables if they're already growing them," said Ron Goldy, MSU Extension district vegetable agent for southwestern Michigan. "They already have established relationships in the market chain. They'll talk to their brokers to decide if they can produce five to 10 more acres," he said. "But if they don't have those relationships and they try to get into vegetables, there's potentially no place to send their crops. I'd say that they're better off renting the ground and maybe getting \$50 an acre for corn or soybeans. Or, there's nothing wrong with the ground being vacant for awhile."

Other potential solutions for southwestern Michigan apple growers seem to have dried up. Rumors that Lawton's Welch's plant and parent company National Grape Cooperative was seeking more grape growers aren't true.

"We were looking for more grape ground, but the board of directors cancelled that call," said John Jasper, the co-op's area manager for Michigan. "We did pick up some apple acreage over the last few years, so our needs are filled right now."

For apple growers who hope to survive last year's fire blight problems this year, the recommendation from MSU is to refrain from nitrogen fertilizer, prune oozy cankers and pray for cool spring weather.

The waiting game might be a good one to play as well, Longstroth said. Nurseries are having trouble meeting demand for replacement trees, and a wait might help growers know what they should or should not plant in a year or two.

Tart cherries the tart cherry industry is not great, but there is light at the end of the tunnel, said Phil Korson, with the Cherry Marketing Institute in DeWitt.

"We feel that a great opportunity for us is in cherry juice. It's a huge market to capture, it uses a lot of cherries and it gives consumers the cherry's anti-inflammatory properties in the most natural way," he said.

Value-added products like that have been emphasized by the Institute for a number of years, Korson said.

"We've worked on things from brandy to beers, to dried cherries and nutraceuticals," he said. "That's a real opportunity for the future, and we have ongoing projects at MSU and in Texas. Amway Corp., (A Michigan-based company) plans to go to clinical trials this year to extract anti-inflammatory properties from cherries. The work originally done at MSU was to identify compounds that have anti-inflammatory properties. The second part is the technology used to extract those properties. Those were licensed by Amway, and this year they bought balaton cherries (a variety new to the state) to extract those properties, and they'll take that to clinical trials within the next year."

Promotion of cherries as a beneficial food has been part of what brought the tart cherry industry out of its near disastrous over-production just a few years ago. And while the 2000 crop was up—and prices down—a promotion program in Europe, along with health promotions to boost domestic sales and more than 50 million pounds in sales to the school lunch program is bringing back strong optimism.

"I think there's a lot of optimism in the cherry market today," Korson said. "We've invested heavily in research in Mexico, Japan and Europe, and we look in the future to expand that network to Korea, Taiwan, Turkey and Poland, to name a few. There will be years when we'll have too much fruit, but there are ways to offset that. Among

them are expansion of value-added products for the cherry industry, and marketing the health benefits of cherries globally."

[From the New York Times, New York, NY, June 23, 2001]

WHERE APPLES DON'T PAY, DEVELOPERS WILL
(By Lisa W. Foderaro)

MILTON, N.Y.—In their sun-drenched orchard here in Ulster County, where the McIntosh and Red Delicious apples are still the size of cherries, father and son should be a whirlwind of activity this time of year: spraying and thinning the trees at Hudson Valley Farms, lining up labor for harvest.

Instead, they will let the fruit fall to the ground this fall. And they are spending their days indoors, in dry contract negotiations with housing developers for the sale of all 650 acres of their orchards—preparing the obituary, in essence, of a family business that stretches back to the 1920's.

"This is the first time in my life that I have not had a crop to tend to," said Bill Palladino, 58, who owns Hudson Valley Farms with his son, Jeff, 31. "It's definitely a naked feeling. You get emotionally attached to your trees, your orchards, your way of life. You miss that."

That is becoming a familiar refrain in Ulster County, the second largest apple-producing county in a state that is second only to Washington in apple production. Decisions like the Palladinos' reflect enormous changes here and for struggling apple growers around the country.

After several years of losing money in a depressed market that has devastated apple farmers nationwide, the Palladinos and at least five other growers in the county are selling out. They are taking advantage of the wave of suburban sprawl lapping at the edges of this county 75 miles north of Manhattan.

In the process, a county where bosky ridges and clear creeks always seemed a safe distance from the city, a place where understated hamlets have captivated permanent residents and weekenders alike, is wondering what the shriveling of the apple industry will bring.

"It's a big concern—that all this green space will be turned into development," said Suzanne Hauspurg, who, with her husband, Dan, owns the Inn at Stone Ridge. Trying to protect their corner of Eden, the two recently bought a 110-acre apple orchard behind their inn that a builder had been considering.

The apple growers here are not cashing in so much as they are staving off financial ruin. They say that money that arrived last week from the federal government, part of nationwide program to compensate growers for market losses with a maximum payment of \$28,295, represents a tiny bandage when what they need is a tourniquet. Some are equally unimpressed with a state program that helps counties buy development rights from farmers but that has yet to produce any final agreements that would keep Ulster land in agriculture.

Since the early 1990's, farmers across the country have suffered as production costs have risen and apple prices have fallen: the result of a worldwide glut of apples, imports of cheap apple-juice concentrate from China, and a continuing consolidation among retailers that reduces farmers' bargaining power. In addition, countries like South Africa, Chile and New Zealand have emerged as major exporters of fresh apples to the United States.

Last year, the United States International Trade Commission voted unanimously to put punitive antidumping duties on apple juice concentrate from China. But some growers say Chinese concentrate is still cheaper than

American, even with the imposition of the 52 percent duty.

"Not since the Great Depression have apple growers sustained such losses," said Kraig Naasz, president and chief executive officer of the United States Apple Association in McLean, Va. He said that nationwide, apple farmers have lost \$1.5 billion in the past five years. "This coming harvest may mark the last for as many as 30 percent of the nation's apple growers," he said.

In the Hudson Valley, insult was added to the national economic conditions by catastrophic hail storms that wiped out a third of the apple crop last year. The year before, a damaging hurricane punctuated a summer of drought in which farmers spent copiously to irrigate their orchards.

The for-sale signs popping up across Ulster County's orchards are not new, but they mark a startling acceleration of a trend that began more than a decade ago. In 1985, 104 farms covered 11,629 acres in Ulster County. By the end of 1996, the most recent year for which statistics are available, the number of farms had fallen to 63 on 8,632 acres.

Apple farming has continued to dwindle since then, with production ending on more than 1,500 acres in the last year alone.

"You could probably call most growers, and they've got pieces of land up for sale," said Michael J. Fargione, an educator with Cornell Cooperative Extension, a program of Cornell University that provides research information and educational programs to farmers. "I'm not sure people are aware of the critical point we're at in terms of the potential for the loss of farms."

Most of the remaining orchards are particularly attractive to developers because they lie in towns like Lloyd, Marlborough and Plattekill on the county's eastern edge, closer to the train lines across the Hudson River that lead to New York City. In recent years, as Orange County to the south and Dutchess County to the east have seen a surge in home construction, Ulster has drawn professionals in search of lower prices and open space.

"Ten or twenty years ago, people would say: 'I have a 40-minute commute. Isn't that long?'" said Seth McKee, associate land preservation director of Scenic Hudson, an environmental organization in Poughkeepsie, N.Y., that is assisting Ulster County in its effort to buy development rights from farmers. "Now they say: 'I have an hour commute. Isn't that great?' The development pressures in Ulster are not quite what they are in southern Dutchess, but that doesn't mean it's not going to become that way."

