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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable DEBBIE STABENOW, a Senator from the State of Michigan.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Sovereign God of our Nation, we ask You for the supernatural gift of wisdom. In the Bible You tell us wisdom is more precious than rubies, more important than riches and honors. Solomon called wisdom a tree of life to those who lay hold of it. Your gift of wisdom enables true success, righteousness, justice, and equity. The Talmud reminds us that with wisdom, we can turn our lives back to You in authentic repentance and commit ourselves to do the good deeds that You guide.

James, the brother of Jesus, extends Your clear invitation to receive wisdom: ''If any of you lacks wisdom, let him ask of God, who gives to all liberally and without reproach, and it will be given to him.''—James 1:5. Bless the women and men of this Senate with a special measure of wisdom today.

We are grateful for the immense contribution to the Senate of the leadership of Sergeant at Arms Jim Ziglar. Thank You for his friendship, his outstanding executive skills, and his commitment to excellence in all he does. Bless him as he moves on to new opportunities and challenges in his ongoing dedication to serve You in government. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable DEBBIE STABENOW led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 31, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DEBBIE STABENOW, a Senator from the State of Michigan, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Ms. STABENOW thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. REID. Madam President, today the Senate will resume consideration of the Agriculture supplemental authorizations bill. Senator LUGAR, under a previous order entered, will be recognized to offer the House-passed act as an amendment or, in fact, whatever he desires to offer. Rollcall votes will occur on amendments throughout the day. The Senate will be in recess today, as is normal on a Tuesday, from 12:30 to 2:15 for our weekly party conferences.

The majority leader, Senator DASCHLE, has asked me to announce that he wishes to complete this bill this week, also the Transportation Appropriations Act, the VA–HUD appropriations, and the export administration bill.

JIM ZIGLAR

Mr. REID. I would just say, Madam President, quickly, that I appreciate very much the prayer of the Chaplain today mentioning Jim Ziglar. When he came to the Senate he had been a longtime friend of the majority leader, Senator LOTT. A lot of us were somewhat anxious that he would be an extreme partisan. Senator LOTT did very well in choosing Jim Ziglar.

Jim Ziglar has a brilliant mind. He has an outstanding law school record. And he served as a clerk in the U.S. Supreme Court to Justice Blackmun. He was in the private sector where he did extremely well. As Sergeant at Arms, he was an exemplary member of the Senate family. I know that as the leader of the Immigration and Naturalization Service he will bring vigor and intelligence and responsibility to that most important office.

So I appreciate very much the prayer of the Chaplain today mentioning Jim Ziglar, who has become a friend to all of us.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

EMERGENCY AGRICULTURAL ASSISTANCE ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1246, which the clerk will report.

The senior assistant bill clerk read as follows:

A bill (S. 1246) to respond to the continuing economic crisis adversely affecting American agricultural producers.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Indiana, Mr. LUGAR, is recognized to offer an amendment.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

AMENDMENT NO. 1190

Mr. LUGAR. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment.

Mr. LUGAR. I ask unanimous consent that the amendment not be read in full.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment by number.

The senior assistant bill clerk read as follows:

The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 1190.

The amendment is as follows:

(Purpose: To provide a substitute amendment)

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the ''Secretary'') shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agriculture Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payment under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool, and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(A) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $43,670,000.
(5) Arizona, $3,430,000
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000.
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $41,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term ''specialty crop'' means any agricultural crop, except wheat, feed grains, oil-seeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

''(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

''(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2001 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

''(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

''(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.''.

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

''(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

''(1) incurred a loss as the result of—

''(A) the business failure of any cotton buyer doing business in Georgia; or

''(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the

buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

''(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

''(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims.''.

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking ''Upon the establishment of the indemnity fund, and not later than October 1, 1999, the'' and inserting ''The''.

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act'').

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

The PRESIDING OFFICER (Mr. CORZINE). The Senator from Indiana.

Mr. LUGAR. Mr. President, I appreciate the agreement arrived at by the distinguished majority leader and the Republican leader for the beginning of this debate on the supplemental farm emergency amendment.

I cannot emphasize, as the Chair knows as a member of the Senate Agriculture Committee, the importance of this moment for agricultural America, for those who have hopes that we will be successful in this endeavor. I simply pay tribute to our leadership on both sides of the aisle for attempting to frame the debate in this way: by beginning with giving me this opportunity to offer an amendment.

Let me be clear that the bill before the Senate now came by majority vote from the Senate Agriculture Committee. For Members who have followed the debate yesterday—and for those who have not—we had a full debate in the committee during which I offered a substitute amendment to that offered by our distinguished chairman, the Senator from Iowa. Essentially, my amendment called for the expenditure of $5.5 billion. It was apportioned through a number of items, about $5 billion-plus of that through the so-called AMTA payments, these payments that have been made to farmers who, as part of the farm program, have had program crops in the last several years.

It has been the responsibility of the Senate and the House—our Government—to make additional AMTA payments in recent years in addition to those provided by the farm bill in 1996. The reason we have chosen the AMTA framework is that the farmers to be paid are known, their names and the addresses of these farms. They have been a part of the program. As a result, their crop histories are expeditious.

Members of the committee from time to time have raised questions as to: Why these farmers? Why should people who are in corn, wheat, cotton, and rice be the recipients? There is no equitable answer to that. Most of these debates have occurred in an emergency context such as the one we now have.

This is July 31. By definition of the fiscal year, the payments have to be cut and received by September 30. So as a result, for programs that do not have an AMTA history and which are not clear about the criteria or the recipients, those checks cannot physically get there by the 30th.

We found last year, in making a larger list of recipients, that a large list of new program procedures had to be formulated by the Department of Agriculture. That happened, and in due course the checks were cut, but frequently it was a hiatus of 6, 7, 8, 9 months. That is a part of the issue today. We are talking about the fiscal year we are in that ends September 30 and how money might be received by farmers.

Farmers listening to the debate are very interested in this. The testimony we have heard is that they are counting in many cases upon these payments. More to the point, many of our country bankers are counting on these payments, counting on meeting with farmers to settle planting loans from this season's planting and the hope; therefore, that there might be loans for planting next year in the case of farms that are in that situation, literally, needing loans from year to year to continue on in business. That is why there is an emergency aspect involved.

I have sought recognition this morning at the early part of the debate because I sense that we may be successful, and I have some premonition of disaster if we are not, as I read in the press, in the newsletters, in all of the communications that come to us about all the ways in which this particular debate might go. I will not try to be a prophet. My own optimistic spirit is that the debate will go in a constructive way, and that is the purpose of this amendment.

I will not offer the amendment this morning, though I offered it in committee. It did have a limit of $5.5 billion. I thought it was reasonably well constructed as a compromise of various interests within the committee.

Instead, the amendment I have sent to the desk—and I ask for its immediate consideration—is the identical language of legislation that came from the House of Representatives. It is a bill already adopted by our friends in the House Agriculture Committee and the House of Representatives as a whole. It is passed. At some point, probably very quickly, we will have to come to grips—this week, for example—with what we will do if we pass legislation different from that which the House has passed.

The conventional wisdom is, of course, we would have a conference between Members of the House and Senate. We would try to reconcile our differences. We would report back to the two bodies at some time during this week. Presumably because of the emergency, priority would be given to this conference report. Hopefully, both Houses would pass what we do and send it to the President.

The President has left no doubt what he will do if in fact this comes to him in some form with a pricetag higher than $5.5 billion, all to be spent in this fiscal year. We had, first of all, at the time of our committee debates, a letter from Mitch Daniels, Director of the Office of Management and Budget. Mr. Daniels said he would not recommend that the President sign a bill of more than $5.5 billion in this fiscal year.

That was fairly mild in comparison to the letter read on the floor by the distinguished Senator from Pennsylvania yesterday, which was received by many Members and which, after a lot of conversation, including the President of the United States, rather vividly in much of it—the letter came to us and said the senior advisers of the President would advise him to veto the bill if it has more than $5.5 billion and extends beyond this year. They gave reasons for that, and these are debatable, and I am sure we will hear debate about them.

Madam President, there is no doubt in my mind, nor should there be in the minds of other Senators or of the farmers in this country or of anybody listening to this debate, what is going to occur in the event we finally come to a conference and we have a result other than something less or $5.5 billion.

That being the case, I have suggested to the Senate, and in fact taken the action of offering it as an amendment, that if we are serious about coming to a conclusion on this farm bill, we had best at this point adopt the House language. This is not my language. It is not pride of authorship. It is not my way or no way. I have already had a try at it and lost 12–9 in the Ag Committee on what I thought was a pretty good suggestion. That is another day.

We are now in Tuesday of presumably our final week. The distinguished majority leader has said we are going to stay at this, not just this week and this weekend but until we pass a bill. I have no doubt we will pass a bill. The point I am making is, it had better be one the President will sign or at the end of the trail we will not have legislation. We will have an issue. Members may say: The President was wrong; he should not have done that. The President and his supporters will affirm that he was absolutely right.

The net effect, however, for farmers listening to all of that, as we sort out the relative praise and blame, will be that they have no money. That I start the debate with and will probably repeat several times because it is a very critical element.

If the House bill which I have offered today as an amendment did not have a lot of merit, I would not have taken the step this morning to suggest to my colleagues they adopt something that was without the merit at least that I believe it has.

I want to offer, as introduction to the discussion of this House bill and my amendment, a letter that was received yesterday by TRENT LOTT, our Republican leader. It was written by three distinguished Members of the House of Representatives; namely, CHARLIE STENHOLM, the distinguished ranking member of the Agriculture Committee from Texas; JOHN BOEHNER from Ohio; and CAL DOOLEY from California. They essentially were authors and major advocates in the House of the legislation that finally emerged. They say:

It is our understanding the Senate will begin floor consideration this week on the Fiscal Year 2001 Agricultural Supplemental Assistance bill. We are writing to urge the Senate to stay within $5.5 billion provided for FY2001 in the budget and to approve this measure immediately in order to provide the assistance prior to September 30, 2001 as required by the 2002 Budget Agreement.

As you know, the House reported a bill that will spend $5.5 billion to assist our farmers and ranchers this fiscal year. After much debate in the House Agriculture Committee, we determined that spending more than $5.5 billion would limit our flexibility as we write the 2002 Farm Bill. We believe that if we spend more than the money allowed for fiscal year 2001, we will be borrowing against American agriculture's best chance for a comprehensive safety net.

Last week the House Agriculture Committee approved a landmark farm bill that will provide a safety net for our farmers, fund conservation at an unprecedented levels and renew our commitment to needy families. Passage of agricultural assistance legislation beyond $5.5 billion will imperil these critical needs.

We urge you to remain within the $5.5 billion so that we can provide long-term solutions for America's farmers and ranchers. Thank you in advance for your consideration of this request.

It is signed by the three distinguished Members.

We likewise, Madam President, heard from a good number of our colleagues on the floor yesterday that they appreciate the point of the House. They disagree with it—and Members will disagree with a number of our approaches—in part because all are compromises between interests that have a lot of merit.

For example, in the amendment I offered in committee, the AMTA payment was somewhat over $5 billion. In the amendment we are looking at today, the House legislation, the AMTA payment is somewhat better than $4.6 billion—about $400 million less. Legislation offered by the distinguished chairman of our committee, Senator HARKIN, offers about $400 million more in the end.

If we take an example, for the corn farmer—and I admitted yesterday I am one—this is bad news. Moving from, say, $5.4 billion, or some such figure in the AMTA payment, even to $5 billion is difficult, and $4.6 billion is very difficult; likewise, wheat farmers, cotton farmers, rice farmers. What goes on here? In the old days, the only crops we were talking about were the program crops as I outlined yesterday that started in the 1930s. That is the way it has been all these years.

Now suddenly, in a $5.5 billion bill only $4.6-plus billion is devoted to us. After all, we farm the majority of the acreage and, in terms of crops, the majority of the value.

Livestock producers would say: Welcome. We were never in on the deal to begin with. Program crops meant crops. They did not mean hogs and cattle and sheep. In fact, we will take a look at this situation. We are already in some anxiety as, say, cattlemen and people who produce pork, as we heard in our committee last week.

What do these programs do to feed costs? Is there an input problem for us already in what agriculture committees have been doing cumulatively? We thought there might be, and that would be bad news if one were getting no AMTA payment or consideration. In fact, we are seeing potential costs increase in the programs to help various people.

My only point is within American agriculture there are many diverse, even competing, views among those who produce livestock, feed livestock, and those who produce the feed. If there was one integrated operation, perhaps it all works out, but as we have heard, many farmers in America do one or another or various things. So they are all going to look at this bill and say: What is in this for us?

The amendment I have offered will be a disappointment in that respect because it is a compromise. It suggests that in order to accommodate a number of interests, and some say even in the House bill not nearly enough, there is some division of what might be coming in a more whole form in the AMTA payment.

I make that point explicitly because on our side of the aisle I have heard Senators say they want the bigger AMTA payment. I am not so worried about specialty crops or about poultry or livestock. As a matter of fact, I am worried about cotton farmers, rice farmers, wheat farmers, and corn farmers. I understand that. As a matter of fact, this is a part of the business of legislation, trying to find and meld these competing interests.

In any event, we have that predicament at the outset, which I admit. As I said at the beginning, I offered the amendment because I see this potentially as a way in which we will have a bill. I fear if we do not have a solution along those lines we will not have a bill.

Let me go explicitly into the amendment that has been offered this morning. As was suggested by our distinguished Members of the House, whose letter I read, led by Congressmen STENHOLM, BOEHNER, and DOOLEY, on June 26, the House passed H.R. 2213, which provided for $5.5 billion in broad-based market loss assistance to the Nation's farmers and ranchers. The assistance must be provided to farmers by September 30 of this year, the last day of fiscal year 2001.

This market loss assistance is above and beyond $21.7 billion in payments in fiscal year 2001 that the Congressional Budget Office now estimates is already being provided to farmers in this fiscal year under current law commodities support and crop insurance programs. Excluding the new farm assistance we are now considering, the Agriculture Department projects United States net cash farm income for 2001 at $52.3 billion, down $3 billion from last year's $55.3 billion.

As I mentioned in the debate yesterday, herein lies the reason at least the Budget Committees of the Senate and the House allocated the $5.5 billion for this year. They saw a gap. As I recall, they estimated the gap then, in January and February, at $3 billion or $4 billion. With updated figures, we now see an estimate that there is about a $3 billion gap between the $52.3 billion in net cash income last year and what was expected for this year.

Farm income last year was supported by nearly $23 billion in direct payments to farmers, which at that time was an all-time high. If we enact H.R. 2213, the amendment I have offered, in a timely fashion, net cash farm income for this year, based on the current USDA projection, would rise to $57.8 billion, $2.5 billion above last year's level. We will have made up the $3 billion gap and exceeded that by $2.5 billion with a $5.5 billion expenditure.

H.R. 2213 provides for $4.622 billion in supplemental market loss payments.

These are payments to producers enrolled in the 1996 farm bill's Agriculture Market Transition Act, the AMTA acronym. These farmers have contracts, and the bill says the payments come to them throughout the entirety of the 7 years of the bill. That is the AMTA payment, $4.622 billion.

The second provision is $424 million in market loss payments to producers of soybeans and other oilseeds. My first question on this provision was: How will the $424 million in these market loss payments to the soybean and oilseed producers get to them by September 30? The answer to that question, and that will be roughly the same answer but I will be explicit all the way through this list, is they are the same producers who received the money last year.

It was not easy to make the payments last year, and this called for an enormous amount of research and guidance through the whole process, but the results of all of that activity are that there is now a list. The expedition of the payments will be the $424 million goes to those same people and can be paid, if we make a decision to act this week, by September 30.

Next comes $159 million in assistance to producers of specialty crops such as fruits and vegetables. Here we do not have lists of who received the money last year, and therefore the provision in the House bill is there would be grants to the States. Now, the States will have to work out who gets the money within their States, but for the purposes of this act the money is dispensed by the Federal Government to the States before September 30. Therefore, technically, it is out of the Treasury before the fiscal year ends and fits within the $5.5 billion in that way.

That implies a great deal more activity, understandably, for equity for the specialty crops as it goes to the various States and farmers work with their State governments.

Then we have $129 million in market loss assistance for tobacco. This goes to quota holders, who are a well-known group, and payments have been made to these persons in the past.

The next provision is $54 million in market loss assistance for peanuts. Likewise, there are quota holders for peanuts, a well-known list for these producers. The money can be paid to them by September 30.

The same is true for the next provision, $85 million in market loss assistance for cotton seed; the same for $17 million in market loss assistance for wool and mohair producers; the final provision in the House bill is $10 million in emergency food assistance support. This emergency assistance support will go for commodities for the school lunch programs and other important and nutrition programs. Those moneys will be spent before September 30. These are the provisions of the House legislation. That is the total list of provisions.

H.R. 2213 utilizes the full $5.5 billion in fiscal year 2001 provided in this year's budget resolution for farm market loss assistance. It does not touch the $7.35 billion in fiscal year 2002 funds that the budget resolution also provides either for supplemental farm assistance for the 2002 crops or to help the Agriculture Committee write a new multiyear farm bill. That very statement is, of course, the source of some debate. There are Members who say: Why not reach into the $7.35 billion? After all, it is there. The Budget Committee certainly mentioned it. Perhaps the Budget Committee, in mentioning it, implied that the agricultural crisis goes on next year. As a matter of fact, one can suggest the Budget Committee, in talking about over $70 billion payments over 10 years, implies the crisis goes on forever, or at least for 10 years almost at the same level of crisis, maybe with a a few ups and downs, $10 billion payment one year, $5 billion the next, and so forth.

If we adopt this thinking, it makes almost no difference when the money is spent because the crisis goes on and people think if you can't pick it up in this bill, you might try the Agriculture appropriations bill and find an emergency there to provide additional funds.

Sponsored by Congressmen STENHOLM and BOEHNER, whom I mentioned before, the House bill finally represents a bipartisan compromise. It was not easy to come by. Stenholm-Boehner-Dooley, and others I have cited, had contending parties within the House Agriculture Committee. Many people, as I read the debate, asked, What about us? They mentioned various considerations: if we were sending money to farmers, they wanted their fair share, including the brokering of all of that, with payments that could be made physically by the end of this year.

It was not an easy task. Nevertheless, they mastered it in the House. It came out of committee well over a month ago. Their bill passed the House of Representatives by voice vote. Perhaps the House Members, by the time they listened to all of this debate, figured the Agriculture Committee people suffered enough; that they had undergone the agonies and did not want a repetition.

It is remarkable that this body takes a very different view. It appears we are going to have an extensive debate that may go on for days. The House people were able to do this by voice vote. One reason they did so is that they heard from farmers, they heard from their constituents, and the farmers said: Get on with it; we don't want an argument; we understand you are doing your very best. The House people understood most of the Members on the floor of the House were not farmers; they were advocates for farmers. They were doing the best for their constituents who were farmers, but at some point the constituents would say; don't overlawyer me; don't over advocate me; try to get on with a result because September 30 is coming quickly. Now, granted, such voices will be heard coming from agricultural America to this body.

As I indicated at the outset, and the reason I offer this amendment, this amendment offers, I believe, the opportunity to get a result. The bill before the Senate today, which I have sought to amend, represents a very different approach that came out of the Senate Agriculture Committee. The approach is that $1.976 billion in fiscal year 2002 would be spent in addition to the $5.5 billion in the current fiscal year. A significant portion, therefore, of the fiscal year 2002 budget authority is used to fund this farm bill provision as opposed to the emergency that may arise next year or the farm bill which presumably will come out of our committee and set some charter philosophy for the future. The House already passed such a bill. We may or may not agree with it. In any event, they have a pretty full picture now of their activities.

The bill offered by the distinguished chairman of our committee, Senator HARKIN, for example, provides $200 million for the wetlands reserve program, WRP; $250 million for the environmental quality incentive programs, EQIP; $40 million for the farmland protection program; $7 million for the wildlife habitat incentive program; $43 million for a variety of agricultural credit and rural development programs; and $3 million for agricultural research. The outlays from some of these programs would be spread over a number of years, well beyond fiscal year 2002.

I mention these programs because I support these programs. I have been a major advocate for agricultural research, not only of the formula grants to our great universities but cutting-edge research where anyone can compete to try to go out after the most pervasive hunger problems on Earth, or go after production problems, genetic problems, the whole raft of things that are very important for humanity. I think we ought to be about this in a very serious way. The EQIP program that I cited is extraordinarily important. It is at least a way in which our livestock producers can stay alive while meeting the requirements of the EPA or other environmental considerations that impinge very markedly on their operations. As we consider the farm bill in the Senate as a whole, I would be an advocate of doing a great deal more. I have saluted our chairman, Senator HARKIN, for his championship of conservation programs. Both the chairman and I, as we speak, are missing a hearing on conservation programs and we regret that because these are people who are in the field, championing things that we believe in very strongly.

There is an argument, which you will hear in due course as the farm bill is presented, between those who advocate a lot more for conservation and maybe less for crop payments and subsidies of that sort and much more for the EQIP

program that helps livestock people and maybe less for support of certain crops. Those are the tradeoffs, again, and the difficulties within the whole agricultural family that we finally have to face. But it would be very difficult to argue, in the sense that we are attempting to get emergency money to farmers to pay the county banker and get the money to them by September 30, that these broad-gauged, important programs of research and conservation for America belong in this particular emergency supplemental bill.

Our distinguished Senators will offer: ''They certainly do. And why not?'' And: ''If we believe in them, why not do more of them?'' And: ''Why not now?''

Earlier in the debate I pointed out one reason, as a practical matter, is that President Bush has said he will veto the bill if it is more than $5.5 billion. One way, perhaps, for the distinguished Senator from Iowa to remedy that is to downsize everything in his package to about five-sevenths of where he is, get it under $5.5 billion. But that, of course, then gets into an argument between the people who want more AMTA payments, crop payments, as well as those who want to take care of conservation and various other aspects all in this same emergency bill which is not a full-scale farm bill by any means.

As a result, we have that dilemma, and I come down on the side of saying we try to do the conservation, the research, the EQIP, and the farm bill as opposed to the suggestion in this day's discussion.

Let me just comment further that, with the program improvements we made in the Agricultural Risk Protection Act of 2000—that was the very important debate on crop insurance—participation in crop insurance has risen sharply, as we hoped it would. Without repeating even a portion of that important debate, the point of last year's discussion about this time was that crop insurance can offer a comprehensive safety net.

For example, take once again a personal, anecdotal experience with my corn and soybean crops. This year I have about 200 acres each on the Lugar farm in Marion County in Indiana. We have taken advantage of the legislation we talked about last year and we purchased the 85-percent revenue protection. Very simply, this means that our agent takes a look at the last 5 years of records of production and that gives a pretty good baseline of what could be anticipated from those fields and, simply, we are guaranteed about 85 percent of revenue based upon the average crop prices for those 5 years. At the present time, the average for the last 5 years is higher than the current price. It may rise and meet that average.

So, as a corn farmer, for example, I know I am going to get 85 percent of a higher price than in fact is the market now, at least on the average production I have had. So I do not have the problems of the bad weather one year, or so forth, affecting that abnormally. The net effect of that is, as a corn farmer, before I even planted the crop this year, I knew that x number of dollars were at the end of the trail—as a matter of fact, a pretty good number of those dollars that I could expect in a reasonably good year. That is a safety net that is very substantial any way you look at it.

Many farmers may say: I have never heard of such a program.

That is a part of our problem, the educational component, trying to understand what crop insurance and marketing strategies, and so forth, are all about. For instance, once guaranteed this income from that cornfield, I could be alert for spikes in the market that come along and make forward sales of corn when prices were up. I am not beholden to sit there and hope the Lord will provide at the time I ship it in, in the fall. So I can enhance that 85 percent a whole lot. So can any corn farmer in America who hears these words this morning and adopts such a policy.

But we in the Senate and the House provided that. The President signed it last year. One of the problems of it is that it costs probably about $3 billion a year. I mention that because that—we are not debating that this morning—flows right along. It is a part of the base as well as these AMTA payments that are made, regardless of what we do, or the loan deficiency payments made at the elevator even as we speak.

So the safety net already is very heavy. But I mention with those improvements—and I think they were constructive ones—a part of our problem remains information dissemination, education on marketing insurance strategies in the hope that farmers will take advantage of actions the Congress has already taken.

In addition, as to what we do today, we will be hearing soon from the Agriculture Subcommittee of the Appropriations Committee. Typically, that subcommittee takes a look at miscellaneous disasters of all sorts throughout the United States. I cannot remember an Agriculture appropriations bill that did not take into consideration weather disasters. But sometimes there are other disasters. In other words, it provides still an additional safety net for events that seem extraordinary and beyond anything we have considered or that could have been helped with crop insurance or any of our AMTA payments that flow whether or not you even have a crop.

Overall, the bill of the distinguished Senator from Iowa, the underlying bill in this debate, provides $6.75 billion in supplemental farm assistance for 2001 crops and $750 million in other spending over 2 fiscal years. It leaves, now, $5.35 billion for the supplemental farm assistance of next year and very likely, in my judgment, will create a funding shortfall for that farm assistance. Senators can argue maybe no assistance will be required so why not try it this year. But that is a value judgment.

The President, the White House, and others, have come to the conclusion that this year is this year and we ought to look at next year on its merits because any way you look at it, $2 billion borrowed from next year theoretically could be spent for anything in America; there is no obligation to spend that $2 billion on emergencies. For example, without getting into a debate that is deeper than I want to get today, by next year people could say: In fact we take very seriously the problem of prescription drugs for the elderly under Medicare. We take very seriously Social Security reform. How are you folks going to pay for that?

We might say: Well, the $2 billion will never be missed. It was simply a part of a debate we had awhile back. But every $1 billion is going to be missed when we come to those fundamental issues.

Agriculture is a part of this general amount of $1 trillion that the President discussed in the State of the Union Address. As he outlined his assurance to the American people that we have to be thoughtful about Medicare, about Social Security, about education, and about health generally, he said there is still this contingency of about $1 trillion from which we make the reforms in Medicare, from which the supplementary legislation for prescription drugs for the elderly come, Social Security reform, and agriculture.

There are a number of people in both the House and the Senate committees who say we had better get busy because when this general debate gets going, if we have not pinned down the agriculture money on all four corners for the next 10 years, Katy bar the door. People are likely to take a look at priorities.

I understand that. This $2 billion reaching across the line is not an egregious misstep. And clearly one can argue the Budget Committee provided this liberal interpretation. But $2 billion is $2 billion, and it is an expenditure. The Senate must determine priorities; the House has. They have said $5.5 billion, and the President said that is the only figure he is going to sign. We may, once again, get into that kind of argument in behalf of farmers. We are strong advocates for farmers.

But farmers, by and large, will say: Pass the bill and cut the checks because we have an appointment with the banker. You can have your argument when you come back.

It is a good argument for farmers as well as for other Americans.

The President's advisers in advising the President to veto this bill made a number of statements with regard to the need for it at this time. This is an important part of the debate. Members, in fact, yesterday got into this in a big way. The most common way of getting into this is for a Senator to address the Chair and say, I have been to this county seat or that county seat or on my friend's farm. Anybody who does not

understand the profound suffering and difficulty has just not been there and doesn't have eyes to see. All over America people are in grave trouble. Each one of us from a farm State, as a matter of fact, could cite hundreds of instances of farmers who are having severe difficulty. There is no doubt about that. I simply state that as a basic premise for the debate.

If there were any doubt about it, we would not be debating $5.5 billion of emergency payments on top of over $20 billion of support that Congress has already voted. That is a lot of money, but I understand that a vast majority of Senators are in favor of legislation that would be helpful in this respect. We are not talking about a situation in which the needs have not been perceived, but at the same time in reality sometimes people can overstate this. That is always dangerous to do.

I have found in meetings with farmers around my State that, by and large, most people do not want to have a cheerful meeting. There are not a lot of good-news apostles coming forward and pointing out how well they are doing. In fact, that is totally out of the question.

I made a mistake at a meeting a while back in pointing out that on my farm we had made money for the last 45 years without exception. You don't do that, I found out. No one wants to hear that because, as a matter of fact, it just isn't true for most people. And they would say that for some it has never been true for the 45 years. They lost money for all of the 45 years, or at least essentially that is the case. I hear that.

On the other hand, let me say that essentially there has been some modest improvement in agricultural America. For example, world markets that are extremely important to the growth of the U.S. sector show some promise of increase this year. That is amazing on the face of it. The reason why our export sales fell out of bed 4 years ago was not because we were not competitive in this country. The price of rice and the quality were good, but anybody reading about the Asian economies understands that they had severe banking difficulties. The IMF even to this day has not been able to cure it in some instances. As a result, we lost about 40 percent of our exports to the Asian sector in 1 year's time. That was a big hit. That really meant that 10 percent of our exports overall vanished overnight—not through any misdeed of American agriculture but because of the lack of demand and lack of effective money to buy it. Much of that has not yet been restored. There is always the possibility. We wish that the Indonesian economy would get healthier in a hurry. We are grateful for some good news from Thailand and South Korea. The Japanese are always big customers but not any bigger. This is not an economy that is growing. We all are working with our friends there to try to restore some activity.

In the European case, we have been hit—not on the questions of price or income but on biotechnology—with essentially all of our corn being exported and very few soybeans. That is a real problem.

Our export sales fell to $49 billion in 1999 but are forecast to increase to $53.5 billion in 2001—an increase of $500 million, as a matter of fact, over the forecast by USDA in February—with livestock products, cotton, and soybeans accounting for much of the gain over the previous year. That is truly good news.

Export levels in 2001—the year we are in—are still well below the record highs of 1996. Primarily in response to these problems that I have cited in Asia, and production increases by competing exporters that sometimes are becoming much better at the task, nevertheless, sales appear to be increasing significantly.

During the first half of fiscal year 2001, the surplus in U.S. agricultural trade grew to $9.4 billion, almost $2 billion more than the same period last year. Year-to-date exports are $32.4 billion, $1.8 billion higher than they were during the same time period of last year, primarily due to $1.5 billion in more shipments of high-value products. That includes significant gains in livestock and feed, but bulk commodities have also contributed modestly to that.

Although the intermediate term outlook for agriculture is clearly uncertain at this point, it is clear that many underlying farm economic conditions are stronger this year than last year. Farm cash receipts could be a record high for 2001, driven primarily by a nearly 7-percent increase in livestock sales while crop sales could increase by as much as 1 percent. That scenario depends on $15.7 billion in direct payments from the Federal Government.

Those taking a look at this situation could say that is still not the real market. The sales are up because the Federal Government already has put up $15.7 billion, and we are about to put up at least $5.5 billion more. But, nevertheless, it is up rather than down.

As I pointed out earlier, if we had the $5.5 billion in my amendment, we are clearly going to have a net cash income situation that is at least $2.5 billion stronger than last year.