That is just fine with Dennis and Diane Chaissan, apple farmers who are now subdividing their 350 acres of orchards. They shut down their apple operation in 1999. He got his real estate license; she went back to school for a master's degree in education administration.

"We didn't see a future in it," Mr. Chaissan said of the apple business begun by his grandfather in 1910. "Over the last 10 years or so, prices have been stagnant or going down. I didn't see a return on the money, and I didn't want to continue. Looking back, I think it was the best decision we ever made."

Mr. Chaissan, a trim 46-year-old with a salt-and-pepper mustache, chose a profession that neatly positioned him to take advantage of his top asset: land. Apple orchards are selling for between \$3,000 to \$10,000 an acre, depending on the location and factors like slope and drainage. But with zoning approvals in place for housing, the land becomes much more valuable.

The Chaissans hope to sell four two-and-a-half-acre building lots in the hamlet of Clintondale for \$25,000 to \$100,000 each. The

lots, still covered with trees bearing young Empire and Cortland apples, have magnificent views of the Shawangunk Mountains to the west.

Like other growers, Mr. Chaissan, who works for Colucci Shand Realty in Gardiner, N.Y., could not make the economics of apples work. According to the New York State Apple Association, a bushel of apples that sold for \$14 in the mid 1990's now sells for \$9. Mr. Chaissan figures that each bushel would cost him about \$11 to produce. "Right now growers are pounding their heads against a wall," he said. "They can't make money, and they see no way out."

His career switch was shrewd in another way, too. Mr. Chaissan represents a few of his fellow apple farmers now selling some or all of their orchards. One potential client is Jeffrey D. Crist, a fourth-generation apple grower who owns 500 acres of orchards, half in Ulster County and half in Orange County.

Mr. Crist is weighing a \$2.3 million offer from a developer for 227 acres of orchards in the town of Hamptonburgh in Orange County. "At this point, we're not planning to get out of the business, but we can grow apples just as easily on less valuable land farther away from New York City," Mr. Crist said.

Still, Mr. Crist said his first priority was to pay back his creditors. "I've got loan payments from last year's growing season that are unpaid," he said, adding that revenues were down a half previous year. "We wouldn't invest in other land if it looked like we were going to lose money. The industry picture would have to improve."

Ulster County is now trying to buy development rights from farmers under a state program that would ensure that the land is reserved for agricultural use even if it is sold. But the process is slow. Two years ago, 17 farmers in the county applied, and the state, which contributes 75 percent of the purchase cost, chose two. But those two farmers, both apple growers in Clintondale, have yet to sell.

"It's possible I won't go through with it," said Phil Hurd, an owner of M.G. Hurd & Sons, a 250-acre apple and pear operation dating to the 1890's. "My land is owned by several family members, and it makes it difficult to come to agreement. The program restricts you to farming, which you can't make a profit on, so it's a double-edged sword."

Mr. McKee of Scenic Hudson says conservation programs like these do not happen overnight. "It's time-consuming to have the farmers think about all the possibilities and put it into an agreement that is perpetual," he said. "They rely on this land for their livelihood."

But as a resident of Ulster, Mr. McKee also knows that time is a luxury neither the county nor the apple industry has. "It's very painful to watch the impact of suburban sprawl heading north, but that's all the more reason why these programs are vital," he said. "For weekenders and local folks who have been here for generations, it's the loss of a sense of place. For the farm families, it's hard to watch what used to be a vast expanse being nibbled away."

[From the Loudoun Times, Leesburg, VA, Aug. 15, 2001]

VA. APPLE PRODUCERS FACE MANY PRESSURES

Market worries, hail and oversupply are causing tough times for apple growers in Virginia and other apple-growing states.

Producers in both the fresh fruit and processing sectors are suffering greatly, according to Giles County orchardist Bill Freeman.

"There's pressure from all sides. Things have gone downhill for several years, but it's

really become a struggle to stay ahead. We're going to have to find different ways to market our product and keep it moving despite complications and competition," Freeman said.

"Apple production is quickly becoming a nonprofit industry," said Richard Marini, a Virginia Cooperative Extension horticulture specialist at Virginia Tech. "There's really a worldwide overproduction, and apples have become a global market."

Virginia is the nation's sixth largest apple producer, generating cash receipts of about \$40 million in 1999. There are fewer than 300 commercial growers in the Old Dominion. Most are located in Frederick County, other parts of the Shenandoah Valley and Virginia Piedmont, and in Southwest Virginia.

Estimated losses in national apple production between 1995 and 1998 are \$760 million, according to the U.S. Apple Association, and the average price received by growers in January dropped to its second lowest level in more than 10 years.

"Washington (state) has really increased production in the past several years with the thought that they could export them. But larger production and exports from China and much of Asia has prevented that," Marini said.

In an effort to aid struggling producers, the U.S. Department of Agriculture began sign-ups March 1 for its Apple Market Loss Assistance Program. Payments were made on a grower's first 1.6 million pounds of production in either 1998 or 1999.

"The program is similar to other programs for other commodities, but it's the first of its kind for apple producers. Many producers have realized that it's going to be necessary for their survival at this point," explained Spencer Neale, senior assistant director of the Virginia Farm Bureau Federation Commodity/Marketing Department. "If a producer has never relied on assistance before, it's a path they may tend to be reluctant to go down now."

Freeman said this year's assistance "has kept us going for another year, but I'm not sure that it's not just prolonging the agony."

The government is currently working on another program for apple producers that could provide \$150 million in assistance. "Despite the assistance that's provided to help producers, it all comes down to supply and product price," Neale said.

In addition to market concerns, Virginia apple producers have suffered problems from numerous hailstorms in recent months, agriculture officials said.

[From the Sun Journal, Lewiston, ME, Aug. 8, 2001]

APPLE GROWERS' AID DROPPING

(By Glen Bolduc)

SINCE 1996 THE NATION'S APPLE GROWERS HAVE SUFFERED OVER \$1.5B IN MARKET LOSSES.

TURNER—Apple trees used to grow on 850 acres of his farm. Now there's only 500 acres of the fruit.

"We're getting smaller fast," said Harry Ricker, owner of Ricker Hills Orchards.

The only thing growing seems to be the bills.

"The wholesale apple business has not been profitable for years now," Ricker said. "Our industry has gotten to the point where we need to worry about ourselves."

Since 1996 the nation's apple growers have suffered over \$1.5 billion in market losses. This past growing year alone has cost them nearly \$500 million.

"The apple industry is suffering the worst economic conditions in 70 years," said Kraig Naasz, president of the U.S. Apple Association in McLean, Va.

Not since the Great Depression have apple growers suffered such monetary loss, and

Naasz estimates that 30 percent of the nation's apple growers will retire their industry this year if help isn't provided in some form.

"We're in trouble," Ricker said, "and we need some government help."

GOVERNMENT AID

Last week the U.S. Senate caved in to President Bush's veto threat and approved a \$5.5 billion agriculture assistance bill that was \$2 billion less than the House version. Republican Susan Collins of Maine was one of the senators who voted in favor of the trim; Olympia Snowe voted in favor of the House version.

About \$50 million of the \$2 billion cut from the original draft would have been used to supplement the market loss of apple growers. But the approved version still provides \$169 million to states for various needs.

"The funds would have been well utilized," said Ned Porter, deputy commissioner of the Maine Department of Agriculture. "However, we're not out of the fight yet."