The projected increase in sales for 2001 is projected to more than offset the decline in Government payments and will boost gross cash income to $234 billion, up slightly with the bulk of the increase from livestock. Net cash income is forecast to decline $3 billion, as I pointed out earlier. That is why the $5.5 billion in my amendment takes care of that, plus $52.3 billion for the year, albeit through the health of the American taxpayers generally.

Therefore, the outlook for 2001 farm income performance includes:

Livestock sales, up 6.7 percent; Crop sales up 1 percent; gross cash income up .1 percent; and net cash income down—before we act—5.4 percent. And we remedy that with the $5.5 billion we are about to adopt, I hope. If you take a look at the balance sheet for agriculture, that is somewhat more promising.

Overall, the agricultural sector was strong throughout the year 2000, with part of that strength coming from strong balance sheets. Assets in 2000—the year previous—increased 3.6 percent and reached $1.12 trillion. Farm debt increased 4.1 percent to $183.6 billion. But farmers' equity increased 1.4 percent to $941.2 billion. For many observers that is astonishing. This being a year or 2 or 3 or 4, however you count it, of an agricultural crisis, the net worth of farmers as a whole has increased every year. It increases this year as compared to last year. Total farm debt has still stayed well under constraints at a very modest percentage of that overall equity.

During the mid-1990s, farm debt rose steadily at $5 to $6 billion annually. That clearly is not the case as farmers were much more prudent during this particular period.

The value of livestock and poultry, machinery, purchased inputs, and financial assets are all expected to increase this year, but the value of stored crops could decline modestly as a part of that asset situation.

Farm operators and lenders learned during the crisis of the 1980s that ill-advised borrowing cannot substitute for adequate cash flow and profits. In addition to gains in farmland values, cautious borrowing has kept the sector sound.

The farm sector equity growth continues. During the 2001 forecast, we see a moderate increase in debt, suggesting modest levels of new capital investments financed by debt, and a very low incidence of farms borrowing their way out of cash flow problems.

I mention that because of testimony we heard from farmers who need the $5.5 billion in our amendment. But at the same time, they are paying back their loans. They are not in a crisis situation with the country banker. And the country bankers need to make the loans because they do have a relatively sound market situation.

Land prices: Cash rents reinforce economic strength and suggest investment is profitable for many farmers. That raises another issue because, in fact, with land prices rising each year—and I cited yesterday sector by sector all over the country land prices have been rising throughout this decade. The young farmer coming into this picture, trying to buy land or to rent land, with rents going up every year, has raised some questions about our farm policies.

They have said: You folks in the Senate and the House are busy sending payments to farmers. They are capitalizing that in the value of the land. They are charging more rent. How are young farmers such as ourselves ever going to get in the game?

We say: We will try to give you some low-cost loans. And the Presiding Officer, from his background in finance, will immediately recognize that these policies have some contradictions. On the one hand, we are doing our very best to boost income and the net worth, the balance sheets. I pointed, with pride, to the fact that we have some strength here. But it is not strength to everybody. The competing sectors, once again, are fairly obvious once you get to the fissures in our farm policy.

Nothing we do today will remedy that problem specifically. We are talking about an emergency. We are plugging in the net income, but it is all a part of this picture of well over $20 billion of Federal payments and who gets them, how are they capitalized, how does that work out in balance sheets, and for which farmers.

These are important issues. The chairman of our committee has had to try to resolve that within the committee. I salute him. As chairman for the 6 previous years, I had that responsibility. It is not easy, as you take a look around the table just in the Ag Committee, quite apart from the Senate as a whole. Therefore, I have had modest arguments in favor of the amendment I offer today. It is clearly not meant with the wisdom of Solomon. It is a pragmatic approach to how we might get action on the Agriculture bill as opposed to having a monumental argument for many hours and perhaps a veto at the end of the trail.

Let me just simply say that clearly the bill the Senator from Iowa has offered is different from the House bill—significantly different—and no less a group than the White House people have pointed out the difference and indicated the action they would take if that difference was not resolved.

So my hope is that essentially Members will gather as much of this together as they wish and try to distill at least the picture of agriculture in America that I have suggested and come to a conclusion that the amendment I have offered in a way—hopefully, with as much equity as possible on both sides of the aisle, and for farmers all over America—resolves our problem.

It would be unseemly to try to point out all the other scenarios that could happen if my amendment is not adopted. But let me just describe very clearly a part of the task ahead of us if we do not adopt the House language.

Whatever we adopt has to have a conference. I have cited that the bill the Senate Agriculture Committee passed the other day, maybe inadvertently, appears to touch at least three different House committees that have jurisdiction over some of this material. Maybe all of them will be happily cooperative in these final days, but I am not certain that is the case.

As I take a look at the chairmanships, the ranking members, and the general views of some of these committees—and they are not all Ag Committee people—they have other views. Maybe the distinguished Senator will excise various items and try to get these folks out of the picture. That would be helpful.

I have suggested he might downsize all of his items by five-sevenths and get it under $5.5 billion. Maybe that is a pragmatic solution to that. As he does so, of course, he will run into the same problem I have. He will run into people who want a bigger AMTA payment, and say: By golly, I am not going to vote for that bill unless the AMTA payment is at least as it was last year and the year before. I can't go home and see my cotton farmers and my corn farmers with anything less. Whether we have any money or not, I am going to fight to the very last hour to get that dollar, if I can.

Or you run into the so-called specialty crops people. Strawberry farmers have said: We have not been in on this business before. Why not?

Apple growers will say: We have a special problem this year. Without some payments, it is curtains for us.

It goes down through the line. So the chairman has to face all these people. He has already promised the AMTA people that they get the same as last year. That takes almost all the $5.5 billion. It is no wonder that the bill spills beyond $5.5 billion. It is—without any disrespect—a collection of the wish lists of members of the Ag Committee thrown together, listed ad seriatim. When you add up the total, it happens to come to $7.4 billion-plus.

You can say: Why not? But I am suggesting the ''why not.'' I think it is fairly clear it does not come close to our friends in the House. It does not come close to the requirements of the President to sign the bill. Although it may satisfy Members who say we have to go home and say we did the very best we could, that will not satisfy American farmers who, in the end result, do not get the money.

Let me just add, if there is anybody in this body with a perverse belief that we should be doing nothing here—in other words, in his or her heart of hearts who says, why are we having another farm debate; Is there no end of expenditure that is required?—if such a Member exists who perversely says, these folks, out of their own overlawyering and overadvocacy, will kill each other off, the net result at the end of the day will be zero expenditure, and that is a good result because that leaves $5.5 billion for something else in life that is more important—there could be a problem.

I suppose my suggestion would be, if there is not a constructive majority on my amendment, those folks will be interspersed with those purporting to be friends of farmers and suggesting more and more. The two extremes will finally get their wish, which is no bill.

I am not one of them. In a straightforward way, we have offered a pragmatic solution—not my own bill, not one that I find has extraordinary merit, but one that I believe has enough merit to be the basis for a good conclusion of a lot of difficulty in farmland and a lot of difficulty we have as legislators. It is something to broker all the interests of America into this particular situation.

At the appropriate time, I am hopeful Members will vote in favor of the amendment. I have been advised that there may in due course be a motion to table my amendment. Some have suggested that would offer at least a clue of the strength of how we are doing. I hope that will not come too soon, before Members really have considered what our options are, because I predict, in the event my amendment is tabled and no longer really is a viable possibility, almost all of the possibilities that follow are fairly grim.

If, for example, other amendments should be adopted that are more than $5.5 billion or the basic underlying bill, which is about 7.4, the odds of that becoming legislation are zero. Members need to know that at the outset. There has never been a more explicit set of messages from the White House before we even start. One could say, well, let's taunt the President; let's sort of see really what he wants to do. That is not a very good exercise, given 3 days of recess and the need for these checks by September 30.

In addition, if my amendment fails, this I suppose offers open season for anybody who has an agricultural problem in America. If this is going to be a failing exercise, why not bring up a whole raft of disputes, try them on for size, sort of test the body, and see what sort of support there is out there as a preliminary for the farm bill. This really offers spring training for arguments that might be out there in due course. We might try out a whole raft of dairy amendments, for example, try to resolve that extraordinary problem, all on this bill with both sides predicting filibusters that curl your hair throughout the whole of August, not just the whole of this week, or we could try out other experiments that have been suggested as Members truly believe we ought to discuss the trade problems and work out priorities with Social Security or Medicare and how we do those things.

Given the rules of the Senate, you could say, why not? Is anybody going to say it is nongermane? Does anybody really want to bring the thing to a conclusion?

I simply do want to bring it to a conclusion. I am hopeful that after both parties, both sides of the aisle, have considered the options, they will adopt my amendment, and we will swiftly join hands with the House and the President and give assurance to American farmers, which, as I understand, was the beginning of our enterprise.

I thank the Chair and the Senate for allowing me to make this extensive presentation.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I rise to address the amendment offered by the Senator from Indiana, the distinguished ranking member of the Senate Agriculture Committee, someone for whom I have enormous respect and listen carefully when the Senator from Indiana speaks on a subject. He has always done his homework, and he has a clear view. In this circumstance, I regret to say I have a different view.

As I look at the history over the last 3 years of the assistance bills we have passed in the Senate for agriculture in these situations, this is a very modest bill. In fact, it is significantly less than we have passed in each of the last 3 years.

The amendment offered by the Senator from Indiana is precisely what passed in the House. It is exactly the legislation that comes to us from that body. The chairman of the House Agriculture Committee, the Republican chairman, has, in his written views on this bill, said it is inadequate, has pointed out that this bill would provide $1 billion less than what we have passed in the last 3 years—$1 billion less than what has been passed each of the last 3 years to assist farmers at a time of real economic hardship. And as the Republican chairman of the House Agriculture Committee pointed out, this is at a time when farmers face the lowest real prices since the Great Depression.

The hard reality here is that prices for everything farmers buy have gone up, up, and away, especially energy prices, and yet the prices they receive are at a 70-year low in real terms. That is the situation we confront today. That is the hard reality of what we face today. The decision we have to make is, are we going to respond in a serious way, or are we going to fail to respond?

I hope very much that we will just look at the record. This chart depicts it very well. The green line is the prices farmers paid for inputs. The red is the prices farmers have received from 1991 through 2000. Look at the circumstance we have faced. The prices farmers have paid for inputs have gone up, up, and up. The prices farmers have received have declined precipitously.

That is the situation our farmers are facing. We can either choose to respond to that or we can fail. I hope we respond. I hope we respond quickly because the Congressional Budget Office has told us very clearly: If we fail to respond this week, the money in this bill will be scored as having been passed and effective in the year 2002. In effect, we would lose $5.5 billion available to help farmers.

There has been a lot of suggestion that things have been improving lately. I don't know exactly what they are talking about in terms of improvement. We have searched the markets to try to find where these improvements are occurring.

There has been modest improvement in lifestock. We do not see improvement in the program crops or the nonprogram crops, the things that are really covered by this bill.

Let me go back to what the chairman of the Agriculture Committee in the House of Representatives said about this very amendment, this precise legislation, that is before us now. This is the Republican chairman of the House Agriculture Committee. He said: H.R. 2213 as reported by the Agriculture Committee is inadequate in at least two respects:

First, the assistance level is not sufficient to address the needs of farmers and ranchers in the 2001 crop-year.

Second, the bill's scope is too narrow, leaving many needs completely unaddressed.

This is the Republican chairman of the Agriculture Committee in the House of Representatives talking about the very legislation being offered by the ranking member of the Agriculture Committee in the Senate today.

This is, again from the House Agriculture chairman, at a time when real net cash income on the farm is at its lowest level since the Great Depression, and the cost of production is expected to set a record high. H.R. 2213, that has precisely the same provisions as are being offered by the Senator from Indiana, cuts supplemental help to farmers by $1 billion from last year to this year. Hardest hit will be wheat, corn, grain sorghum, barley, oats, upland cotton, rice, soybean, and other oilseed farmers since the cuts will come at their expense.

I say to my colleagues, if they are representing wheat farmers, if they are representing corn farmers, grain sorghum, barley, oats, rice, soybean, and other oilseed farmers, to vote for the amendment of the Senator from Indiana is to cut assistance to their producers at the very time they are suffering from this circumstance.

The prices they pay are increasing each and every year. The prices they receive are plunging.

The House Agriculture Committee chairman went on to say, H.R. 2213, the bill that was reported by the House committee, the identical language which has been offered here, also fails to address the needs of dairy farmers, sugar beet and sugar cane farmers, farmers who graze their wheat, barley and oats, as well as farmers who are denied marketing loan assistance either because they do not have an AMTA contract or because they lost beneficial interest in their crops.

The House Agriculture chairman went on to say, earlier this year, 20 farm groups pegged the need in farm country for the 2001 crop-year at $9 billion. We do not have $9 billion available to us. We have, under the budget resolution, $5.5 billion available to us, and that is what the bill from the Agriculture Committee provides, $5.5 billion this year, $1.9 billion out of what is available to us next year in 2002.

What the amendment from the Senator from Indiana would provide is $5.5 billion this year, period. It is not enough. It represents, according to the Republican chairman of the Agriculture Committee in the House, a billion dollar cut from what we did last year. That is not what we should do.

The House Agriculture Committee chairman went on in his report to say, those who championed this legislation, as reported in the committee, argued in part a cut in help to farmers this year is necessary to save money for a rewrite of the farm bill, but the fly in the ointment is many farmers are deeply worried about whether they can make it through this year, let alone next year.

That is what we are down to in farm country across America. We are down to a question of survival. In my State, I have never seen such a loss of hope as has occurred in the agricultural sector, and it is the biggest industry in my State. If one were out there and they were paying for everything they buy, all of the inputs they use, every input going up, up, and up —if this chart extended to 2001, it would be more dramatic—we would see the prices going up even further.

On the other hand, if we looked at the prices for everything one sold going almost straight down, they would be hopeless, too.

This chart does not show just the last 6 months. This pattern of prices is since 1996. These are not KENT CONRAD's numbers. These are the numbers from the U.S. Department of Agriculture.

The pattern of the prices which farmers receive is virtually straight down, and the prices they pay have been going up, up, up.

I do not know what could be more clear. We have an obligation to help. We have an obligation to move this legislation. We have a requirement to move this legislation this week, not just through this Chamber but through the whole process. It has to be conferenced with the House, and the conference report has to be voted on before we go on break or we are going to lose $5.5 billion. The money will be gone because the Congressional Budget Office has told us very clearly if this bill is not passed before we leave on break, they will score this legislation, even though it is being passed in fiscal year 2001, as affecting 2002 because they say the money cannot get out to farmers before the end of the fiscal year.

It is all at stake in this debate we are having, and I urge my colleagues to think very carefully about what they do in these coming votes.

I will close the way I started, by referring to the report of the chairman from the House Agriculture Committee, who said very clearly the identical legislation, which is contained in the amendment from the Senator from Indiana, is inadequate. This is the Republican chairman of the House Agriculture Committee, and he calls the

amendment being offered inadequate in at least two respects: First, the assistance level is not sufficient to address the needs of farmers and ranchers in the 2001 crop-year.

Second, the bill's scope is too narrow, leaving many needs completely unaddressed.

Finally, he said, clearly this legislation, precisely what we are going to be voting on in the Senate, cuts supplemental help to farmers by $1 billion from last year to this year. We are cutting at the time we see a desperate situation in farm country all across America. It does not make sense. It is not what we should do. We ought to reject the amendment by the Senator from Indiana.

I thank the Chair, and I suggest we move forward.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the distinguished chairman of the Budget Committee for pointing out the letter we received from the Office of Management and Budget, which is not signed, but it is from the Office of Management and Budget and says: ''The President's senior advisers would recommend he veto the Senate bill we have before us based upon improvements in agricultural markets. Stronger livestock and crop prices means that the need for additional Federal assistance continues to diminish.''

I grant that livestock prices are a little bit higher. Are crop prices better than last year? Yes, but last year was a 15-year low. So it has come up a little bit. We are still at a 10- or 12-year low in crop prices. Simply because they were a little bit better than last year's disastrously low prices does not mean we don't have a need for additional farmer assistance. We do need it desperately.

It seems to me if that is the advice the President is getting, he is getting bad advice. I hope the President—he is the President; he does make the final decision—will look at the low crop prices we have all over America, and not only low crop prices, that is just looking at one thing. Crop prices may be marginally better than last year, but the input costs have skyrocketed.

We all know what has happened to fuel prices and fertilizer prices. They have skyrocketed. So the gap between what the farmer is receiving and what he is paying out continues to widen, as indicated in the chart of the distinguished Senator from North Dakota.

The President's advisers do not really know what is happening in farm country.

The Senator from North Dakota read from the report of the Agriculture Committee. I reemphasize that the chairman of the House Agriculture Committee, a Republican, LARRY COMBEST from Texas, along with 17 members of the House Agriculture Committee, said their bill was inadequate for two reasons: One, it is not sufficient to address the needs of farmers and ranchers; second, the scope is too narrow, leaving many needs completely unaddressed.

He points out that earlier this year 20 farm groups pegged the need for the 2001 crop-year at $9 billion. The farmers represent, according to LARRY COMBEST's letter, the views of 17 members of the Agriculture Committee. The farmers they represent had every reason to believe the help this year would be at least comparable to the help Congress provided last year. Producers who graze their wheat, barley, and oats, as well as producers who are denied marketing loan assistance—either because they do not have an AMTA crop or they lost beneficial interest in their crops—need help, too.

As this process moves forward, the letter continues, we will work to build a more sturdy bridge over this year's financial straits, straits that may otherwise threaten to separate many farmers from the promise of the next farm bill.

If all we are going to do is adopt the farm bill the House passed, there is no bridge. They are saying they hope the Senate might do something else so we can work on building that bridge.

A letter dated March 13, 2001, to the Honorable PETE DOMENICI, chairman of the Committee on the Budget, is signed by 21 Members of the Senate on both sides of the aisle: Senators COCHRAN, HUTCHISON, BREAUX, LANDRIEU, BOND, SESSIONS, LINCOLN, SHELBY, BUNNING, HELMS, MCCONNELL, CRAIG, CLELAND, INHOFE, THURMOND, FITZGERALD, MILLER, FRIST, THOMAS, HUTCHINSON, and HAGEL.

It says:

Specifically, since conditions are not appreciably improved for 2001, we support making market loss assistance available so that the total amount of assistance available through the 2001 Agricultural Market Transition Act payment and the Market Loss Assistance payments will be the same as was available for the 2000 crop.

Further, the letter says:

In addition to sluggish demand and chronically low prices, U.S. farmers and ranchers are experiencing rapidly increasing input costs including fuel, fertilizer and interest rates.

Further reading from the letter:

With projections that farm income will not improve in the near future, we believe it is vitally important to provide at least as much total economic assistance for 2001 and 2002 as provided for the 2000 crop.

I ask unanimous consent this be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 13, 2001.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR PETE: We are writing to request your assistance in including appropriate language in the FY02 budget resolution so that emergency economic loss assistance can be made available for 2001 and 2002 or until a replacement for the 1996 Farm Bill can be enacted. Specifically, since conditions are not appreciably improved for 2001, we support making market loss assistance available so that the total amount of assistance available through the 2001 Agricultural Market Transition Act payment and the Market Loss Assistance payments will be the same as was available for the 2000 crop. We understand it is unusual to ask that funds to be made available in the current fiscal year be provided in a budget resolution covering the next fiscal year, but the financial stress in U.S. agriculture is extraordinary.

According the USDA and other prominent agriculture economists, the U.S. agricultural economy continues to face persistent low prices and depressed farm income. According to testimony presented by USDA on February 14, 2001, ''a strong rebound in farm prices and income from the market place for major crops appears unlikely . . . assuming no supplemental assistance, net cash farm income in 2001 is projected to be the lowest level since 1994 and about $4 billion below the average of the 1990's.'' The USDA statement also said . . .'' (a) national farm financial crisis has not occurred in large part due to record government payments and greater off-farm income.''

In addition to sluggish demand and chronically low prices, U.S. farmers and ranchers are experiencing rapidly increasing input costs including fuel, fertilizer and interest rates. According to USDA, ''increases in petroleum prices and interest rates along with higher prices for other inputs, including hired labor increased farmers' production expenses by 4 percent or $7.6 billion in 2000, and for 2001 cash production expenses are forecast to increase further. At the same time, major crop prices for the 2000–01 season are expected to register only modest improvement from last year's 15–25 year lows, reflecting another year of large global production of major crops and ample stocks.''

During the last 3 years, Congress has provided significant levels of emergency economic assistance through so-called Market Loss Assistance payments and disaster assistance for weather related losses. During the last three years, the Commodity Credit Corporation has provided about $72 billion in economic and weather related loss assistance and conservation payments. The Congressional Budget Office and USDA project that expenditures for 2001 will be $14–17 billion without additional market or weather loss assistance. With projections that farm income will not improve in the near future, we believe it is vitally important to provide at least as much total economic assistance for 2001 and 2002 as was provided for the 2000 crop.

Congress has begun to evaluate replacement farm policy. In order to provide effective, predictable financial support which also allows farmers and ranchers to be competitive, sufficient funding will be needed to allow the Agriculture Committee to ultimately develop a comprehensive package covering major commodities in addition to livestock and specialty crops, rural development, trade and conservation initiatives. Until new legislation can be enacted, it is essential that Congress provide emergency economic assistance necessary to alleviate the current financial crisis.

We realize these recommendations add significantly to projected outlays for farm programs. Our farmers and ranchers clearly prefer receiving their income from the market. However, while they strive to further reduce costs and expand markets, federal assistance will be necessary until conditions improve.

We appreciate your consideration of our views.

Sincerely,

Thad Cochran, John Breaux, Kit Bond, Blanche Lincoln, Jim Bunning, Mitch

McConnell, Max Cleland, Strom Thurmond, Zell Miller, Craig Thomas, Chuck Hagel, Tim Hutchinson, Mary Landrieu, Jeff Sessions, Richard Shelby, Jesse Helms, Larry Craig, James Inhofe, Peter Fitzgerald, Bill Frist, Kay Bailey Hutchison.

Mr. HARKIN. The bill reported from the Agriculture Committee meets everything in this letter, signed by all these Senators, sent to Senator DOMENICI. We have met the need. We have provided for the same market loss assistance payment this year as provided last year.

The House bill that Senator LUGAR has introduced as an amendment provides 85 percent of what was provided last year; the Agriculture Committee bill provides 100 percent. I hope Senators who sent this letter earlier to Senator DOMENICI recognize we met these needs; we provided 100 percent, exactly what they asked for, the same as available for the 2000 crop.

As Senator CONRAD pointed out, the gap, as pointed out in the letter, in rapidly increasing input costs, fuel, fertilizer, and high interest rates, still means farmers have a big gap out there between prices they are receiving and what they are paying out.

Ms. STABENOW. Will the Senator yield?

Mr. HARKIN. I am delighted to yield to my colleague from Michigan, a valuable member of the Agriculture Committee.

Ms. STABENOW. I take a moment to thank the chairman for his leadership in putting forward a bill that is balanced and that meets the criteria laid out, the needs expressed by Members on both sides of the aisle. I thank the Senator for putting together a package addressing those crops that are not considered program crops but are in severe financial situations.

One example in the great State of Michigan, among many, are our apple growers who have needed assistance and received assistance—late but did receive assistance—last year. I am deeply concerned when we hear as much as 30 percent of the apple growers in this country will not make it past this season. If we are to look at their needs for, not the fiscal year, but as the Senator eloquently stated in the past, the crop year, and the needs of the farmers, it means the version that came from the Senate committee needs to be the version adopted.

I ask my esteemed chairman, it is my understanding in the amendment before the Senate, there is not a specific loss payment for apple growers; is that correct? I could address other specialty needs in dairy, sugar, and a whole range of needs in the great State of Michigan, but is it true that this does not, as the Senate Agriculture Committee bill does, put forward dollars specifically for our apple growers? It is my understanding this amendment adopted by the House of Representatives would not address the serious needs of America's apple growers.

Mr. HARKIN. I respond to my colleague from Michigan, she is absolutely right, there is nothing in the House bill providing any help for the tremendous loss, 30-some percent loss, that apple producers have experienced in this country. We are talking about apple producers from Oregon, from Washington, Michigan, to Maine, Massachusetts, New York, Pennsylvania, all who experienced tremendous losses.

Under the AMTA payment system, they don't get money, but they are farmers. They are farmers.

Many are family farmers and they need help, too. So I think, I say to my friend from Michigan, what LARRY COMBEST and the 17 others who signed the ''additional views'' on the House bill said was that the bill was too narrow in scope. There are a lot of other farmers in this country who are hurting, who need some help.

So, yes, I say to my friend from Michigan, we provided $150 million in there to help our apple farmers. That is a small amount compared to the $7.5 billion in the total package. But it is very meaningful. It will go to those apple producers, and it will save them and keep a lot of them in business for next year, I say to my friend from Michigan.

I especially want to thank the Senator from Michigan for bringing this to our attention. To be frank, I don't have a lot of apple growers in Iowa. We have a few, but not to the extent of many other States. It was through the intercession and the great work done by the Senator from Michigan that this was brought to our attention, the terrible plight of our apple farmers all over America. I thank her for sticking up for our family farmers.

I just have a couple of other things. The Lugar amendment, the House bill, strikes out all the money we have for conservation. It strikes all the conservation money out. Earlier this year—June 14 of this year—130 Members of the House of Representatives, including many members of the House Agriculture Committee, wrote a letter to Chairman COMBEST and Ranking Member STENHOLM. They said:

We believe conservation must be the centerpiece of the next farm bill.

They talk about the farm bill, but, they said:

We should not leave farmers waiting while a new farm bill is debated. We urge you to work with the House Appropriations Committee to increase FY 2002 annual and supplemental funding for voluntary incentive-based programs. In particular, we urge you to use 30 percent of emergency funds to help farmers impacted by drought, flooding and rising energy costs, through conservation programs. Currently, demand for the Environmental Quality Incentives Program exceeds $150 million. Demand for the Farmland Protection Program exceeds $200 million, demand for the Wetlands Reserve Program exceeds $350 million, and demand for the Wildlife Habitat Incentives Program exceeds $150 million.

That is signed by 130 Members of the House.

I have to be honest; we didn't meet 30 percent of the emergency funds but we did put in about 7 percent, if I am not mistaken—a little over 7 percent. The Lugar amendment gives zero for conservation—zero.

Again, these are family farmers. Many of these farmers do not get the AMTA payments that go out, but they are farmers nonetheless and they need help. Certainly we need to promote conservation because a lot of these farms simply will lie dormant if we do not provide this assistance in this bill.

There are two other things I want to point out. I have a letter I received today from some Members of the House—two Members. The House bill passed by 1 vote. The House Agricultural Committee passed out the Lugar amendment. What Senator LUGAR is putting out there is the House Agriculture Committee bill. It passed by 1 vote. I have a letter from two members of that committee who voted on the prevailing side. Listen to what they said:

DEAR CHAIRMAN HARKIN: Although we supported H.R. 2213—The Crop-Year 2001 Agricultural Economic Assistance Act—as it passed the House of Representatives, we applaud the comprehensive approach you have taken in the aid package passed by the Senate Agriculture Committee to address the many diverse needs of agricultural and rural communities.

By including additional funding for conservation programs, nutrition, rural development and research, many farmers in rural communities who do not benefit from the traditional commodity programs will receive assistance this year. In particular, the $542 million you included for conservation programs will help reduce the $2 billion backlog of applications from farmers and ranchers who are waiting for USDA assistance to protect farm and ranchland threatened by sprawling development and critical wetlands and riparian areas for wildlife habitat, water quality, and floodplains.

Signed by Representative RON KIND and Representative WAYNE GILCHREST.

I ask unanimous consent that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC,
July 31, 2001.

Hon. TOM HARKIN,
Chairman, Senate Committee on Agriculture, Washington, DC.

DEAR CHAIRMAN HARKIN: Although we supported H.R. 2213—The Crop Year 2001 Agriculture Economic Assistance Act—as it passed the House of Representatives, we applaud the comprehensive approach you have taken in the aid package passed by the Senate Agriculture Committee to address the many diverse needs of agriculture and rural communities. We look forward to working with you to reconcile the competing measures in order to ensure that we meet the diverse needs of both our family farmers and the overall environment.

By including additional funding for conservation programs, nutrition, rural development and research, many farmers and rural communities who do not benefit from the traditional commodity programs will receive assistance this year. In particular, the $542 million you included for conservation programs will help reduce the $2 billion backlog of applications from farmers and ranchers who are waiting for USDA assistance to protect farm and ranchland threatened by

sprawling development and critical wetlands and riparian areas for wildlife habitat, water quality, and floodplains.

Earlier this year, 140 House members called on the House Agriculture Committee to ''not leave farmers waiting while a new farm bill is debated'' and instead allocate 30 percent of emergency funding to conservation programs this year. Your conservation package will maintain critical conservation programs before the farm bill is reauthorized. Without this additional funding, the Wetlands Reserve Program, Farmland Protection Program, and Wildlife Habitat Incentives Program would cease to operate. It is our hope that the conferees will view conservation programs favorably during conference proceedings.

We believe this short-term aid package should reflect the needs of all farmers in this country and set the tone for the next farm bill by taking a balanced approach to allocating farm spending among many disparate needs.

Sincerely,

RON KIND,
WAYNE GILCHREST,
Members of Congress.

Mr. HARKIN. Then I have a letter also today saying:

DEAR SENATOR HARKIN: I am writing to you today to express my support for the comprehensive approach you have taken in drafting the Senate agricultural economic assistance bill. In providing important funds for nutrition and conservation, the agriculture economic assistance package recognizes that the jurisdiction of the Agriculture Committee goes beyond the critically important task of providing economic support for producers of commodities.

I urge you to ensure that the bill reported out of the Senate retain these vitally important resources and look forward to working with you to ensure that any bill sent to the President is similarly cognizant of the broad array of issues before the Agriculture Committees of the House and Senate.

EVA M. CLAYTON, Member of Congress.

I ask unanimous consent this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC,
July 31, 2001.

Hon. TOM HARKIN,
Chairman, Committee on Agriculture, Nutrition, and Forestry, Russell Senate Office Building, Washington, DC.

DEAR SENATOR HARKIN: I am writing to you today to express my support for the comprehensive approach that you have taken in drafting the Senate agriculture economic assistance bill. In providing important funds for nutrition and conservation, the agriculture economic assistance package recognizes that the jurisdiction of the Agriculture Committee goes beyond the critically important task of providing economic support for producers of commodities.

In providing funds for important nutrition programs such as the Senior Farmers Market and the Emergency Food Assistance Program, the Committee acknowledges its responsibility to ensure that American children live free from the specter of hunger. Additionally, by providing important resources for farmland conservation and environmental incentive payments, the Committee recognizes the important fact that the degradation of our natural resoruces and the decay of vitally important water quality and farmland are emergencies that affect our rural communities and thus are deserving of our immedate attention.