The House has currently approved another farm aid bill that will provide about \$150 million—an estimated \$900,000 for Maine—in market loss assistance.

Although the bill still has to wait for Senate and White House approval next month, Naasz said he expects it to pass. "It looks very promising," he said.

But Don Ricker, father of Harry Ricker, said that a lot of times the funding never comes.

"Typically the Congress passes all these bills, and they get a lot of press, but then it just dies," he said. "You'd think that I was living high with all these handouts."

Ricker's orchard was awarded farm assistance in a 1998 bill, but the check didn't come until June 2000.

WHY THE HARD TIMES

The cause of the economic stress is all in the politics of sale and trade, Naasz said. "The reasons are many and mostly beyond the control of apple growers."

In the last 10 years, the nation's price for apples has not risen.

"I can't go on," Dimock said. "We're simply not getting for our crop what it takes to produce it."

Rising costs in fuel, chemicals, and labor are not being met adequately, and the cost for apples in the United States is dropping even further because of foreign imports.

China produces four times the amount of the United States, and recent years have seen prices for American apples drop from eight cents a pound to 1 cent a pound as the overseas product floods the American market.

"This stuff goes in cycles," Ricker said. But once the American market is profitable again for apple growers, "we're not going to be here to do that."

Besides government assistance, Naasz said, other remedies will have to include raising apple prices, placing limits on imports and increasing marketing campaigns.

"It's encouraging consumers to eat that apple a day for health," he said.

Mr. LEVIN. Mr. President, our growers have invested heavily in their efforts to reverse their economic plight. They are not seeking the establishment of a permanent direct assistance program. However, unless we take some interim action here, as many as 30 percent of American apple growers are going to lose their farms. So this ad hoc assistance which we are struggling to achieve is essential if we are going to avoid that calamity.

The fiscal year 2001 agricultural supplemental appropriations bill that

emerged from the committee included funding of \$150 million for our Nation's apple growers. That provision, which came out of the committee, had to be dropped at the last minute if we were going to get a bill passed at all. So the Senate version of the bill had to be dropped, which included that assistance. Instead, the House bill was adopted which at that time did not include the assistance.

What has happened subsequently is the following. The House bill now has \$150 million for our Nation's apple growers, and it will go to conference whether we adopt this amendment or not. We have had discussions among ourselves, the sponsors of this amendment, as to what would be the best approach to take.

I will yield the floor at this time, but I simply want to say this—and I want to speak to my good friend from Wisconsin in a moment. Our goal is to achieve this assistance one way or the other—either on this floor or in conference—by our giving the House provision the final say in this matter.

I am going to have a colloquy in a few moments with our friend from Wisconsin.

At this time there are a number of other cosponsors of this amendment in the Chamber who I hope can now be recognized before that colloquy takes place.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mrs. MURRAY. Mr. President, I rise today to support the amendment by the Senator from Michigan. This is an extremely important measure. The Senator from Michigan aptly described what has happened to our apple farmers across the country. In my home State of Washington, it has been a tremendous disaster with the economic loss for the young families who are working diligently to try to make ends meet in this industry for the last several years. It has been heartbreak to watch.

The Senator from Michigan talked about the dumping of apple juice concentrate by China, which contributed to the decline in our apple growing communities. Severe weather conditions this year have caused horrendous problems for these orchardists who have been struggling for the last few years anyway. The loss of markets in Asia, because of the Pacific Rim crisis, precipitated this dramatic loss for many farmers in the State of Washington.

The Senator from Michigan described the process that we have been going through. Senator CANTWELL from my home State and I worked hard with the Senators from Michigan, New York, Maine, Vermont, and Massachusetts on the emergency supplemental bill to provide \$150 million for the apple industry in this country. That support was not included in the Agriculture Appropriations bill when it came out of committee because we fully expected the Administration and the House to

support this as an emergency supplemental measure. Unfortunately, they did not. As a result, in August Congress recessed without the money in the emergency agricultural supplemental. This bill is now coming to the floor, and it is absolutely essential for our farmers.

Senator CANTWELL and I have traveled around our State. We have seen the tremendous pain and loss among our farmers, and we have seen the hardships they are experiencing today.

My grandfather, back in the early 1900s, lived in central Washington and was part of the apple industry. I can tell you, when I was growing up I remember driving across central Washington and seeing our tremendous, beautiful orchards. I was so proud to be from Washington State. Today, as a Senator traveling around the world, I am proud to be able to talk about bringing our apples into markets worldwide—both for our economy and for establishing great relationships with countries everywhere. The apple is the symbol of the State of Washington.

It is upsetting for me to visit central Washington today and see so many abandoned orchards. Many of the orchards have been bulldozed because farmers can't sell their apples for a fair price.

Add to that the weather conditions of this year with the drought that has occurred in the State of Washington and the severe hailstorms we have seen. That means we will not have these orchards in the future if we don't provide assistance this year in the Agriculture appropriations bill. I am committed to providing it, along with my colleague from Washington State, and the Senators from Michigan, New York, Massachusetts, Vermont, and Maine. All of us have worked hard together with our chairman, who has been a great advocate and supporter.

I thank the Senator from Wisconsin. He understands the plight of our farmers. He is committed to working with us to ensure this assistance is there for our farmers. It is essential for a way of life in Washington State and across this country. It is essential for a product that is important to my home State and to many others. I believe it is essential for the future of this industry that we have this help and assistance from this Congress this year in this appropriations bill.

I thank the Senator from Michigan for offering this amendment. I thank our Chair, Senator KOHL, for his support and his assistance. I look forward to working with my colleagues to be sure we don't lose these important farmers and this important resource for our country.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, I rise also to support this very important effort and very important amendment.

I, first, thank my senior colleague and friend from Michigan for his ongoing leadership in this effort to support our apple growers in Michigan and across the country, and my colleagues who are joining us in the Chamber certainly have been at the forefront of this battle.

We really have had two strategies. One is to focus on research for apple fire blight. I thank the chairman of the subcommittee and the ranking member for their ongoing efforts. There are dollars in this bill for apple fire blight research. That continues to be a priority. I thank him for his vision and his support because in the long run we are hoping the research will allow us to be able to find ways for our farmers to eradicate this terrible disease that is so afflicting the apple growers across the country.

In the meantime, we know that in the last 5 years apple growers across our country have lost \$1.5 billion. Last year alone, \$500 million was lost as a result of this effort.

We are talking about a serious disease affecting a very important Michigan industry and national industry.

I am very hopeful that we can come together and support the \$150 million effort. I am very pleased that the House has finally recognized this and is supporting this effort in the House bill.

Let me stress one more time that originally we had this supplemental funding in the emergency supplemental that we passed. As a member of the Agriculture Committee, we worked very hard with colleagues to get that money in the Senate bill. I appreciate everyone's efforts at that time. Unfortunately, we were not able to pass the Senate bill. We were not able to address it earlier, which we had hoped would happen.

Now we find ourselves in a situation where we are seriously in need of addressing this as quickly as possible. This amendment is absolutely critical. I hope we will have the support of colleagues.

While I have the floor, I also want to say one more time a thank you to our leader, the chairman of the subcommittee, and the ranking member for a number of different issues in this bill that are important to Michigan—the focus on the eradication of bovine disease and specialty crop research in other areas are very important. I very much appreciate the fact they are willing to undertake this issue and support our apple growers. It is absolutely critical to our economy and to the economy of many, many States.