I urge you to ensure that the bill reported out of the Senate retain these vitally important resources and look forward to working with you to ensure that any bill sent to the President is similarly cognizant of the broad array of issues before the Agricultue Committees of the House and the Senate.

Sincerely,

EVA M. CLAYTON,
Member of Congress.

Mr. HARKIN. These are two people who voted for the House-passed bill, which only passed by 1 vote, I might add.

So I would say there is a lot of support in the House of Representatives for what we have done in the Senate Agriculture Committee. I believe what we have done truly does provide that bridge.

I will close this part of my remarks by just saying we have a limited amount of time. We need to get this bill out. We need to go to conference, which we could do tomorrow. If we can get this bill done today, we can go to conference tomorrow. I believe the conference would not last more than a couple of hours, and we could have this bill back here, I would say no later than late Wednesday, maybe Thursday, for final passage, and we could send it to the President.

I believe his senior advisers notwithstanding, the President would listen to the voices here in the House and the Senate as to what is really needed.

I also ask unanimous consent to print a news release in the RECORD that was put out by the American Farm Bureau Federation dated June 21. It says:

The House Agriculture Committee's decision to provide only $5.5 billion in a farm relief package ''is disheartening and will not provide sufficient assistance needed by many farm and ranch families,'' said American Farm Bureau Federation President Bob Stallman.

We believe the needs exceed $7 billion.

This is according to Mr. Stallman, president of the American Farm Bureau Federation.

I ask unanimous consent that be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FARM BUREAU DISAPPOINTED IN HOUSE FUNDING FOR FARMERS

WASHINGTON, DC, June 21, 2001.—The House Agriculture Committee's decision to provide only $5.5 billion in a farm relief package ''is disheartening and will not provide sufficient assistance needed by many farm and ranch families,'' said American Farm Bureau Federation President Bob Stallman.

''We believe needs exceed $7 billion,'' Stallman said. ''The fact is agricultural commodity prices have not strengthened since last year when Congress saw fit to provide significantly more aid.''

Stallman said securing additional funding will be a high priority for Farm Bureau. He said the organization will now turn its attention to the Senate and then the House-Senate conference committee that will decide the fate of much-needed farm relief.

''Four years of low prices has put a lot of pressure on farmers. We need assistance to keep this sector viable,'' the farm leader said.

''We've been told net farm income is rising but a closer examination shows that is largely due to higher livestock prices, not most of American agriculture,'' Stallman said.

''And, costs are rising for all farmers and ranchers due to problems in the energy industry that are reflected in increased costs for fuel and fertilizer. Farmers and ranchers who produce grain, oilseeds, cotton, fruits and vegetables need help and that assistance is needed soon.''

Mr. HARKIN. I have a letter dated July 11 from the National Association of Wheat Growers that said:

However, given current financial conditions, growers cannot afford the reduced level of support provided by the House in H.R. 2213. Wheat farmers across the nation are counting on a market loss payment at the 1999 PFC rate. Thank you for your leadership and support.

Dusty Tallman, President of the National Association of Wheat Growers.

What is in our bill provides to wheat farmers across the country a market loss payment at the same rate they got in 1999.

I ask unanimous consent that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF WHEAT GROWERS,
Washington, DC, July 11, 2001.

Hon. TOM HARKIN,
Chairman, Senate Agriculture Committee, Washington, DC.

DEAR CHAIRMAN HARKIN: As President of the National Association of Wheat Growers (NAWG), and on behalf of wheat producers across the nation, I urge the Committee to draft a 2001 agriculture economic assistance package that provides wheat producers with a market loss payment equal to the 1999 Production Flexibility Contract (AMTA) payment rate.

NAWG understands Congress is facing difficult budget decisions. We too are experiencing tight budgets in wheat country. While wheat prices hover around the loan rate, PFC payments this year have declined from $0.59 to $0.47. At the same time, input costs have escalated. Fuel and oil expenses are up 53 percent from 1999, and fertilizer costs have risen 33 percent this year alone.

Given these circumstances, NAWG's first priority for the 2001 crop year is securing a market loss payment at the 1999 PFC rate. We believe a supplemental payment at $0.64 for wheat—the same level provided in both 1999 and 2000—is warranted and necessary to provide sufficient income support to the wheat industry.

NAWG has a history of supporting fiscal discipline and respects efforts to preserve the integrity of the $73.5 billion in FY02–FY11 farm program dollars. However, given current financial conditions, growers cannot afford the reduced level of support provided by the House in H.R. 2213. Wheat farmers across the nation are counting on a market loss payment at the 1999 PFC rate.

Thank you for your leadership and support.

Sincerely,

DUSTY TALLMAN,
President.

Mr. HARKIN. I have a letter from the National Corn Growers Association:

DEAR CHAIRMAN HARKIN: We feel strongly that the Committee should disburse these limited funds in a similar manner to the FY00 economic assistance package—addressing the needs of the 8 major crops—corn, wheat, barley, oats, oilseed, sorghum, rice and cotton. . . .

Again, we urge the Committee to allocate the market loss assistance payments at the FY99 production flexibility contract payment level for program crops.

Our bill does exactly that. The House bill only puts in 85 percent.

I ask unanimous consent the letter from the National Corn Growers Association be printed in the RECORD.

There being no objection, the letter ws ordered to be printed in the RECORD, as follows:

NATIONAL CORN GROWERS ASSOCIATION,
Washington, DC, July 23, 2001.

Hon. TOM HARKIN,
Chairman, Senate Committee on Agriculture, Russell Senate Office Building, Washington, DC.

DEAR CHAIRMAN HARKIN: We write to urge you to take immediate action on the $5.5 billion in funding for agricultural economic assistance authorized in the FY01 budget resolution.

The fiscal year 2001 budget resolution authorized $5.5 billion in economic assistance for those suffering through low commodity prices in agriculture. However, these funds must be dispersed by the US Department of Agriculture by September 30, 2001. We are very concerned that any further delay by Congress concerning these funds will severely hamper USDA's efforts to release funds and will, in turn, be detrimental to producers anxiously awaiting this relief.

We feel strongly that the Committee should disperse these limited funds in a similar manner to the FY00 economic assistance package—addressing the needs of the eight major crops—corn, wheat, barley, oats, oilseeds, sorghum, rice and cotton. It is these growers who have suffered greatly from the last two years of escalating fuel and other input costs. The expectation of these program crop farmers is certainly for a continuation of the supplemental AMTA at the 1999 level.

Again, we urge the Committee to allocate the market loss assistance payments at the FY99 production flexibility contract payment for program crops. We feel strongly that Congress should support the growers getting hit hardest by increasing input costs.

Sincerely,

LEE KLEIN,
President.

Mr. HARKIN. Madam President, I have another piece from the National Corn Growers Association in which they say the National Corn Growers Association is optimistic about the Senate Agriculture Committee's $7.5 billion emergency aid package.

I ask unanimous consent that this be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From NCGA News, July 26, 2001]

NCGA OPTIMISTIC ABOUT SENATE AGRICULTURE COMMITTEE $7.5 BILLION EMERGENCY AID PACKAGE

The Senate Agriculture Committee yesterday approved a $7.5 billion emergency aid package for farmers in the current fiscal year, championed by Chairman Tom Harkin (D–IA).

A substitute amendment offered by Richard Lugar (R–IN), ranking member, failed by a vote of 12–9. Lugar sought an aid package totaling $5.5 billion, similar to what the House Agriculture Committee passed in late June.

The package approved yesterday will provide help to program crops such as corn, as well as to oilseeds, peanuts, sugar, honey, cottonseed, tobacco, specialty crops, pulse crops, wool and mohair, dairy and apples. The Senate package is expected to move to floor consideration at anytime, where Sen. Thad Cochran (R–MS) may offer an amendment to curb the overall spending while maintaining emergency spending for the major commodities.

Because the aid packages passed by the Senate and House are markedly different, a conference committee will be scheduled to craft a compromise.

''This development places even more pressure on Congress to act expeditiously, because any aid package approved by Congress must be done soon so that the USDA can cut checks and mail them to farmers before fiscal year ends on September 30, 2001,'' said National Corn Growers Association (NCGA) Vice President of Public Policy Bruce Knight.

Mr. HARKIN. Madam President, I have a release from the National Farmers Union, in which they say:

The National Farmers Union today applauded the Senate Agriculture Committee on its approval of $7.4 billion in emergency assistance for U.S. agriculture producers.

I ask unanimous consent that the material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FARMERS UNION COMMENDS SENATE ON EMERGENCY ASSISTANCE PACKAGE

WASHINGTON, DC, July 25, 2001.—The National Farmers Union (NFU) today applauded the Senate Agriculture Committee on its approval of $7.4 billion in emergency assistance for U.S. agriculture producers. The bill provides supplemental income assistance to feed grains, wheat, rice and cotton producers as well as specialty crop producers. The Senate measure provides the needed assistance at the same levels as last year and is $2 billion more than what is provided in a House version of the measure. NFU urges expeditious passage by the full Senate and resolution in the House/Senate conference committee that adopts the much needed funding at the Senate level.

''We commend Chairman Tom Harkin for his leadership in crafting this assistance package,'' said Leland Swenson, president of NFU. ''We are pleased that members of the committee have chosen to provide funding that is comparable to what many farmers requested at the start of this process. This level of funding recognizes the needs that exist in rural America at a time when farmers face continued low commodity prices for row and specialty crops while input costs for fuel, fertilizer and energy have risen rapidly over the past year.''

The Senate Agriculture Committee approved the Emergency Agriculture Assistance Act of 2001 that provides $7.4 billion in emergency assistance to a broad range of agriculture producers and funds conservation programs. It also provides loans and grants to encourage value-added products, compensation for damage to flooded lands and support for bio-energy-based initiatives. The funding level is the same as what was provided last year and is comparable to what NFU had requested in order to meet today's needs for farmers and ranchers. The House proposal provides $5.5 billion.

''We now urge the full Senate to quickly pass this much-needed assistance package,'' Swenson added. ''It is vital that the House/Senate conference committee fund this measure at the Senate level. As we meet the challenge of crafting a new agriculture policy for the future, today's needs for assistance are still great. We hope for swift action to help America's farmers and ranchers.''

Mr. HARKIN. Madam President, I have another letter, dated today, from the American Farm Bureau Federation:

DEAR SENATOR HARKIN: The American Farm Bureau Federation supports at least $5.5 billion in supplemental Agricultural Market Transition Act payments and $500 million in market loss assistance payments for oilseeds as part of the emergency spending package for crop year 2001.

Our bill does that. Senator LUGAR's amendment does not.

They state further:

We also believe it is imperative to offer assistance to peanut, fruit and vegetable producers. In addition, it is crucial to extend the dairy price support in this bill since the current program will expire in less than two months.

All over this country agriculture has been facing historic low prices and increasing production costs.

I ask unanimous consent that this letter, dated today, from Mr. Bob Stallman, president of the American Farm Bureau Federation, be printed in the RECORD.

Again, I point out that our bill meets these needs. The House bill does not. Our bill provides the assistance to peanut, fruit, and vegetable producers, and we do, indeed, extend the dairy price support program beyond its expiration date in 2 months.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, July 31, 2001.

Hon. TOM HARKIN,
Chairman, Agriculture, Nutrition, and Forestry Committee, U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR HARKIN: The American Farm Bureau Federation supports at least $5.5 billion in supplemental Agricultural Market Transition Act payments and $500 million in market loss assistance payments for oilseeds as part of the emergency spending package for crop year 2001. We also believe it is imperative to offer assistance to peanut, fruit and vegetable producers. In addition, it is crucial to extend the dairy price support in this bill since the current program will expire in less than two months.

All over this country agriculture has been facing historic low prices and increasing production costs. These challenges have had a significant effect on the incomes of U.S. producers. At the same time, projections of improvement for the near future are not very optimistic. We appreciate your leadership in providing assistance to address the low-income situation that U.S. producers are currently facing.

We thank you for your leadership and look forward to working with you to provide assistance for agricultural producers.

Sincerely,

BOB STALLMAN,
President.

Mr. HARKIN. Madam President, I have a letter from the Food and Research Action Center.

We urge you to continue your leadership in support for the nutrition programs contained in S. 1246.

Our bill does it. The House bill doesn't.

It is signed by James D. Weill, president of the Food and Research Action Center.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FOOD RESEARCH & ACTION CENTER,
Washington, DC, July 30, 2001.

Senator TOM HARKIN,
Chairman, Senate Agriculture Committee, Russell Senate Office Bldg., Washington, DC.

DEAR MR. CHAIRMAN: I am writing you about S. 1246. The Emergency Agricultural Assistance Act of 2001.

As in the House bill, S. 1246 authorizes an additional $10 million for expenses associated with the transportation and distribution of commodities in The Emergency Food Assistance Program (TEFAP). The Senate version also devotes additional dollars to support school meal programs targeted to low-income children; increases the mandatory commodity purchases for the School Lunch Program; and provides additional funding for Senior Farmers Market Nutrition Programs.

We urge you to continue your leadership and support for the nutrition programs contained in S. 1246. We also thank you for your leadership earlier this month in the hearings on nutrition programs in the Farm Bill, and look forward to working with you on important food stamp improvements later this year in that bill.

Sincerely,

JAMES D. WEILL,
President.

Mr. HARKIN. Madam President, I have a letter from the National Association of Farmers' Market Nutrition Programs.

I am writing to express the strong support of the National Association of Farmers' Market Nutrition Programs to include $20 million for the Senior Farmers' Market Nutrition Pilot Program in S. 1246.

For States and Indian Tribal organizations administering the SFMNPP, an early decision by Congress and administration to continue this small but vital program is of the utmost importance. States and Tribes faced a very short timeframe for application and implementation of this program last year and would be greatly benefited by quick action to renew this new but very popular program.

It is signed by Mike Bevins, President of the National Association of Farmers' Market Nutrition Programs.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF FARMERS'
MARKET NUTRITION PROGRAM,
Washington, DC, July 31, 2001.

Hon. TOM HARKIN,
Chair, Senate Committee on Agriculture, Senate Russell Office Building, Washington, DC.

DEAR SENATOR HARKIN, I am writing to express the strong support of the National Association of Farmers' Market Nutrition Program (NAFMNP) to include $20 million for the Senior Farmers' Market Nutrition Pilot Program (SFMNPP) in S. 1246, the Emergency Agricultural Assistance Act of 2001. We understand consideration of this legislation on the Senate floor is imminent.

For states and Indian Tribal organizations administering the SFMNPP, an early decision by Congress and the Administration to continue this small but vital program is of the utmost importance. States and Tribes faced a very short time frame for application and implementation of this program last year and would be greatly benefited by quick action to renew this new, but very popular program.

We urge you to include the $20 million earmarked in S. 1246 for the SFMNNP in your final version of the bill.

Sincerely,

ZY WEINBERG,
(For Mike Bevins, President).

Mr. HARKIN. Madam President, I have a letter from the American School Food Service Association.

DEAR SENATOR HARKIN: Specifically, we strongly support section 301 to preserve entitlement commodities during the 2001–2002 school year for schools that participate in the National School Lunch Program.

That is in our bill, and it is not in the House bill.

It is signed by Marcia Smith for the American School Food Service Association.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN SCHOOL FOOD
SERVICE ASSOCIATION,
Alexandria, VA, July 31, 2001.
Re: S. 1246.

Senator TOM HARKIN,
Senate Hart Office Building,
Washington, DC.