I yield the floor. Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Ms. CANTWELL. Mr. President, I rise to speak, along with my colleagues from Michigan and Washington who have eloquently talked about the important need of helping the apple industry—not just those States mentioned but all across the Nation. We

are trying to move forward on an Agriculture appropriations bill. We have the opportunity in that process to express the failure of last August when we actually had the means by which to help legitimate apple growers across the country in the emergency supplemental.

I very much appreciate the efforts of the Senator from Wisconsin to help us bring attention to this issue. The current House version of this bill includes \$150 million in apple assistance. We need to match that assistance.

As my colleagues have stated, this industry, particularly this year for us in the State of Washington, has just been devastating, largely due to the fact we have had the second worst drought on record in our State. Not only have farmers been without all the resources they need, but the high cost of energy in those areas where farmers have been able to irrigate has made this a very difficult year.

We have already seen how important the apple industry is in our State. Over 183,000 people are employed in that industry. But every one of these family farms are on the brink, and they need help now.

Current prices are 40 percent below the cost of production. Between 1995 and 1998, apple growers lost approximately \$760 million due to questionable import practices involving such countries as China and Korea—in addition to stiff export tariffs.

They also face increases in the price of diesel fuel. Prices are up 20 to 30 percent over last year. The cost of running electricity pumps that these farmers use is expected to rise as much as 150 percent.

Our farmers have been facing all of these things, and some are very close to bankruptcy.

So I very much appreciate the Senator from Wisconsin in his efforts to make sure this issue gets addressed as we move through the process, and I very much appreciate his efforts earlier this year in making sure the Senate version of the supplemental included this support.

I yield back the remainder of my time.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. EDWARDS). The Senator from Wisconsin.

Mr. KOHL. Mr. President, I would like to respond to the previous speakers on this issue.

I would like to declare that I will fight for them in conference. The House of Representatives has the money in their bill, and that fact will give us the opportunity to meet this need of apple growers. The Senators from the States of Michigan, Washington, New York, Maine, Massachusetts, and Vermont have been very persuasive, most effective, and, frankly, relentless in this cause on behalf of their apple growers.

This bill was voted out of the Appropriations Committee in July, and we

fully expected the White House and the House of Representatives to fund this urgent need for apple growers in the agricultural supplemental. In fact, the Senate had done that. That is why it isn't in this bill. And the budget allocation precludes me from putting it in now. That is why I am declaring I will fight for it in conference instead. I very much appreciate the advocacy of the Senators from those States.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, first, I ask unanimous consent that Senator EDWARDS be added as a cosponsor to this amendment.

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

Mr. LEVIN. Mr. President, the good Senator from Wisconsin has really worked with us on so many issues. I appreciate very much what he has just said. With that assurance, I am satisfied, and I intend to withdraw this amendment. I think, however, there may be another speaker on this amendment. I will not withdraw it if there is another speaker. I will withhold that at this time.

Mr. SMITH of Oregon. Mr. President, I say to my friend from Michigan, I am very supportive of his amendment, but I was going to speak to another one and would love to be added as a cosponsor to this amendment.

Mr. LEVIN. We welcome that.

Mr. President, I ask unanimous consent that the Senator from Oregon be added as a cosponsor to this amendment.

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

AMENDMENT NO. 1978 WITHDRAWN

Mr. LEVIN. Mr. President, I withdraw this amendment at this time, with thanks to Senator KOHL and also Senator COCHRAN. I have had a chance to speak with Senator COCHRAN, who has been so helpful on a whole host of issues in the agricultural area. While we had a minor disagreement in the area of missile defense, in so many other areas we have worked together on issues. I hope we can work together on this issue as it proceeds to conference.

I thank the Senator.

The PRESIDING OFFICER. The Senator has the right to withdraw the amendment. The amendment is withdrawn.

Mr. COCHRAN. Mr. President, I join my colleague from Wisconsin in thanking the Senator from Michigan for his action. I know it is a serious problem, and it has been well identified. The Senator from Oregon has an interest in it as well.

There are other agricultural activities that are similarly situated. We have heard from the Senator from Wyoming, for example, on the plight of the livestock industry; there are problems in some other specific areas of the country because of drought—all of which are in need of special assistance and special economic assistance in this time of hardship.

So all of these interests are going to be considered. They should be considered by the Congress as we work to reach an agreement in conference on this bill.

I am happy to join with the Senator from Wisconsin in assuring those who talked about the apple industry and the problems they have that their interests will be carefully considered. I hope we can work out a provision in this bill in conference that will be satisfactory with them.

Mr. LEVIN. I thank my friend.

The PRESIDING OFFICER. The Senator from Oregon.

AMENDMENT NO. 1981

Mr. SMITH of Oregon. Mr. President, I rise today, again, to raise my voice on behalf of the farmers of Klamath Falls, OR, and the Klamath Falls Basin that includes northern California in equal numbers.

I first thank my colleagues of the Senate and of the entire Congress for the \$20 million that was allocated on an emergency basis to help these farmers to stave off foreclosure.

My colleague, Senator WYDEN, and I pointed out at the time that it was probably a tenth of what was actually needed, and that is proving to be the case, because the wolves of foreclosure are at the doors of many farms right now. The reason is simply that they were denied a season of farming. You can imagine what it would mean if the Federal Government took away the means by which any of us makes a living for a year and how we might survive. The truth is, we cannot. No one saves that money. The way farms operate, they do not have those kinds of margins.

So what I am doing today is seeking an additional appropriation to help them; it comes in two requests: One, it is to provide these 1,400 farm families with an additional \$38 million in direct assistance; in addition to that, \$9 million for activities to improve water storage and water quality in the Upper Klamath River Basin.

I have searched for offsets. I found one. I am willing to work with the Congress on making these dots connect, but I am identifying it as an offset: the sale of Pershing Hall in Paris, France. It is along the Champs Elysees. It is owned by the Department of Veterans Affairs. It is empty. We are paying taxes on it. It is exceedingly valuable real estate. It is run down. It is vacant.

I am asking that we sell this building and that we use this money to help these farmers. It will generate at least this amount of money, and more. I am simply saying that, in very real terms, this money is needed now while it is being wasted in Paris.

The people of Oregon generally have the highest rates of unemployment in America, but certainly the pain is felt more acutely in Klamath Falls than any place of which I can think.

So I ask for consideration of my amendment. I look forward to working with the chairman and the ranking

member, both of whom have expressed support for my cause on this issue. And I thank them for that. I also thank my colleague, Senator WYDEN, for his equal partnership in the effort to try to salvage 1,400 great family farms.

I yield the floor, Mr. President, and thank you for the time.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I come to this Chamber today to join my colleague from Oregon, Senator SMITH. One can debate whether we have found precisely the right offset. Senator SMITH and I have scoured the budget and intend to work closely with the chairman of the subcommittee and the chairman of the full committee and, of course, the ranking minority members as well, so as to ensure that this is addressed at the proper time in the proper way.

But as Senator SMITH has correctly said, what I think is not debatable is the fact that there is a world of hurt, a world of pain in the Klamath Basin in the State we represent. We have scores and scores of farmers in that part of the State who are on the ropes as we speak.

These are people who have worked hard all their lives. That have played by the rules. They have done nothing wrong. But clearly, now, as a result of policies that ensure we can find water for all the uses about which people of Oregon and people of this country feel strongly—agriculture, environment, conservation—there is a tremendous crunch in our part of the country.

Senator SMITH and I have spent many hours in recent weeks working to forge a coalition between agricultural interests, environmental interests, the rural communities—all of the stakeholders—the tribes, and all of the parties who feel so strongly about this.

The reason we come to the floor today is that we want to work with the Appropriations Committee—particularly the chairman, Senator KOHL, and Senator COCHRAN, who have been very gracious to us in working on Klamath issues in the past—so we can get this urgently needed assistance.

It is our understanding that there are some questions about exactly from which account this should come. Senator SMITH has been very clear, in making our initial remarks, that we intend to work with both the subcommittee and the full committee to ensure this offset does come from the appropriate account.

What is not debatable is how grave the need is. We have farmers who are not going to survive. They are not going to be there a few months down the road, if we can't get the assistance through this amendment the two Oregon Senators offer today.

I thank Chairman KOHL and Senator COCHRAN. We are going to be working closely with them and with the chairman of the full committee and the ranking minority member, Senator STEVENS, so that we can find the funds

needed so urgently in the Klamath Basin and we can give a little bit of hope at this critical time to those families who are suffering today and are worried about whether they are going to be able to farm tomorrow.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH of Oregon. Mr. President, I ask for adoption of the amendment.

Mr. REID. I couldn't understand the Senator.

The PRESIDING OFFICER. The amendment has not yet been proposed.

Mr. REID. What did the Senator from Oregon say?

Mr. SMITH of Oregon. I am asking for consideration of our amendment.

Mr. KOHL. Mr. President, I object. I would like to make a statement.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. We do not have a copy of the amendment. However, we do understand that the offset of which they speak falls in the jurisdiction of another subcommittee. We need to confer with that subcommittee and the Congressional Budget Office. We did provide \$20 million to the Klamath Basin in the spring supplemental. No other disaster assistance has been provided by this committee. If we accept this amendment, then others will seek additional assistance which our allocation cannot provide.

This is a very difficult amendment for this committee to support. In fact, we will not support it.

In addition, I am fairly certain that the offset they are discussing does not fall within this committee's jurisdiction. I humbly and respectfully suggest that they pursue a different avenue than requesting a vote.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH of Oregon. Mr. President, I ask for the amendment's immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oregon [Mr. SMITH], for himself and Mr. WYDEN, proposes an amendment numbered 1981.

Mr. SMITH of Oregon. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide assistance for farmers and ranchers in the Klamath Basin, Oregon and California)

At the appropriate place in the bill, insert the following:

"In addition to amounts otherwise available, \$38,000,000 from amounts pursuant to 15 U.S.C. 713a-4, for the Secretary of Agriculture to make available financial assistance to eligible producers in the Klamath Basin, as determined by the Secretary.

"\$6,600,000 will be available for the acquisition of lands, interests in lands or easements in the Upper Klamath River Basin from willing sellers for the purposes of enhancing water storage or improving water quality in the Upper Basin.

"\$2,500,000 will be available through the rural utilities account to fund the drilling of wells for landowners currently diverting surface water upstream of Upper Klamath Lake, Oregon.

"Funding for this program will come from the sale of Pershing Hall, a Department of Veterans' Affairs building in Paris, France."

Mr. SMITH of Oregon. Mr. President, I would like to work with the chairman and the ranking member to find the offset that works and that would win the support of the chairman and ranking member. I thank them both.

Mr. KOHL. We would be happy to accommodate the Senator with respect to his last comment.

The PRESIDING OFFICER. The Senator from Oregon.

AMENDMENT NO. 1981 WITHDRAWN

Mr. SMITH of Oregon. Mr. President, I ask unanimous consent to withdraw the amendment that is now pending.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

Mr. REID. 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. DORGAN. 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. DORGAN. Mr. President, while we are waiting for amendments to be offered, I wanted to make a couple of comments about this subcommittee bill and talk about the work done by Senator KOHL and Senator COCHRAN on this bill.

As always, as I have indicated before, a lot of difficult work goes into putting together the Agriculture appropriations bill. Senators KOHL and COCHRAN work very well together. I, for one, appreciate their cooperation and their assistance. I think they have put together a good piece of legislation.

There are two issues that I have on previous occasions brought to the floor during the consideration of this legislation. One issue we discussed last year on this bill, among other things, is the reimportation of prescription drugs. This issue deals with drug prices, and what we can do to lower those prices.

As I understand it, in the House of Representatives in their Agriculture appropriations bill, there is a provision dealing with the reimportation of drugs that will come to conference this year. It is my intention not to offer an amendment in the Senate on this matter this year—not because it is not important because it is very much so, but as we all know too well, a number of things have happened at this point to change our focus. Other events have happened in this country that have caused us to focus on other serious issues dealing with terrorism and so on. I think this is not the point at which we ought to go off into the medicine importation debate. Therefore, I

will not offer an amendment dealing with the reimportation of prescription drugs.

However, let me say this issue will not go away. It is still critically important. The issue will be alive in conference because there is a provision in the bill sent to us by the House of Representatives. One of the reasons we—myself, Senator JEFFORDS, Senator STABENOW, Senator SNOWE, Senator WELLSTONE, and a number of others of us—have worked on the issue of prescription drug prices and reimportation is that prescription drugs are priced higher in the United States than anywhere else in the world. You see a prescription drug sold across the counter in this country to the American consumer at the highest price in the world. That is not fair.

I have told colleagues of my experience in taking a group of senior citizens from North Dakota up to Emerson, Canada, just 5 miles across the North Dakota-Canadian border. In a little one-room pharmacy in Canada, you can buy the same prescription drugs sold in Pembina, ND. The only difference is price—same drug, same pill, put in the same bottle, manufactured by the same company. You can buy it for 50-percent or 70-percent less across the border in Canada than you can in the United States. That is not fair to the American consumer, and it is not fair pricing.

We all know spending on prescription drugs is increasing dramatically—15, 16, 18 percent a year, year after year. The American people—particularly senior citizens—are very concerned about this. One of the proposals we had offered previously was to say: If this is a global economy, why can that not work for everybody, why not for all Americans? Why can't an American citizen or, yes, an American pharmacist, or a distributor get access to cheaper drugs in Winnipeg, Canada, and bring them back and pass the savings along to the American consumer?

Let me give a couple of examples. Cipro, a drug most of us now know about, is used to treat infections. In recent days, we have seen that it has been given to thousands of people who have been exposed to anthrax. The average wholesale price in the United States is \$399 a bottle. You can buy Cipro in Canada at \$171 a bottle. Let me say that again. A bottle of Cipro—same strength, same number of tablets—in Canada costs \$171, but when you buy it in the United States, it is \$399. Why more than twice as expensive in the United States? Why does the American consumer pay more than twice as much for the same drug, put in the same bottle, made in an FDA-approved plant? Does that make sense?

Or take the example of Zocor. A football coach tells us on television in an advertisement that I suppose I have seen 500 times that Zocor would be great to lower your cholesterol. The average wholesale price in the United States is \$3.82 for one 20-milligram tab-

let. In Canada, it is \$1.82. Fair? I don't think so.

Zoloft is used to treat depression. In the United States, it is \$2.34 per 50 milligram tablet. In Canada, the exact same tablet costs \$1.28. Fair? I don't think so.