DEAR SENATOR HARKIN, On behalf of the American School Food Service Association, thank you for your leadership with the Emergency Agricultural Assistance Act of 2001 (S. 1246), which the Senate Agriculture Committee approved and sent to the full Senate for consideration.

Specifically, we strongly support Section 301 to preserve entitlement commodities during the 2001–02 school year for schools that participate in the National School Lunch Program. Without this provision, any participating school that received bonus commodities from the U.S. Department of Agriculture would have its entitlement commodities under the NSLP reduced. As you know, this would result in a de facto funding cut of between $50 million and $60 million for the NSLP during school year 2001–02. Further, with an eye to Conference, ASFSA does not support a block grant approach to the distribution of commodities.

On behalf of ASFSA's members and the children we serve, thank you again for your leadership on this important issue. Please let me know if there is anything else we can do to further S. 1246.

Sincerely,

MARCIA L. SMITH,
President.

Mr. HARKIN. Madam President, to sum up—and I will come back to this later on—we looked at the Nation as a whole. We looked at all farmers in this country. All farmers need help, plus there are others in rural communities who need help. There are conservation programs, as was pointed out by a letter I read from the 130 Members of the House, that need to be continued beyond the end of this fiscal year. We addressed all of these needs, and we did it within the confines of the budget resolution.

Each Senator on that side of the aisle or on this side of the aisle who is opposed to our bill could raise a point of order. But no point of order lies against this bill because it is within the budget resolution. Therefore, there is no reason for the President to veto it, unless he simply does not want our apple farmers to receive help, or to extend the dairy price support program, or to help some of our peanut and cottonseed farmers, and others who need this assistance, or perhaps he doesn't think we should have a nutrition program.

Quite frankly, we have met our obligations to provide for the full AMTA payment for fiscal year 2001—the full AMTA payment. The House bill only provides 85 percent.

I say to my fellow Senators, if you want to provide the same level of assistance to farmers this year under AMTA as we did last year, you cannot support Senator LUGAR's amendment. That will wipe it out and make it only 85 percent, which is what the House bill does.

I hope after some more debate we can recognize that we have met our obligations in the Senate Agriculture Committee. This is the right course of action to take for this body and for the President to sign.

I yield the floor.

Mr. REID. Mr. President.

Mr. THOMAS. Mr. President.

The PRESIDING OFFICER (Ms. CANTWELL). The Senator from Wyoming.

Mr. THOMAS. Madam President, I want to yield to my friend, the Senator from Idaho, but first I wish to make a couple of remarks. One is that if you came in here and you were listening to the difficulty that some talk about in getting this job done prior to the time the $5.5 billion disappears, then you would imagine the thing to do is to go ahead and have a bill similar to the House. Then it would be there, and we would come back with the other $2 billion, which is in the budget for next year. It isn't as if this is a long time off. It is right there, and it can be done. It isn't as if it isn't going to happen. It will happen. We are taking out next year's and putting it in this year. You can bet that there will be a request to replace that with new money next year.

It is sort of an interesting debate. It is also interesting that the House version includes $4.6 billion in AMTA payments.

There was mention by the Senator from Michigan that it didn't go beyond that. Actually, there is $424 million in economic assistance for oilseeds; $54 million in economic assistance for peanut producers; $129 million for tobacco; $17 million for wool and mohair; $85 million for cottonseeds; and $26 million for specialty crops, which is for the States to disperse. Over $3.5 million goes to Michigan which could go to apple growers. This idea that somehow the people have been left out is simply not the case.

I now yield to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. REID. Madam President, will the Senator yield for a unanimous consent request?

Mr. THOMAS. Of course.

Mr. REID. Madam President, this has been cleared with Senator LUGAR, Senator HARKIN, and both leaders.

Madam President, I ask unanimous consent that at 2:30 p.m. today I be recognized to move to table Senator LUGAR's amendment, and that the 15 minutes prior to that vote be equally divided between Senators HARKIN and LUGAR.

Mr. THOMAS. Madam President, I think I will object simply to talk with the others to see if they need more time. I hope they do not. But at this moment, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Idaho is recognized.

Mr. CRAIG. Madam President, I thank the Senator from Wyoming for yielding. I will be brief, for I have sat here most of the morning listening to both the Senator from Indiana and the Senator from Iowa discuss what is now pending.

There is no question in my mind—and any Senator from an agricultural State—that we are in a state of emergency with production agriculture in this country. I certainly respect all of the work that the chairman of the Senate Ag Committee has done, the authorizing committee. I no longer serve on that committee, but my former chairman and ranking member of the Ag Appropriations Committee is in this Chamber, and I serve on that committee. So I have the opportunity to look at both the authorizing side and the appropriating side of this issue.

Clearly, I would like to hold us at or near where we were a year ago. At the same time, I do not believe, as we struggle to write a new farm bill, that we should write massive or substantially new farm policy into an appropriations bill that is known as an Emergency Agricultural Assistance Act. There is adequate time to debate critical issues as to how we adjust and change agricultural policy in our country to fit new or changing needs within production agriculture.

I have been listening to, and I have read in detail, what the Senator, the chairman of the Ag Committee, has brought. You have heard the ranking member, the Senator from Indiana, say he is not pleased with what he is doing today. In fact, the amendment that he offered in the committee—one that I could support probably more easily than I could support the amendment he has offered in this Chamber today—is not being offered for a very simple reason; it is a question of timing.

The chairman of the authorizing committee but a few moments ago said: If we pass this bill today, we can conference tomorrow. We can go out and have it back to the floor by Thursday or Friday of this week.

I would think you could make a statement like that if the House and the Senate were but a mile apart. We are not. We are 2,500 to 3,000 miles apart at this moment. We are $2 billion apart on money. The chairman of the authorizing committee has just, in a few moments, discussed the substantial policy differences on which we are apart. And I am quite confident—I know this chairman; I have served on conferences with him; he is a tough negotiator; he is not going to give up easily, as will the House not give up easily on their positions, largely because we are writing a farm bill separate from appropriations, as we should.

But both sides have spilled into the question of policy as it relates to these vehicles. What we are really talking about now, and what we should be talking about now, are the dollars and cents that we can get to production agriculture before September 30 of this fiscal year.

I happen to be privileged to serve on leadership, and we are scratching our heads at this moment trying to figure out how we get this done. How do we get the House and the Senate to conference, and the conference report back to the House and the Senate to be voted on before we go into adjournment, and to the President's desk in a form that he will sign?

I do not think the President is threatening at all. I think he is making a very matter-of-fact statement about keeping the Congress inside their budget so that we do not spill off on to Medicare money. We have heard a great deal from the other side about the fact that we are spending the Medicare trust fund. But this morning we have not heard a peep about that as we spend about $2 billion more than the budget allocates in the area of agriculture.

So for anyone to assume that getting these two vehicles—the House and the Senate bills—to conference, and creating a dynamic situation in which we can conference overnight and have this back before we adjourn on Friday or Saturday, to be passed by us and signed by the President, is, at best, wishful thinking.

We are going to have a letter from OMB in a few moments that very clearly states that this has to get done and has to get scored before the end of the fiscal year or we lose the money.

The ranking member of the Ag Appropriations Committee, who is in this Chamber, and certainly the chairman of the authorizing committee, do not want that to happen, and neither does this Senator. In fact, I will make extraordinary efforts not to have it happen because that truly complicates our budget situation well beyond what we would want it to be, and it would restrict dramatically our ability to meet the needs of production agriculture across this country as we speak.

I am amazed that we are this far apart. The House acted a month ago. We have been slow to act in the Senate. And now it is hurry up and catch up at the very last minute prior to an adjournment for what has always been a very important recess for the Congress.

I will come back to this Chamber this afternoon to talk about the policy differences, but I think it is very important this morning to spell out the dynamics of just getting us where we need to get before we adjourn, I hope, Friday evening late. And I am not sure we get there because we are so far apart.

The chairman talks about passing the bill this afternoon, assuming that we would table the amendment of the Senator from Indiana; then this would pass, forgetting there are other Senators in the Cloakrooms waiting to come out and talk about an issue called dairy compacts, and the Northeast Dairy Compact legislation or policy authority ending at the end of September, with no train leaving town between now and then that gets that out. And to assume that is going to be a simple debate that will take but a few hours, I would suggest: How about a day or 2 to resolve what is a very contentious issue? I know I want to speak on it. I know a good many other Senators do. We do not want to see our Nation divided up into marketing territories that you cannot enter and leave easily, as our commerce clause in the Constitution would suggest.

So those are some of the issues that are before us today and tomorrow and the next day. That means as long as we are in this Chamber debating this bill on these very critical issues, it will not be in conference. And those very difficult policy issues and that $2 billion worth of spending authority will not get resolved where the differences lie.

So let us think reasonably and practically about our situation. The clock is ticking very loudly as it relates to our plan for adjournment and our need to get our work done, and done so in a timely fashion.

I do not criticize; I only observe because much of what the Senator from Iowa has talked about I would support. But I would support it in a new farm bill properly worked out with the dynamics between the House and the Senate, not in appropriating legislation done in the last minute, to be conferenced in an all-night session, or two or three, to find our differences, and to work them out. I am not sure we can get there. If we can't, we lose $5.5 billion to production agriculture.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Madam President, this morning I was very impressed by the comments made by the distinguished Senator from Indiana, Mr. LUGAR.

At the markup session of our Committee on Agriculture, I had come to that session with a compromise that I was prepared to offer because I thought it would more nearly reflect the programs Congress provided for emergency

or economic assistance to farmers in the last two crop-years.

We had testimony in our Appropriations Committee from the chief economist and other high-ranking officials at the Department of Agriculture that the situation facing farmers this year is very similar—just as bad—as it was last year and the year before. So the record supports the action being taken by the Congress to respond to this serious economic problem facing agricultural producers around the country.

It was the Appropriations Agriculture Subcommittee during the last 2 years that had been given the responsibility, under the budget resolution, for writing this disaster or economic assistance program. And we did that. The Congress approved it. It was signed and enacted into law. And the disbursements have been made.

This year the budget resolution gave the authority for implementing the program for economic assistance to the legislative committee in the Senate, the Agriculture Committee. I also serve on that committee. The distinguished Senator from Iowa chairs that committee, and Senator LUGAR is the ranking member and former chairman of that committee. I have great respect for all of my fellow members on the committee, but I have to say that arguments made this morning, and the proposal made this morning at the beginning of the debate by Senator LUGAR, to me, are right on target in terms of what our best opportunity is at this time for providing needed assistance to agricultural producers.

The facts are that the House has acted and the administration has also reviewed the situation and expressed its view. We have the letter signed by Mitch Daniels, the Director of the Office of Management and Budget, setting forth the administration's view and intentions with respect to legislation they will sign or recommend to be vetoed. If we are interested in helping farmers now, in providing funding for distressed farmers to help pay loans from lenders, to get additional financing as may be needed, if that is our goal, then the best and clearest opportunity for providing that assistance is to take the advice and suggestion of Senator LUGAR and vote for the alternative he has provided, which is the House-passed bill.

It obviates the need to conference with the House, to work out differences between the two approaches, which is necessarily going to delay the process. To assume that that conference can be completed in 2 or 3 days and funds be disbursed in an appropriate and efficient way is wishful thinking. It is no better than wishful thinking. I do not think producers would like to take that chance under the conditions of distress that exist in agricultural communities all over this country today.

If we could take a poll now among those who would be the beneficiaries of this legislation, I am convinced most would say: Let's take the House bill now, use the budget authority for new farm bill provisions that will strengthen our agricultural programs for the future, into the next crop year and beyond, so that we can guard against, in a more effective way, the distresses that confront farmers today. But for now, to deal with the emergency and the problems of today, let's pass a bill that will put money in the pockets of farmers.

That is the object, not to improve conservation programs which can be done in the next farm bill. Of course, we are going to reauthorize these conservation programs. But doing it with $1 billion gratuitously from the budget resolution that provides for economic assistance to farmers, that is not direct economic assistance to farmers. That is an indirect benefit, of course, to agricultural producers and to society in general, but it is not money in the pockets of farmers, as the House-passed bill provides and as the Lugar alternative before the Senate today provides.

I had hoped there could be a way to provide exactly the same assistance we provided last year and the year before. I crafted an amendment I was prepared to offer in the Senate Agriculture Committee that would do just that.

My amendment would provide for $5.46 billion for market loss assistance to farmers. This is the same level of support farmers have received for the past 2 years. My amendment provides an additional $500 million for oilseed assistance, which is the same as last year, and $1 billion for aquaculture and other specialty crops. This is a total amount of $6.475 billion, and it represents approximately half of the Agriculture budget for both fiscal year 2001 and fiscal year 2002 combined.

The $7.5 billion reported in the bill by the Senate Agriculture Committee contains nearly $1 billion for programs that do not provide direct economic assistance to farmers. Why argue about that? Why argue about that in conference and spend some amount of time delaying the benefits that farmers need now?

My suggestion is, the best way to help farmers today is to pass the Lugar substitute. It goes to the President, and he signs it. We can't write the President out of this process. He is involved in it. He has committed to veto the bill as reported by the Senate Agriculture Committee. Nine of us voted against it; 12 voted for it. But we are asking the Senate today to take another look realistically at the options we have.

Let's not embrace what we would hope we could do. Let's embrace what we know we can do. I don't care how many charts you put up here to show how bad the situation is in agriculture, you are not going to change the reality of the House action and the President's promised action.

We are part of the process and we have a role to play—right enough—and we can exercise our responsibilities when we rewrite the farm bill. If there is an indication that additional assistance is needed later on, we can take that from the budget resolution which provides for economic assistance for farmers in the 2002 crop year. We can do that. We don't have to solve every problem facing agriculture or conservation on this bill today. We can do what we can do today, and farmers understand that. They don't fall for a lot of political grandstanding. They don't spin all the charts that you can put up on the floor. That doesn't help them a bit. They know how bad it is. What they want is help now. To get help now, let's vote for the Lugar substitute.

I ask unanimous consent to print in the RECORD a section-by-section analysis.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT TO THE EMERGENCY AGRICULTURE ASSISTANCE ACT OF 2001—SECTION-BY-SECTION

TITLE I

Section 101—Market Loss Assistance

Supplemental income assistance to producers of cotton, rice, wheat, and feedgrain producers eligible for a Production Flexibility Contract payment at the 1999 AMTA payment levels, totaling $5.466.

Section 102—Oilseeds

Provides $500 million for a supplemental market loss assistance payment to oilseed producers totaling $500 million.

Section 103—Peanuts

Provides peanut producers of quota and additional peanuts with supplemental assistance of $56 million.

Section 104—Sugar

Suspends the marketing assessment from the 1996 Farm Bill for the 2001 crop of sugar beets and sugar cane at a cost of $44 million.

Section 105—Honey

Makes non-recourse loans available to producers of honey for the 2001 crop year at a cost of $27 million.

Section 106—Wool and Mohair

Provides supplemental payments to wool and mohair producers totaling $17 million.

Section 107—Cottonseed Assistance

Provides assistance to producers and first handlers of cottonseed totaling $100 million.

Section 108—Specialty Crop Commodity Purchases

Provides $80 million to purchase specialty crops that experienced low prices in the 2000 and 2001 crop years. $8 million of the amount maybe used to cover transportation and distribution costs.

Section 109—Loan Deficiency Payments

Allows producers who are not AMTA contract holders to participate in the marketing assistance loan program for the 2001 crop year. Raises the Loan Deficiency payment limit from $75,000 to $150,000.

Section 110—Dry Peas, Lentils, Chickpeas, and Pecans

Provides $20 million for the 2001 crop year.

Section 111—Tobacco

Provides $100 million for supplemental payments to tobacco Farmers.