For every dollar we spend for the same prescription drugs in this country, the Canadians spend 64 cents; the Swedes pay 68 cents; in Great Britain it costs 65 cents; and in Italy, 51 cents. That is what is angering the American people and propelling a number of us to say if this global economy is to work, why can't it work for all Americans? Why can't a pharmacist from Grand Forks, ND, access the same prescription drug produced in an FDA-approved plant and bring it back and pay half the price and pass the savings along to the consumer in this country. I offered an amendment of this type last year. We went to conference. We actually succeeded in getting this agreed to in conference. And both the Clinton administration and the Bush administration Secretaries of Health and Human Services said they would not implement this legislation because they said it would not, among other things, save money. Let me ask if there is anybody who has gone past the third grade who doesn't understand that, if you buy Cipro in the United States and pay \$399 a bottle and are only required to pay \$171 a bottle in Canada, that you can't save money by buying the bottle from Canada.

I guess the only people who think that are the two successive Secretaries of Health and Human Services. I don't know what kind of math they taught in their schools, but I went to a school with 40 students in all 4 high school grades. There were 9 in my senior class. I studied the highest math they offered, and I can understand that this saves money, and there is no Secretary of any Agency in the Federal Government who can convince us otherwise.

Nonetheless, neither administration will implement it. The result is a law that was passed last year is not yet implemented. For reasons I discussed before, we will not offer the amendment on this piece of legislation. But this will be a conferenceable issue because a provision is coming from the House on the Agriculture appropriations bill, and we will resolve this then. It is, I think, an unusual time in our country's history, as we wage a fight against terrorism and deal with a range of issues, so that perhaps this is not the right time to have a full-scale debate about this issue. But there will probably never be a right time, and there will be a time when we must force this again on behalf of the American consumer, to ask how do you justify this? How do you justify drug companies charging the highest prices to the American consumers out of any consumers in the world? How do you justify doubling and tripling the price? How do you justify to a woman who has breast cancer that she ought to pay 10

times more money for Tamoxifen purchased in the United States than in Canada. How do you justify that to somebody fighting cancer, who has to fight a pricing policy for prescription drugs that is wrong?

The answer is that you cannot justify it. That is why this Congress, sooner or later—and I hope sooner—will deal with that subject.

Now, Mr. President, there is one other issue on which I have traditionally offered an amendment on this subcommittee. Again, I will not because I understand we are not able to do it this year for a number of reasons. Each year, in recent years, we have had to offer amendments to the Agriculture appropriations bill on the floor of the Senate trying to provide some weather disaster and economic relief. Why? Because the Freedom to Farm bill was miserable, a miserable failure. It was a disaster, in my judgment. So each year, because it was not counter-cyclical, it didn't provide help when farmers needed it—or enough help—as we saw commodity prices collapse. We had to try to put some sort of disaster relief in the bill, both weather and economic. We normally described it as emergency spending. We went to conference and boosted it.

I would say the Senator from Wisconsin and the Senator from Mississippi were instrumental in making all of that assistance available to family farmers in this country. I commend them for that. We will likely, in some areas of the country, again this year, need some weather disaster assistance. I understand that in Montana, Idaho, Wyoming—and some other areas that colleagues have talked about—there has been drought. And in some other areas, too much rain has fallen. I expect there won't be a weather disaster amendment this year to this appropriations bill because I don't think the money exists or the emergency category exists to accommodate that. But there will be an economic stimulus package that will be discussed and considered, and it seems to me that one of the things that might be considered would be a livestock and crop loss assistance for disaster aid to those who suffered disasters.

In fact, it is stimulative because that money gets in the hands of producers who then are able to use that immediately to deal with the debts they have and put that money on the main street of our small towns and cities across the country.

So as we move along, even though this subcommittee will not carry these two amendments in its markup this year, it is my hope both of them will continue to be considered, one in conference because it will come from the House, and the second, I hope, perhaps in the stimulus package when we have an opportunity to consider that in the Senate.

Finally, there are a lot of provisions of this Agriculture Appropriations Subcommittee bill that are critically important dealing with research and

other matters relating to American agriculture. Our agriculture in this country ought to be a source of enormous pride to all of us. In my judgment, family farmers in America are America's economic all-stars. Yet they have had an awfully tough time year after year as commodity prices have collapsed. One part of trying to help them is not only trying to write a new farm bill, which we should do and we ought to do soon. In fact, we ought to bring a farm bill to this Chamber within a matter of weeks. But, one part of assistance in addition to that farm bill is to provide the kind of research help that will allow family farmers the ability to have access to new seeds—disease-resistant strains of seeds—to make them more effective and reduce risks. That is what much of this bill is about, investment and research.

I again say thanks to the Senator from Wisconsin, Mr. KOHL, and Senator COCHRAN from Mississippi. It is always a pleasure to work with them. They do a good job, and I am proud of them.

I yield the floor.

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. REID. 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. REID. Mr. President, we have had a number of inquiries in both cloakrooms about how this bill is moving along, and it is moving along fine. The two managers are working on what amendments can be accepted, which ones cannot be accepted. That list should be completed relatively soon, within the next half hour, hopefully.

The only amendment outstanding, other than what the managers are working on, it is believed, is the Harkin amendment. He is working with Senator NELSON of Nebraska to see if they can work out language on that amendment. If not, Senator HARKIN would offer that amendment. As I understand it, Senator NELSON of Nebraska would move to second degree that amendment.

As I said, they are trying to work out that amendment. So Senators should be advised, we hope, within the next hour or so, and with a little bit of luck, we can complete this legislation. If someone has an amendment and they have not been able to work with the managers, have not had the opportunity to offer the amendment, they should come over because we are going to wrap up this bill totally as soon as we complete what the managers are working on, and the Harkin amendment.

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. DORGAN. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

Mr. DORGAN. Mr. President, I have been waiting here while a couple of our colleagues are trying to resolve some differences in the Cloakroom on an amendment. It is taking them a while so it gives me an opportunity to say a bit about an amendment that I have offered to this bill the last 2 years and which the Senate has accepted both time. I have not offered it this year and will not this evening. I wanted to explain why.

That amendment deals with the shipment of food and medicine to Cuba and the ability of American farmers to sell food to Cuba. In the last 2 years I offered amendments to this appropriations bill that would have eliminated the embargo that now prevents American farmers from selling food to Cuba.

As you know, the American embargo of Cuba has been a failure for 40 years. That embargo has included restrictions on the shipment of food and medicine to Cuba. I have said for several years it is morally wrong, in my judgment, for us to use food and medicine as a weapon. It is not right for us to use food and medicine as part of an embargo. It doesn't injure Fidel Castro. He has never missed a meal because we don't ship food to Cuba.

Our allies, the Canadians and Europeans and others, of course, are able to sell food and other goods to Cuba. It is just the American farmer who is prevented from accessing that markets.

Twice I have offered amendments to fix the problem. The first year my amendment got hijacked because the conference got abandoned and the leaders would not allow it to resume because they knew I had the votes in conference to end the embargo on food and medicine shipments to Cuba. The second year the House of Representatives changed the language and boasted they had solved the problem, but of course they did not. What they provided was that food could be shipped to Cuba, except the sales could not be financed even with private financing. So we still, in fact, have an embargo on food shipments to Cuba. There are no food shipments happening between this country and Cuba. So the U.S. government still tells our farmers: You pay the cost of this embargo. You cannot be part of the Cuban market for food. You can't be a part of it, the Canadians can, the Europeans can, but you can't because we have an embargo of which you are going to pay the cost.

This is unfair to farmers. And I don't think it is a moral policy for our country to use food as a weapon.

Let me say, finally, the provision that was completed last year started the right way in the Senate with my amendment. We did the right thing. It got watered down and then perverted in the conference, and those who did it that boasted that this really solved the problem. A year later we know it did not.