TITLE II

Section 201—Equine Loans

Allows horse breeders affected by the MRLS (Mare Reproductive Loss Syndrome) to apply for U.S. Department of Agriculture Emergency Loans. No CBO score.

Section 202—Aquaculture Assistance

Provides $25 million to assist commercial aquaculture producers with feed assistance through the Commodity Credit Corporation.

TITLE III

Section 301—Obligation Period

Provides the Commodity Credit Corporation the authority to carry out And expend the amendments made by this act.

Section 302—Commodity Credit Corporation

Except as otherwise provided in this Act, the Secretary shall use The funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

Section 303—Regulations

Secretary may promulgate such regulation as are necessary to implement this Act and the Amendments made by this Act.

COCHRAN AMENDMENT

	Senate
FY 01 Spending (Budget)	$5.5 billion.
Market Loss Payment	5.466 billion.
Cottonseed Assistance	34 million.
Subtotal FY01	5.5 billion.
FY02 Spending:	
Oilseed Payment	500 million.
LDP eligibility for 01 crop year	40 million.
Peanuts	56 million.
Sugar (suspend assessment)	44 million.
Honey	27 million.
Wool and Mohair	17 million.
Cottonseed	66 million.
Tobacco	100 million.
Equine Loans	0
Commodity Purchases	80 million.
Aquaculture	25 million.
Peas, Lentils and Pecans	20 million.
Double LDP Limit for 2001 Crop	0
Subtotal FY02	975 million.
Total	6.475 billion.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Madam President, I thank Senator COCHRAN for his great statement.

The question before the Senate is: do we want a reasonable package that will help farmers now that is within our budget, that we set out funds for, that can be delivered next week, or do we want a political issue that comes from a proposal which is full of provisions that have nothing to do with direct aid to farmers, that dramatically expands spending on programs that have nothing to do with an agriculture emergency, and a program that will almost—well, it will certainly be, since the President has now issued the veto message—be vetoed?

Ultimately, people have to come down to reaching a conclusion in answering that question.

What I would like to do today is make a few points. First, Senator COCHRAN is right. If we want to get aid to Texas and Mississippi and Iowa farmers next week, we need to pass the bill that passed the House or something very close to it. And passing the bill that passed the House, which can go directly to the President, which can be signed this week, is the right thing to do.

The second issue has to do with nonemergency matters in an emergency appropriations bill. I could go down a long list, but let me mention a few.

Changing the conservation reserve program: Maybe it needs to be changed, but do we have to do it in an emergency bill where we are trying to get assistance out the door by October 1? I think, clearly, we do not.

Expanding a yet-to-be-implemented program about farmable wetlands: I don't understand, in an emergency bill, expanding a program that has never gone into effect. Maybe we will want to expand it after it goes into effect, and we know what it is. But, A, I can't imagine we would want to do it now, and, B, why would we want to clutter up an emergency farm bill that desperately needs to become law this week or next by getting in that debate here?

Expanding subsidies for paper reduction in lunch programs: Maybe we need to increase subsidies for reducing the amount of paper that is expended in serving school lunch programs. Maybe that is a worthy objective. But why are we doing it on an emergency farm bill? I know of no critical shortage of paper in making plates and cups. So far as I am aware, we are capable of producing virtually an infinite quantity, not that that would be desirable public policy, but the point is, what does this have to do with the emergency that exists on many farms and ranches throughout America? The answer is nothing.

Additional funding for the Senior Farmers' Market Nutrition Pilot Program: That may be a meritorious program. If I knew more about it, I might think it was one of the most important nutrition programs in America. On the other hand, maybe I would not think it is even meritorious if I knew more about it. The point is not whether it is meritorious or whether it is not; the point is, it has absolutely nothing to do with an emergency on farms and ranches all over America, and it has no place in an emergency farm bill.

Making cities eligible for rural loan programs and credits: I guess other things being the same, I do not think cities of 50,000 ought to qualify for programs that are aimed at helping rural America. I have a lot of cities of 50,000. Just looking at it, it does not strike me that this is a great idea, but it may be a great idea. Maybe I just do not understand.

The point is, what does this have to do with the emergency that is occurring in bank loans that our farmers and ranchers all over America are having trouble paying? It has absolutely nothing to do with it, and it should not be in this bill.

There is an increase in funding bioenergy loan subsidy programs in this bill. Maybe bioenergy should receive additional funding. Maybe it receives too much funding. The point is, what does that have to do with an emergency in rural America? What does it have to do with farmers and ranchers trying to make that payment on that loan at the local bank? It has nothing to do with it, and it should not be in this bill.

Paying researchers at USDA beyond the civil service scale: I think highly of researchers. Some of my best friends are researchers. I used to be a researcher. Maybe this is God's work, changing the Civil Service Act to let researchers at the Department of Agriculture make more money. The point is, should we not look at that in the context of civil service? Shouldn't this be looked at by the committee that has jurisdiction, the Governmental Affairs Committee? Isn't this something on which we ought to have a fairly substantial debate? Are we going to do this at all the labs in America? Are we going to do it at the Department of Energy? Are we going to do it in oceanography? Is this the beginning of a major program?

No one knows the answer to this. I do not even know if a hearing ever occurred on this subject.

The point is, whether it is meritorious or not, what does it have to do with this farmer in plain view making that payment at the bank? It basically has to do with the pay of people who are fairly well paid. Maybe they are not paid enough.

This has absolutely nothing to do with the crisis in rural America. This is something that ought to be dealt with next year.

This brings me to the second point I want to talk about, and that is the $2 billion we are spending in this bill above the amount we said we were going to spend in the budget.

I have sat in the Budget Committee and I have sat in this Chamber and have heard endless harangues about how we are about to spend the Medicare trust fund—how dare we spend the Medicare trust fund.

My response has been, there is not a Medicare trust fund. We are running a surplus in Part A, we are running a deficit in Part B, and so there is no surplus, but that is not the point. The chairman of the Budget Committee has given us endless orations pleading that we not spend the Medicare trust fund, much less the Social Security trust fund. In fact, in committee and in the Senate Chamber, he and others have endlessly harangued about not spending these trust funds. Yet I hear no harangue today.

We are in the process today of considering a bill that is $2 billion above the amount we included in the budget to spend in fiscal year 2001 for the agriculture emergency—$2 billion above the amount we have in the budget.

Having harangued endlessly about every penny we spend, every penny we give back to the taxpayer in tax cuts is imperiling the Medicare trust fund, where is Senator CONRAD today? When we are in the process of adding $2 billion of spending above the budget, does anybody doubt that when the re-estimate comes back in August, when the new projections of the surplus come forward, given the economy has slowed down, does anybody doubt this $2 billion will come out of exactly the same

Medicare trust fund about which we have heard endless harangues? Does anybody doubt that?

No, they do not doubt it, but where are the harangues today? Those harangues were on another day focused on another subject. The harangues were against tax cuts, but when it is spending, there are no harangues.

Lest anybody be confused, I do know something about the Budget Committee, having been privileged to serve on that committee in the House and the Senate. I understand the rules. Basically, the budget is whatever the chairman of the Budget Committee says the budget is.

We have before us a bill that is $2 billion above the amount we wrote in the budget for fiscal year 2001, but the chairman of the Budget Committee says it is okay to take $2 billion from 2002 and spend it in 2001 because in 2003, we can take the same $2 billion and spend it in 2002. Actually, we cannot. If he reads his own budget, he will see that in 2003, unless we have a sufficient surplus so that all funds are going into the Medicare trust fund and the Social Security trust fund and reducing debt or being invested, we will not be able to make the shift from 2003 to 2002.

One can say, as Senator CONRAD did yesterday, that he makes the determination in advising the Parliamentarian that this does not have a budget point of order. So by definition, if he says it does not have a budget point of order, it does not have a budget point of order, but does anybody doubt it violates the budget?

We wrote in the budget $5.5 billion, black and white, clear as it can be clear, that is how much we were going to spend. Now we are spending $7.5 billion, but it does not bust the budget? Why doesn't it bust the budget? Because the chairman of the Budget Committee, Senator CONRAD, advises the Parliamentarian that it does not bust the budget. He is the chairman of the Budget Committee, so how can it bust the budget when he says it does not bust the budget?

The pattern is pretty clear. Senator CONRAD is deeply concerned—deeply concerned—about spending these trust funds as long as the money is going for tax cuts, but the first time we bring to the Chamber an appropriation that clearly busts our budget, that spends $2 billion more than we wrote in the budget, that is all right because Senator CONRAD said it is all right. He said it does not bust the budget because we are going to take the $2 billion from next year.

If that creates a problem in writing the farm bill, I say to three Members who will be very much involved in writing the farm bill, Senator CONRAD has the solution: It is no problem, just take the $2 billion from 2003. There will be a problem, as I pointed out.

Basically what we have before us is an effort to take $2 billion and to spend most of it on non-emergency programs that do not affect directly the well-being of farmers who are in crisis today in a clear action that busts the budget.

I want to say this, not to go on so long as to be mean or hateful about it. I do not mind being lectured. I get lectured all the time. I guess I am about as guilty as any Member of the Senate in lecturing my colleagues. It comes from my background where I used to lecture 50 minutes Monday, Wednesday, and Friday, and an hour and 15 minutes on Tuesday and Thursday. My students paid attention because they wanted to pass.

Here is the point: I don't see how any Member of the Senate who stands idly by and watches us spend $2 billion more than we pledged in the 2001 budget that we were going to spend on this bill, how that Member can remain silent or support that effort and have any credibility ever again when they talk about concern over deficits or spending trust funds.

Ultimately, the debate is: Is it words or is it deeds? Are you really protecting the budget when we are on the floor spending $2 billion more than we said we were going to spend in the budget?

It seems to me if you vote for this $7.5 billion appropriation—it is an entitlement program and an authorization, in addition to the $7.5 billion—if Members vote for this $7.5 billion spending bill, which violates that budget by spending $2 billion more than we committed to, you cannot ever, it seems to me, have any credibility again in arguing you are concerned about the deficit or that you are concerned about spending the Medicare or Social Security trust fund.

There is no question when the August re-estimates come in, this $2 billion is going to come right out of the Medicare trust fund. We will have a vote. If Members want to live up to the rhetoric in saying we don't want to spend that trust fund, and we don't want to bust the budget, Members can vote for the Lugar amendment because it has three big advantages: First, it will become law this week, the President will sign it; and, second, it doesn't bust the budget. Third, it doesn't take money out of the Medicare trust fund.

I think every argument that can be made that should carry any weight in this debate is an argument for the Lugar amendment. I urge my colleagues not to get into an argument that will delay the assistance to our farmers and ranchers. We are going to debate a farm bill in the next fiscal year. I don't know whether we will pass one or not. We are going to debate one. Why start the debate by taking $2 billion we have to finance a new farm bill and spend it now on non-emergency items, by and large? Why not live within the budget today, get a bill to the President that he can sign, let him sign it this week, and let the money next week go out to help farmers and ranchers.

In the next fiscal year, after October 1, we can debate a new farm bill. It is at that point that many of these issues need to be decided.

If Members do not want to bust the budget and Members want this bill to become law, and become law soon, vote for the Lugar amendment. I intend to vote for the Lugar amendment. I intend to oppose the underlying bill. It violates the budget. It spends $2 billion more than we pledged to limit spending in the budget. I intend to resist it as hard as I can. I think it sends a terrible signal that here we are, despite all our high-handed speech about spending trust funds and living within the budget, and we come to the first popular program that we voted on and now we are busting the budget by 40 percent. Forty percent of the funds in the bill before the Senate represents an increase in spending over the budget that we adopted. That is a mistake.

I urge my colleagues to vote for the Lugar substitute. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I am surprised to hear the Senator from Texas talk about how this does not comport with the budget resolution. The Senator from Texas is a member of the Budget Committee. The Senator from Texas must know full well the budget allows $5.5 billion for the Agriculture Committee to expend in fiscal year 2001. The Budget Committee also gave instructions to the Agriculture Committee that the Agriculture Committee could expend up to $7.35 billion in fiscal year 2002.

The reason that a point of order does not lie against this bill is not because of what the Budget Committee chairman said but because of the way the budget was written and adopted by the Senate when under the control, I might add, of my friends on the Republican side. I didn't hear the Senator from Texas say at that time when the budget was adopted we shouldn't be doing this—that we should only adopt $5.5 billion for 2001 and nothing for 2002. I didn't hear the Senator from Texas at the time the budget was adopted get up and rail against that.

So there it is. We have it in the budget that this committee is authorized to expend up to $7.35 billion in fiscal year 2002.

I say to my friend from Texas, we didn't do that. We didn't expend $7.35 billion; we expended about $2 billion of that $7.35 billion that will be spent in fiscal year 2002.

The Senator from Texas surely knows we are not spending any 2002 money in 2001. We are spending 2001 money prior to September 30, but the other $2 billion, about, is spent after October 1, which is in fiscal year 2002 and is allowed under the budget agreement adopted by the House and the Senate.

I didn't hear the Senator taking issue at that when the budget was adopted. We are only doing what is within our authority to do.

Again, the Senator from Texas also went on at some length to read about

some of the programs in the bill. I refer to last year's bill when we passed emergency assistance. There was a lot of extraneous stuff put in there because it was felt it was needed.

Carbon cycle research was in last year's bill; tobacco research for medicinal purposes; emergency loans for seed producers; water systems for rural and native villages in Alaska; there is the Bioinformatics Institute for Model Plant Species in last year's ''emergency'' bill, along with crop insurance and everything else.

I point out to my friend from Texas, there are no new programs in this bill, not one. In last year's bill there was a new program put in that probably, I suppose, we could have said should not have gone in the farm bill, but I thought it was reasonable and it was put in at that time on a soil and water conservation assistance program which was a brand-new program included in the emergency bill last year. I did not hear last year the Senator from Texas getting up and saying that the emergency bill should not include those. He is saying that this year.

Again, we made no changes, and we made no policy changes. There is one technical correction included, and I had to smile when I heard the Senator talk about the paperwork reduction in the school nutrition program. Actually, that was requested by the House Committee on Education and the Workforce. They actually requested we do that to take care of a problem in paperwork. We said it sounds reasonable. We might as well do it. Why not take care of it?

Again, there are no new programs, no new changes. All there is is one technical change in the CRP program, but in last year's emergency package there were a number of technical fixes and changes. There were new programs, as I pointed out. There were changes in eligibility. All that was done. We do not do that, basically, in this bill. There are no new conservation programs. All we are doing is funding the ones that are out of money.

I do want to at least address myself very briefly to another issue. I heard some of my friends on the other side say: Yes, we do have a dire situation in agriculture; yes, farmers are hurting; yes, it has not gotten any better since last year. But because Mr. Daniels, the head of OMB, has said he would recommend a veto, we can't meet the needs of farmers out there.

I ask my colleagues, who knows agriculture better, Mr. Daniels or the American Farm Bureau Federation? Who knows agriculture better, the National Corn Growers Association or Mr. Daniels? Who knows agriculture better, the National Farmers Union or Mr. Daniels? Who knows agriculture and their needs better, the National Wheat Growers Association or Mr. Daniels at OMB?

I say to my friends on the other side of the aisle who understand that we have some real unmet needs out there, we really have some farmers all across America who are hurting, as we have heard from all of their representatives. I say to them: Call on the President. Don't let Mr. Daniels speak for you. I say to my friends who understand agriculture, who understand the needs out there: Call up President Bush and say we need this package.

I have heard Senators on the other side—not all of them, but I have heard some of them say we need this assistance; we need the kind of money we are talking about; but because there has been a threat of a veto, we cannot do it.