I would say by this time next year, when I certainly will again offer this

amendment in the Senate, it will be quite evident that what they boasted of last year never materialized at all. Farmers were still paying the price for this embargo.

We have had plenty of experience with embargoes on food. It ought not be a lesson we need to learn two or three times. Shooting ourselves in the foot doesn't really solve much of the problem. As I indicated, Fidel Castro has never missed a meal because of the embargo. He does just fine. It is our family farmers who suffer.

If necessary, I will offer an amendment to fix this problem again next year. I would like to do so now. However, I think this is not the time. It is late in the year. We should have passed this appropriations bill weeks ago. If I offered this amendment this evening, we would be off into a debate that would last many hours. But I would like to remind my colleagues that I have offered it for the last 2 years. I will offer it again, and some of my colleagues on this appropriations subcommittee will join me the next time we go around.

In deference to the work that we need to do and the times we are in, I think it is important for all of us to work together to try to find a way for us to avoid the kind of controversy that divides us hour after hour after hour. We have been through all of that.

I wanted to explain why I am not going to offer that amendment this evening. But be sure to keep tuned because it will be offered again.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I would like to discuss for a few moments the fundamental problem with this appropriations bill and then talk a little bit about the pork that is again prevalent and on the increase in this appropriations bill.

First of all, I want to talk about Federal subsidies, where they go, who should be receiving them, the largess of the Federal Government taxpayers' money under the present setup, how we are going to work subsidies, and how the money is distributed.

Earlier this year, the General Accounting Office released a report that details some very critical information on the disturbing trends of federal farm assistance. The GAO reports that over 80 percent of farm payments have been made to large- and medium-sized farms, while small farms have received less than 20 percent of the payments.

In 1999, large farms, which represent about 7 percent of all farms nationwide with gross agricultural sales of \$250,000, received about 45 percent of federal payments. These payments average about \$64,737.

Seventeen percent of farms that are medium-sized with gross sales between \$50,000 and \$250,000, received 45 percent of all payments. Payments average \$21,943.

Let me repeat that.

Seven percent of all the farms are now getting 45 percent of all the payments. Seventeen percent of farms that are medium sized and with gross sales between \$50,000 and \$250,000 receive 45 percent of all payments. Payments average \$21,943.

What does this mean? Generally, small farms—with gross sales under \$50,000—received only 14 percent of the payments, despite the fact that small farms make up about 76 percent of the farms nationwide. Most of these payments average about \$4,141. That is about 6 percent of the total amount made available to large farms.

There is something wrong here. Seventy-six percent of all the farms get 14 percent of the payments. Seven percent of the farms receive 45 percent of the payments.

Where is the rhetoric about the small and family farmer?

The GAO also concluded that:

The percentage of payments received by the large, very large, and nonfamily farm types increased from 1993 and decreased for other farm types. These farms also experienced substantial increases in the average payment that they received in 1999.

Large and very large farms received about 22 percent of the payments in 1999, with average payments ranging from \$51,000 to \$85,000.

If we take a look at what has happened with the Freedom to Farm bill and with the substantial amount of emergency and supplemental payments Congress has delivered since 1998, the trend seems to indicate that small farmers are receiving less and less federal assistance. In 1995, small farms received 29 percent of payments. By 1999, small farms received 14 percent.

Thus far, between 1999 and 2001 alone, Congress has designated more than \$30 billion in emergency or supplemental spending for farm relief. While the 1996 farm bill was intended to reduce reliance on the Federal Government, payments to farmers have increased by 400 percent, from \$7 billion in 1996 to \$32 billion in 2001. I think we should all be concerned about where this money is really being spent.

By some reports, even the likes of Ted Turner and pro basketball star, Scottie Pippen, have been recipients of Federal subsidies. At least 20 Fortune 500 companies and more than 1,200 universities and Government farms, including State prisons, received Government checks. Such corporate giants as Riceland Foods, Inc., based in Stuttgart, Arkansas, took in a mammoth \$32 million in Federal subsidies and a large conglomerate farm, Missouri Delta Farms received \$7 million.

Who pays the tab for these payments? The American taxpayers.

I don't know how you justify a \$32 million subsidy to one organization, one corporation, and call it assistance to the farmer. Let's call it assistance to major corporations. Let's call it for what it is.

What I think we ought to do is support the hard-hit family farm operations. Any entity that earned more than \$1 million in annual revenues does

not justify the expenditure of taxpayer dollars.

I remind my colleagues the American public is very much aware of the actions we are taking when asking the taxpayers to subsidize farmers. Many others among the American public have expressed similar concerns.

Let me point out a few statements:

Representative RON KIND, Wisconsin in the St. Paul Pioneer Press, July 2001:

Why are we throwing these billions of dollars at these few farmers, which is only leading to an increase in production, and an oversupply, and commodity prices plummeting? 90% of the current farm funding is going to less than one-third of the producers in this country, who are located in 15 states. You can imagine that those 15 states are represented on the Agriculture Committees, where there is a prevailing attitude to keep the status quo.

Mark Edelman, Iowa State University Extension to Communities, October 1999:

While targeting federal assistance to medium and small farmers and those that are financially vulnerable is often discussed during the outbreak of a farm crisis, the bulk of the emergency payments are not distributed according to those criteria. Up to this point, Congress and farm interests have not been willing to target the bulk of the farm program payments in ways that exclude or penalize larger farmers, or that arbitrarily reward medium, small or financially vulnerable farmers.

Elizabeth Becker, New York Times, May 2001:

Supporters of farm subsidies, which were enacted in the Depression, argue that they needed to save the family farm. But government documents indicate that the prime beneficiaries hardly fit the image of small, hardscrabble farmers. Because eligibility is based on acreage planted with subsidized crops in the past, the farmers who have the biggest spreads benefit the most.

Chuck Hassebrook, Center for Rural Affairs, Nebraska, July 2001:

The single most effective step Congress could take to strengthen family farms would be to stop subsidizing large farms to drive their neighbors out of business.

In a recent Wall Street Journal article (October 3, 2001), called "Nuts to You," a story outlines the federal government's continuing love affair with federal subsidies.

In short, at a time when voters want Congress to be serious, we're seeing Washington at its worst. Once upon a time, it was possible to argue that farm supports kept small-time growers on the land. But nowadays they are little more than huge wealth transfers from average taxpayers to well-to-do farmers, many of whom work the land only part-time.

Based on the amount of a crop produced, these subsidies go to big landholders who collect the cash and then buy up the land around them to collect still more. According to one recent study, only 10 percent of all farmers get 61 percent of all of the federal subsidies. Florida's Fanjul family has made a killing in sugar, another crop vital to the war effort.

Even my colleague and distinguished chairman of the Senate Agriculture Committee, Senator HARKIN, criticized current farm policies for sending a

greater share of Government subsidies to large farms instead of the more vulnerable smaller farms and for making it more difficult for young people to go into farming by driving up land values.

In reviewing the General Accounting Office report, Senator HARKIN was quoted in the Des Moines Register, July 2001, as saying that the GAO report "proves that we can and should be doing more to ensure that these payments are distributed fairly." And Senator HARKIN further was quoted as saying, "[T]he bottom line is we must have a fairer system for providing support to farmers in the next farm bill."

More recently, the administration stepped into the debate to urge the Congress to curb its appetite for Federal subsidies and extend more benefits to smaller farming entities. The administration's report makes several important points to the Congress, including this particular comment:

Even the most carefully designed government intervention distorts markets and resource allocation, produces unintended consequences, and spreads benefits unevenly. We cannot afford to keep relearning the lessons of the past.

However, we are not reauthorizing the farm bill today. The Senate will consider legislation to reauthorize the Freedom to Farm bill in the coming year. However, what we are considering today is equally important, the approval of annual spending for USDA to support farming entities.

When considering any spending measure, we are obligated to ensure the fair and appropriate spending of billions of taxpayer dollars. If we do nothing to ensure equity today in this agriculture appropriations bill, the ultimate outcome is that half of this money will go to the large and very large farming operations, many of them agribusinesses, with little left for small to medium farmers that might demonstrate a greater need. It is time to change this alarming trend.

Mr. President, I am, once again, greatly disappointed to report the amount of flagrant porkbarrel spending in this bill. This year's Agriculture spending bill includes \$372 million in questionable earmarks, exceeding last year's level by \$136 million. Unfortunately, it appears that the porkbarrel "business as usual" attitude reigns once again.

Few of the annual appropriations bills are more loaded with unrequested, low-priority earmarks than this one. Despite the urging from the administration to eliminate the excessive special interest earmarks in the Agriculture appropriations bill, the appropriators tacked on 395 of the usual garden-variety, special interest earmarks.

I, obviously, will not go through all 395, but let's take a look at the top 10 porkbarrel projects in this year's Agriculture appropriations bill.

My colleagues will note that all of these earmarks are specifically designated to a specific State or a specific entity:

No. 10, \$150,000 for potato breeding research at Aberdeen, ID;

No. 9, \$250,000 for a beaver control program in Louisiana;

No. 8, \$50,000 specifically for the Oregon Garden;

No. 7, \$300,000 to the Tick Research Unit at Kerrville, TX;

No. 6, \$500,000 for the Honey Bee Laboratory in Baton Rouge, LA;

No. 5, \$300,000 for a coyote control program in West Virginia. That one particularly interests me since in my home State we have a lot of coyotes. I do not see any money in there for the control of coyotes in the great State of Arizona or in any place else in the Southwest, but perhaps, as in most cases, with a lot of appropriations bills, there is a unique problem in the State of West Virginia.

No. 4, \$750,000 to Western Kentucky University to examine the use of chicken litter as a fertilizer or nutrient source. I hope there is a careful division between those two choices. It could have serious consequences. But I am sure the folks at Western Kentucky University are well equipped to make sure there is no overlap between using chicken litter as a fertilizer or as a nutrient source.

No. 3, \$435,000 for weed control in North Dakota. They must have a terrific problem out there in North Dakota because year after year we find this weed control money going to the great State of North Dakota. I hope they get it under control soon. Of course, no other States, obviously, in the view of the appropriators, have a weed problem—except in the great State of North Dakota.

No. 2, \$90,000 to study the use of acoustics in aquaculture research at the National Center for Physical Acoustics; and then,

No. 1, \$500,000 for the Montana Sheep Institute—\$500,000 for that institute of higher learning in Montana, which obviously is very badly needed up there.

Even the reliable earmarks for the National Center for Peanut Competitiveness and shrimp aquaculture are included. I believe that the National Center for Peanut Competitiveness is doing very well because we continue, every year, to make sure that peanut competitiveness is one of our highest priority projects. I will supply for the RECORD the many hundreds of thousands, if not millions, of dollars that have been devoted to peanut competitiveness.

Funding has never been requested for the National Center for Peanut Competitiveness, yet it has been funded by the appropriators for 5 years. And shrimp aquaculture in Arizona and other States has been a consistent beneficiary of taxpayer dollars for 9 years. Unfortunately, there is little explanation included to justify why targeted Federal dollars for earmarked projects are more important than other programs to protect food safety or more directly support farm programs in the bill.

This is a spending spree. So far this year more than \$8.5 billion of pork has been included in 10 appropriations bills, including this Agriculture spending bill.

We are at war. We must do better and heed the words of the Office of Management and Budget Director Mitch Daniels, who said:

Everything ought to be held up to scrutiny. . . . Situations like this can have clarifying benefit. People who could not identify a low priority or lousy program before may now see the need.

Apparently, we are not heeding Mr. Daniel's words. And I do not believe that anyone can say there are no low-priority items in this bill before us.

I urge my colleagues to work harder to curb our habit of funneling resources to provincial ventures. Serving the public good should continue to be our mandate, and we can only live up to that charge by keeping the process free of unfair and unnecessary spending that unduly burdens the American taxpayer.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am constrained to say a few words in defense of the committee's decisions with regard to the total overall spending in this bill. It is below the President's budget request. Twenty-two percent of the funds in this bill are discretionary; 78 percent of the funds in the bill are mandatory—mandatory, meaning there is legislation directing the spending be made to those that are defined as eligible for the benefits under the law, under statutes that have been passed by Congress and are now the law of the land.

So the subcommittee, in working to identify the appropriate levels of funding, has to look at the law, provide the funds that the Department of Agriculture, the Food and Drug Administration, and the other agencies funded in this bill say will be due and owing by the Government under statutes that require the money to be paid.

Here is an example of one of the programs. It is the Women, Infants, and Children Nutrition Program. The participation in that program is defined by law. The eligibility for participation is defined by law. If someone is eligible and presents themselves to a facility where the program is administered, they are entitled to the benefits. They are entitled to medical care. They are entitled to food supplements. And the funding for that has to be appropriated. So this bill contains funding for the WIC Program.

I mentioned, in earlier comments, that we may have to appropriate more money in a supplemental later on for the WIC Program because participation is outstripping the predictions. So far this year, in this new fiscal year that started October 1, we can see the trend is such that we may not have appropriated enough money for that program.

The Senate will approve that request if it comes from the Department, if it comes from the President, for a supplemental for that program.

Food Stamps is another program. Because of higher rates of unemployment than we had last year, the Food Stamp Program participation has begun to increase. So there are increases for those program activities.

There are farm programs, as the Senator correctly described, that require the payment of dollars to those who are eligible for support in agricultural production. That also is defined by law.

We don't decide how much each person gets in this appropriations bill. That has already been decided when we passed the farm bill. This bill provides the funds to the Department to make the program dollar payments that are required by law to the eligible beneficiaries.

On the discretionary funding side, the 22 percent of the funds in this bill over which we did have total control, we came in under the President's budget request. That is the point I wanted to make on that. On the part of the budget the Congress controls and on which this Appropriations Committee is making decisions with respect to dollar amounts, we are under the President's budget request.

So to accuse the committee of throwing money around that is not needed, funding programs that are not justified, doesn't hold up when we look at the exact spending levels compared with the budget request, compared with the economic conditions, compared with the statutes that require funding for specific purposes under the law.

The committee has done a good job, in my opinion. That is why the Senator from Wisconsin and I are proud to present this bill to the Senate today, and we hope the Senate will support it.

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

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

ANTHRAX ATTACK ON CAPITOL HILL

Mr. DASCHLE. Mr. President, I will use this time for just a couple of minutes to provide a brief update on our circumstances involving the buildings here in the Capitol complex and the situation involving the anthrax experience we have all been attempting to work through.

I had hoped before the end of the week to give our colleagues a briefing. There have been meetings ongoing as late as this afternoon. But I believed it was important for those who couldn't come to the meetings to share at least some of the information we have available to us.