I daresay that if Senators who hold that view were to call up the President and say: Mr. Daniels is wrong on this; we need this money; farmers desperately need it, I, quite frankly, believe the President would listen to the Senators here who represent agricultural States rather than Mr. Daniels.

I don't know what Mr. Daniels' background is. I don't know if he is a farmer, if he comes from a farm or not. I don't know, but I don't think he understands what is happening there in agriculture.

Last, there was a statement made—I wrote it down—''political grandstanding.'' I resent the implication that what we are doing is political grandstanding. We took a lot of care and time to talk with Senators on both sides of the aisle. I talked with Representatives in the House of Representatives. We met with farm groups to try to fashion a bill that did two things: It met the requirements of the Budget Act and, second, met the needs farmers have out there.

I really resent any implication that there is political grandstanding. We may have a difference of opinion on what is needed out there. I can grant there may be some differences of opinion on that. But that is why we have debates. That is why we have votes. But in no way is this political grandstanding. This is what many of us, I think on both sides of the aisle, believe is desperately needed in rural America.

Since it is desperately needed, I hope my friends on the other side of the aisle will contact the President and tell him this is one time he needs to not listen to the advice of Mr. Daniels but to listen to the advice of our American farmers, their Representatives here in Washington, and the Senators who represent those farm States.

I yield the floor. I see my friend from Nebraska is waiting to speak.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Nevada.

Mr. REID. Madam President, before you recognize the Senator from Nebraska, I have a unanimous consent request. I ask unanimous consent that I be recognized to move to table Senator LUGAR's amendment at 3 o'clock this afternoon and the 45 minutes prior to that vote, after our conferences, be equally divided between Senators HARKIN and LUGAR, and that no other amendments be in order prior to that vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Nebraska.

Mr. NELSON of Nebraska. Madam President, I rise in support of this legislation, S. 1246, and in opposition to the amendment offered by my good friend, Senator LUGAR. I know he is attempting to do what he thinks is best. That is what this honest debate should be about—what is best for American agriculture and how we can best meet those needs.

I notice my good friend, Senator COCHRAN from Mississippi, has a view that is a little different from that of Senator LUGAR in that he had prepared an amendment of about $6.5 billion but is supporting Senator LUGAR in his effort at $5.5 billion. But it points out that there are honest differences of opinion, even on the other side.

The reason I support S. 1246 is that it is a balanced bill and one that takes into account the diversity of agricultural interests all over this country. It recognizes that the major commodities are in their fourth year of collapsed prices, yet at the same time recognizes that economic assistance cannot and should not go just to program crops, it must reach further, to add additional farmers who are suffering and who do not happen to grow wheat, corn, or rice.

On a parochial level, the bill before us holds several provisions that are important to Nebraskans. It is no exaggeration to say that agriculture is the backbone of Nebraska's economy, for one of every four Nebraskans depends on agriculture for employment. It has been an ongoing source of concern for me that when the rest of our economy was booming, production agriculture was on the decline.

As do other Senators, I regret having to supplement our farm policy with billions of dollars of additional emergency assistance every year. So it is, in fact, high time to move on with the writing of a new farm bill for just that reason.

But until then, we have to be here to help those who produce food, who feed our Nation. This bill does that. This bill provides for an additional AMTA, or Freedom to Farm payment, at the full $5.5 billion level, which is what producers in Nebraska want. It is what producers all across our country want and what they expect us to provide. The bill passed by the House does not do so, and any package that spends just $5.5 billion cannot do so. I believe that is unacceptable.

This bill provides for assistance for oilseeds, which are not a program crop. It suspends the assessment on sugar, which is critical to the beleaguered sugar beet growers of western Nebraska and other parts of our country. And it beefs up and in some cases reinstates spending for vital conservation programs, all of which face long-term

and growing backlogs and many of which would expire if not extended by this bill and were left for a farm bill later this year or next year.

In some cases my good friend from Texas points out some programs that do not, I suspect, seem to be quite as much of an emergency. But I think the good Senator from Iowa, Mr. HARKIN, answered that and said that in every emergency bill you might question the urgency or emergency of certain aspects of it but we ought not to let that get in the way of passing a bill that deals with emergency needs.

This bill also offers eligibility for LDP payments to producers who are not enrolled in the current farm program, a provision which I strongly support and which makes an enormous difference for the small number of producers who need this provision. In fact, Senator GRASSLEY and I introduced legislation to this effect earlier this year and I am grateful to Chairman HARKIN for including this provision. This morning I received a call from a constituent about this issue. So, for those who are eligible, there is no more important provision in this bill.

Finally, I commend the chairman for including funding for value-added development grants. This program was first funded last year, and it has been very popular in Nebraska. In fact, I know we have several grant requests under preparation for this funding, including one for a producer-owned pork processing and marketing facility. This is exactly the kind of program that we all talk about and want to encourage.

I am happy to support this package and know it will find wide support in Nebraska from farm groups and from farmers all over our State and our country.

It is beyond me why some Senators and the administration are so staunchly opposed to this bill. In fact, it provides a payment for a single crop year but stretching over two fiscal years, and it is within the budget constraints.

I can't find a way to explain to Nebraskans when prices are no better than last year's why the assistance provided by Congress should be cut. I can't find a way, and I don't intend to try to find a way to explain that. It just simply won't sell.

The Director of OMB suggested in his letter that the spending should decrease because farm income is up. That certainly may be true for our cattle producers. But this assistance flows primarily to row crop producers and others who are not enjoying such good fortune. How can I explain to my constituent who called this morning saying that he qualified for LDPs on his farm last year but he doesn't merit any assistance this year?

My point is that the tunnel vision approach that we must spend exactly and only $5.5 billion ignores an awful lot of needs in each and every one of our States.

I am not willing to say that the needs of producers who grow corn in Nebraska are more important than those who grow chickpeas or to the dedicated hog producers who are working diligently to process and market their own pork that we can't find a way to afford the value-added loan program that offers them their best chance to get off the ground. How can I say to them that they will have to wait for the farm bill and maybe there will be funding available after that?

This bill before us attempts to balance the needs across commodities and across the country. I think it is a great effort. I hope we can convince the House of its merits.

There was a statement that some of the payments will be direct but some will be indirect, as though there is some distinction there of any importance. The fact that we are able to get direct and indirect money into the pockets of farmers today is what this is about. That is what the emergency requires, and that is what this bill does.

As a fiscal conservative, I want to economize but not at the expense of America's farmers. I support this bill because I think it, in fact, will do what we need to do for agriculture on an emergency basis and give us the opportunity in a more lengthy period of time to come to the conclusion about what the ongoing farm bill should be and do that not on an emergency basis but on a long-term basis and a multiyear basis.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Madam President, I thank my colleague from Nebraska. I associate myself with all of Senator NELSON's remarks.

I can't wait to write a new farm bill. I jumped on this Agriculture Committee when there was an opening because I have hated this ''freedom to fail'' bill. We have had a dramatic decline in farm prices and farm income.

I thank the Senator from Iowa for this emergency package. I rise to speak on the floor to strongly support what our committee has reported out to the Senate.

Let me say at the very beginning that I don't like the AMTA payment mechanism. I am disappointed that we have to continue to do it this way.

From the GAO to what farmers know in Minnesota and around the country, a lot of these AMTA payments have amounted to a subsidy and inverse relationship to need. The vast amount of the actual payments to farmers to keep them going goes to the really large operations and the mid-sized and smaller farmers do not get their fair share.

I also believe that a lot of younger farmers who were hurt by the low proportion of payments that go to them are also hurt as younger farmers. We need more younger farmers.

I believe all of this should be changed. The Senator from Iowa knows that. But I also think we have to get the payments out to people.

Let me say to colleagues that I am not prepared to go back to Minnesota and say to people in farm country that we didn't have the money to provide the assistance to you.

I think it is a shame that people are so dependent on the Government. People hate it. What they want is some power or some leverage to get a decent price in the marketplace. I believe in this farm bill that we are writing in the Senate Agriculture Committee. We should do so. I also believe that there should be a strong effort in the conservation part of this legislation.

I think there ought to be a section that deals with energy, and there ought to be a section dealing with competition. We ought to be talking about put putting more competition into the food industry.

I am becoming conservative these days in the Senate because I want to put more free enterprise into the free enterprise system. I want to see us take antitrust seriously. I want to see us go after some of these conglomerates that are muscling their way to the dinner tables and forcing family farmers out—and, by the way, very much to the detriment of consumers.

This emergency package has some very strong features. First of all, thank goodness, this is an emphasis on conservation and conserving our natural resources. From the CRP Program, to the Wetland Reserve Program, to Environmental Quality Incentive Programs, we are talking about programs that need the additional funding. We are talking about programs that are win-win-win: win for the farmers, win for Pheasants Forever, win for Ducks Unlimited, some of the best environmental organizations you could ever run across; a win for consumers; and a win for the environment.

Our Catholic bishop wrote a statement about 15 years ago entitled ''Strangers and Guests.'' He said we are all but strangers and guests in this land. They were looking at soil erosion and chemical runoff into the water.

The focus on conservation in this emergency package is just a harbinger of the direction we are going to go because this next farm bill is going to focus on land stewardship, on preserving our natural resources, on conservation, and on a decent price for family farmers as opposed to these conglomerates.

I believe what we have in this emergency package is extremely important. I thank my colleague from Iowa for an extension of the Dairy Price Support Program. It is important to dairy farmers in Minnesota and throughout the country. The program was due to expire this year. At least it is an effort to stabilize these mad fluctuations in price.

If you have a lot of capital, it is fine if you go from $13.20 per hundredweight to $9 per hundredweight. But if you do not have the capital and the big bucks, you are going to go under.

I think it is important to have that.

I thank my colleagues. The growers in the Southern Minnesota Sugar Beet

Cooperative are going to receive benefits under the 2000 crop assistance program through this legislation. These are sugar beet growers of southern Minnesota who suffered because of a freeze in the fields last fall. They tried to process the beets. They tried to do their best. They couldn't make the money off of it. Frankly, without the assistance in this package, they wouldn't have any future at all.

Again, what is an emergency? From my point of view, if you can get some benefits to people who find themselves in dire economic circumstances through no fault of their own, and you can make sure that they can continue to survive today so that they can farm tomorrow, then you are doing what you should do.

That is what this package is all about. I fully support it.

As much as I like my colleague from Indiana and as much as I think he is one of the best Senators in the Senate, I cannot support his substitute amendment.

I hope we will have strong support on the floor of the Senate for this package of emergency assistance that comes to the Senate from the Senate Agriculture Committee.

By the way, we need to move on this matter. We need to get this assistance out to farmers. We don't need to delay and delay because then we are playing with people's lives in a very unfortunate way. We really are. This is the time for Senators to have amendments, as Senator LUGAR has. This is a time for Senators to disagree. That is their honest viewpoint. But it is not a time to drag this on and on so that we can't get benefits out to people who without these benefits are not going to have any future at all. We cannot let that happen. We cannot do that to farmers in this country.

I yield the floor and 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. REID. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:30 p.m., recessed until 2:15 p.m., and reassembled when called to order by the Presiding Officer (Mr. MILLER).

EMERGENCY AGRICULTURAL ASSISTANCE ACT OF 2001—Continued

AMENDMENT NO. 1190

The PRESIDING OFFICER. Under the previous agreement, the time until 3 o'clock is evenly divided between Senator LUGAR and Senator HARKIN.

Who yields time?

Mr. REID. Mr. President, on behalf of Senator HARKIN, I yield 4 minutes to the chairman of the Budget Committee.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. I thank the Presiding Officer and my colleague, and I thank the chairman of the Agriculture Committee for this time as well.

Mr. President, I want to address, just briefly, the statements that were made by the Senator from Texas about whether or not this bill—the underlying bill; not the amendment by the Senator from Indiana but the underlying bill—violates the budget, whether it busts the budget.

I think it is very clear that the bill brought out of the Agriculture Committee by the chairman, Senator HARKIN, does not violate the budget in any way. The budget provided $5.5 billion in fiscal year 2001 to the Agriculture Committee for this legislation and provided an additional $7.35 billion in fiscal year 2002 for additional legislation to assist farmers at this time of need.

The bill that is in the assistance package provides $5.5 billion in 2001 and provides $1.9 billion in fiscal year 2002. It clearly does not violate the budget in any way. It does not bust the budget. It is entirely in keeping with the budget.

I just challenge the Senator from Texas, if he really believes this violates the budget, to come out here and bring a budget point of order. That is what you do if you believe that a bill violates the budget, that it busts the budget. Let's see what the Parliamentarian has to say. We know full well what the Parliamentarian would say. They would rule that there is no budget point of order against this bill because it is entirely within the budget allocations that have been made to the Agriculture Committee.

This notion of whether or not you can use years of funding in 1 year and in the second year is addressed very clearly in the language of the budget resolution itself. It says:

> It is assumed that the additional funds for 2001 and 2002 will address low income concerns in the agriculture sector today.

These funds were available to be used in 2001, in 2002, in legislation today. It goes on to say:

> Fiscal year 2003 monies may be made available for 2002 crop year support . . .

Understanding the difference between a fiscal year and a crop-year.

The fact is, every disaster bill we have passed in the last 3 years has used money in two fiscal years because the Federal fiscal year ends at the end of September and yet we know that a disaster that affects a crop affects not only the time up until the end of September but also affects the harvest in October and the marketing of a crop that occurs at that time. So always two fiscal years are affected.

Finally, the Senator from Texas said that this will raid the Medicare trust fund.

No, it will not. We are not at a point that we are using Medicare trust fund money. We are not even close to it at this point. I believe by the end of this year we will be using Medicare trust fund money to fund other Government programs. I have said that. I warned about it at the time the budget was considered. I warned about it during the tax bill debate. It is very clear that is going to happen, not just this year; it is going to happen in 2002, 2003, and 2004. And in fact we are even going to be close to using Social Security trust fund money in 2003.

This is not about that. This is about 2001. This is about 2002. In this cycle, this part of the cycle, we are nowhere close to using Medicare trust fund money. I would like the record to be clear.

The PRESIDING OFFICER. The Senator has used 4 minutes.

Who yields time?

Mr. LUGAR. Mr. President, I yield time to the distinguished Senator from Kansas. How much time does the Senator require?

Mr. ROBERTS. I thank the distinguished ranking member, and former chairman, for yielding me the time. I ask for 15 minutes if I might. If I get into a problem, maybe a minute or two.

Mr. LUGAR. I yield 15 minutes to the distinguished Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. ROBERTS. Mr. President, I rise to support the amendment offered by the distinguished former chairman of the Agriculture Committee, Senator LUGAR. I know agriculture program policy is somewhat of a high-glaze topic to many of my colleagues. I know many ask questions as to the details and the vagaries of farm programs, why we seemingly always consider for days on end every year emergency farm legislation and Agriculture appropriations, what we now call supplemental Agriculture bills.

In the ''why and hows come'' department, let me recommend to my colleagues yesterday's and today's proceedings and in particular Senator LUGAR's remarks with regard to this bill and, more importantly, the overall situation that now faces American agriculture and farm program policy. It is a fair and accurate summary that the ranking member has presented. In typical DICK LUGAR fashion, the Senator from Indiana has summed up the situation very well. If you want a 15-minute primer in regards to agriculture program policy, simply read the Senator's remarks.

Why are we here? Why are we considering this legislation? The title of this legislation is the Emergency Agriculture Assistance Act of 2001. The name implies to me that the bill is to fund pressing economic needs in farm country. We have them. That is what